



Tudor Gold Corp.

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

(Expressed in Canadian Dollars)

**MANAGEMENT'S COMMENTS ON
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Tudor Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgments based on information currently available.

The Company's independent auditor has not performed a review of these condensed interim financial statements established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

TUDOR GOLD CORP.

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

	September 30, 2017	March 31, 2017
ASSETS		
Current		
Cash	\$ 1,395,081	\$ 94,303
Amounts receivable	243,870	152,568
Available-for-sale investments (Note 5)	187,500	187,500
Prepays and deposits	85,094	6,712
	<u>1,911,545</u>	<u>441,083</u>
Reclamation deposits (Note 4)	131,600	131,600
Exploration and evaluation assets (Note 4)	16,719,977	11,699,551
Property and equipment (Note 6)	<u>198,840</u>	<u>117,762</u>
Total assets	<u>\$ 18,961,962</u>	<u>\$ 12,389,996</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 8)	\$ 3,171,920	\$ 163,526
Current portion of lease obligations	19,968	-
Flow-through liability	7,172	-
	<u>3,199,060</u>	<u>163,526</u>
Lease obligations	<u>49,509</u>	<u>-</u>
Total liabilities	<u>3,248,569</u>	<u>163,526</u>
Shareholders' equity		
Share capital (Note 7)	17,699,001	13,793,704
Equity reserves (Note 7)	368,676	334,968
Accumulated other comprehensive loss	(62,500)	(62,500)
Deficit	<u>(2,291,784)</u>	<u>(1,839,702)</u>
Total shareholders' equity	<u>15,713,393</u>	<u>12,226,470</u>
Total liabilities and shareholders' equity	<u>\$ 18,961,962</u>	<u>\$ 12,389,996</u>

Nature of operations (Note 1)

Basis of presentation (Note 2)

Subsequent event (Note 13)

On behalf of the Board:*“Walter Storm”*

Director

“Robert Quinn”

Director

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

TUDOR GOLD CORP.

(An Exploration Stage Company)

CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

	Three months ended		Six months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
EXPENSES				
Automobile	\$ 2,574	\$ 1,725	\$ 5,148	\$ 6,991
Consulting fees (Note 8)	48,332	54,250	80,232	98,750
Depreciation (Note 6)	5,625	1,396	11,083	2,370
General exploration costs	4,694	(14,725)	7,767	-
Management fees (Note 8)	36,000	11,600	72,000	21,950
Office and miscellaneous (Note 8)	64,531	40,739	114,343	47,245
Professional fees	16,445	40,795	50,160	245,028
Salaries and wages	37,011	-	63,854	-
Shareholder information	5,029	1,731	5,176	5,955
Share-based compensation (Note 8)	-	-	-	254,904
Transfer agent, listing and fees	14,626	27,849	16,211	105,914
Travel	3,433	537	26,108	4,782
Loss from operations	(238,300)	(165,897)	(452,082)	(793,889)
Interest income	-	-	-	410
Net loss for the period	\$ (238,300)	\$ (165,897)	\$ (452,082)	\$ (793,479)
Other comprehensive loss				
Unrealized loss on available-for-sale investments (Note 5)	62,500	-	-	31,250
Comprehensive loss for the period	\$ (175,800)	\$ (165,897)	\$ (452,082)	\$ (762,229)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding (basic and diluted)				
	78,609,417	63,435,000	77,318,532	51,572,213

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

TUDOR GOLD CORP.

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CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)

(Expressed in Canadian dollars)

	<u>Share Capital</u>		<u>Equity Reserves</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Deficit</u>	<u>Total</u>
	<u>Number of Shares</u>	<u>Amount</u>				
Balance, March 31, 2016	3,025,000	\$ 345,753	\$ 27,555	\$ -	\$ (457,701)	\$ (84,393)
Private placements	27,950,000	5,558,000	-	-	-	5,558,000
Exercise of options	450,000	60,000	-	-	-	60,000
Shares for exploration and evaluation assets	33,730,000	4,143,000	-	-	-	4,143,000
Share issue costs	-	(309,889)	-	-	-	(309,889)
Share-based compensation	-	-	254,904	-	-	254,904
Fair value adjustment on available-for-sale investments	-	-	-	31,250	-	31,250
Loss for the period	-	-	-	-	(793,479)	(793,479)
Balance, September 30, 2016	65,155,000	9,796,864	282,459	31,250	(1,251,180)	8,859,393
Exercise of options	100,000	10,000	-	-	-	10,000
Shares for exploration and evaluation assets	370,000	3,950,300	-	-	-	3,950,300
Share-based compensation	-	-	89,049	-	-	89,049
Fair value reversal on exercise of options	-	36,540	(36,540)	-	-	-
Fair value adjustment on available-for-sale investments	-	-	-	(93,750)	-	(93,750)
Loss for the period	-	-	-	-	(588,522)	(588,522)
Balance, March 31, 2017	65,625,000	13,793,704	334,968	(62,500)	(1,839,702)	12,226,470
Private placements	4,045,291	2,851,740	-	-	-	2,851,740
Exercise of options	50,000	5,000	-	-	-	5,000
Exercise of warrants	11,000,000	1,100,000	-	-	-	1,100,000
Shares for exploration and evaluation assets	300,000	156,000	-	-	-	156,000
Share issue costs	95,147	(204,743)	38,180	-	-	(166,563)
Flow-through share premium liability	-	(7,172)	-	-	-	(7,172)
Fair value reversal on exercise of options	-	4,472	(4,472)	-	-	-
Loss for the period	-	-	-	-	(452,082)	(452,082)
Balance, September 30, 2017	81,115,438	\$ 17,699,001	\$ 368,676	\$ (62,500)	\$ (2,291,784)	\$ 15,713,393

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

TUDOR GOLD CORP.
(An Exploration Stage Company)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

Six months ended September 30,	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (452,082)	\$ (793,479)
Accretion on lease obligations	34	
Depreciation	11,083	2,370
Share-based compensation	-	254,904
Changes in non-cash working capital items:		
Amounts receivable	(91,302)	(118,620)
Prepays and deposits	(78,382)	(107,940)
Accounts payable and accrued liabilities	9,765	495,961
Net cash used in operating activities	(600,884)	(266,804)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of available-for-sale investments	-	(250,000)
Exploration and evaluation assets - option payments	(256,542)	(746,081)
Exploration and evaluation assets - exploration expenses	(1,609,255)	(2,285,038)
Reclamation deposits	-	(131,600)
Purchase of property and equipment	(6,866)	(122,924)
Net cash used in investing activities	(1,872,663)	(3,535,643)
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance lease payments	(15,852)	-
Proceeds from private placements, net	2,685,177	5,248,111
Proceeds from exercise of options	5,000	60,000
Proceeds from exercise of warrants	1,100,000	-
Repayment of loan	-	(10,000)
Net cash provided by financing activities	3,774,325	5,298,111
Change in cash during the period	1,300,778	1,495,664
Cash, beginning of period	94,303	7,996
Cash, end of period	\$ 1,395,081	\$ 1,503,660

Supplemental disclosures with respect to cash flows (Note 12)

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

TUDOR GOLD CORP.

(An Exploration Stage Company)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the six months ended September 30, 2017

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Tudor Gold Corp. (the “Company”) was incorporated under the Business Corporations Act (Alberta) on January 20, 2010. On April 28, 2016, the Company was continued from the Province of Alberta to the Province of British Columbia. The Company changed its name to Tudor Gold Corp. on May 11, 2016. On April 6, 2016, the Company completed its Qualifying Transactions by entering into a definitive acquisition agreement with Tudor Holdings Ltd. (“Tudor Holdings”) involving the issuance of 30,000,000 common shares of the Company at a deemed price of \$0.10 per share in exchange for rights to the Mackie property located in the Skeena Mining Division of northwestern British Columbia (Notes 4 and 7). The Company is listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “TUD”. The Company is a junior resource exploration company that is involved in the acquisition and exploration of mineral properties in Canada.

The head office and principal business address of the Company is Suite 900 – 1021 West Hastings Street, Vancouver, B.C., Canada V6E 0C3.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements, including comparatives have been prepared in accordance with IAS 34, “Interim Financial Reporting” of the International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting process.

These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s audited financial statements for the year ended March 31, 2017. The policies applied in these condensed interim financial statements are based on IFRS issued as of the date the Board of Directors approved the financial statements. These condensed interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended March 31, 2017.

These condensed interim financial statements were authorized for issue by the Audit Committee and Board of Directors on November 27, 2017.

Basis of Measurement

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

These financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

Certain comparative financial information has been reclassified to conform with this year’s presentation.

Going Concern

TUDOR GOLD CORP.

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(Expressed in Canadian dollars)

The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its mineral property interests, is dependent on the Company's ability to obtain the necessary financing. During the six months ended September 30, 2017, the Company received over \$2,500,000 from private placements and over 1,100,000 from the exercise of warrants and stock options. However, the Company will require additional capital to finance future operations and growth. If the Company is unable to obtain additional financing, the Company would be unable to continue. There can be no assurance that management's plans will be successful.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead, pay its liabilities and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation properties is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of these exploration and evaluation properties, and establish future profitable production, or realize proceeds from the disposition of exploration and evaluation properties. The carrying value of the Company's exploration and evaluation properties does not reflect current or future values.

These matters indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

3. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value. As at September 30, 2017 and 2016, the Company did not have any cash equivalents.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item.

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Depreciation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the straight-line method over the following expected useful lives:

- | | |
|-----------------------|-----------------------------|
| • Building | 20 years |
| • Website development | 4 years |
| • Vehicles | 8 years |
| • Equipment | 4 years |
| • Land | Not subject to depreciation |

Financial instruments

Financial instruments consist of financial assets and financial liabilities and are initially recognized at fair value net of transaction costs, if applicable. Measurement in subsequent periods depends on whether the financial instrument has been classified as “fair value through profit or loss”, “loans and receivables”, “available-for-sale”, “held-to-maturity”, or “financial liabilities measured at amortized cost” as follows:

Financial assets

Financial assets held by the Company include cash and available-for-sale investments. Cash is measured at fair value through profit or loss and changes to fair value subsequent to initial recognition are recorded in profit or loss for the period in which they occur. Available-for-sale investments is measure at fair value with the unrealized gain or loss recorded in other comprehensive income or loss.

Impairment of financial assets

Financial assets, other than financial assets at fair value through profit or loss, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss 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 to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

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Financial liabilities

Financial liabilities comprise accounts payable and accrued liabilities and loan payable which are classified as other financial liabilities measured at amortized cost using the effective interest rate method. Under this classification, all cash flows from these financial instruments are discounted, where material, to their present value. Over time, this present value is accreted to the future value of remaining cash flows, and this accretion is recorded as interest expense.

Financing costs

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Share-based compensation

The Company may grant stock options to acquire 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.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date, using the Black-Scholes option pricing model, and are recognized as an expense over the vesting periods of the options on a graded basis. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to equity reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as equity reserves are recorded as share capital. When the right to receive options is forfeited before the options have vested, any expense previously recorded is reversed.

Share purchase warrants

Warrants with the right to acquire common shares in the Company are typically issued through the Company's equity financing activities. Where warrants are issued on a stand-alone basis, their fair values are measured on their issuance date using the Black-Scholes option pricing model and are recorded as both an increase to equity reserves and as a share issue cost.

The Company uses the residual value method of accounting for warrants included in a share unit offering. When warrants are attached to common shares issued by the Company as part of a share unit offering, the proceeds from the unit sale are bifurcated first to the common shares at their fair market value on the date of issuance. Any excess in the purchase price of the unit as a whole and the fair market value of the common shares issued on the date of unit sales is attributed to the value of warrants. This fair value is recorded as an increase to equity reserves.

When share purchase warrants are exercised, the cash proceeds along with the amount previously recorded in equity reserves are recorded as share capital.

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(Expressed in Canadian dollars)

Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

(Loss) earnings per share

Basic (loss) earnings per share is calculated by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period which excludes shares held in escrow.

Diluted earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of “in-the-money” stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, basic per share amounts are the same as on a diluted basis as the result would be anti-dilutive.

Use of estimates and measurement uncertainties

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the measurements of assets, liabilities, revenues, expenses and certain disclosures reported in these financial statements. Significant estimates made by management include the following:

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(Expressed in Canadian dollars)

Valuation of stock options and share purchase warrants

Management uses the Black-Scholes option pricing model to determine the fair value of employee stock options and share purchase warrants issued for goods or services. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

Income taxes

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, or deferred income tax assets and liabilities.

Economic recoverability of exploration and evaluation assets

Management has determined that exploration and evaluation costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Future changes in accounting policies

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period. These standards have been assessed to not have a significant impact on the Company's financial statements:

IFRS 9, "Financial Instruments"

The IASB intends to replace IAS 39, "Financial Instruments: Recognition and Measurement" in its entirety with IFRS 9 in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39. IFRS 9 requires that all financial assets be classified and subsequently measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities classified as at fair value through profit or loss, financial guarantees and certain other exceptions.

IFRS 9 can currently be adopted voluntarily, but is mandatory for years beginning on or after January 1, 2018.

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(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

	Mackie East	Mackie West	Doc	Treaty Creek	Electrum	Other	Total
ACQUISITION							
Balance, March 31, 2017	\$ 1,050,000	\$ 1,000,000	\$ 1,038,500	\$ 1,877,400	\$ 2,377,400	\$ 1,623,709	\$ 8,967,009
Share option payments	-	-	-	-	-	156,000	156,000
Cash option payments	-	-	-	-	-	256,542	256,542
Balance, September 30, 2017	1,050,000	1,000,000	1,038,500	1,877,400	2,377,400	2,036,251	9,379,551
EXPLORATION							
Balance, March 31, 2017	49,006	13,519	75,238	2,063,688	441,299	89,792	2,732,542
Air transportation	-	-	-	1,547,192	3,409	-	1,550,601
Assaying	-	-	-	86,196	-	-	86,196
Consulting fees	-	-	-	125,642	23,250	-	148,892
Drilling	-	-	-	2,358,001	7,394	-	2,365,395
Field costs	-	-	-	401,910	11,827	-	413,737
Geology	-	-	-	39,680	-	-	39,680
Road access	-	-	-	-	3,065	-	3,065
Travel	-	-	-	318	-	-	318
Balance, September 30, 2017	49,006	13,519	75,238	6,622,627	490,244	89,792	7,340,426
CARRYING VALUE							
March 31, 2017	1,099,006	1,013,519	1,113,738	3,941,088	2,818,699	1,713,501	11,699,551
September 30, 2017	\$ 1,099,006	\$ 1,013,519	\$ 1,113,738	\$ 8,500,027	\$ 2,867,644	\$ 2,126,043	\$ 16,719,977

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(Expressed in Canadian dollars)

	Mackie East	Mackie West	Doc	Treaty Creek	Electrum	Other	Total
ACQUISITION							
Balance, March 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Share option payments	1,000,000	1,000,000	1,038,500	1,877,400	1,877,400	1,300,000	8,093,300
Cash option payments	50,000	-	-	-	500,000	323,709	873,709
Balance, March 31, 2017	1,050,000	1,000,000	1,038,500	1,877,400	2,377,400	1,623,709	8,967,009
EXPLORATION							
Balance, March 31, 2016	-	-	-	-	-	-	-
Air transportation	6,512	-	32,950	491,758	-	26,438	557,658
Assaying	-	-	-	46,873	99,024	-	145,897
Consulting fees	4,601	4,691	10,440	88,578	73,281	15,750	197,341
Drilling	-	-	11,150	547,197	181,352	-	739,699
Field costs	770	770	19,698	475,795	78,942	4,080	580,055
Geology	3,280	8,058	1,000	82,749	8,700	1,100	104,887
Geophysics	33,843	-	-	270,740	-	33,842	338,425
Legal fees	-	-	-	59,665	-	8,582	68,247
Travel	-	-	-	333	-	-	333
Balance, March 31, 2017	49,006	13,519	75,238	2,063,688	441,299	89,792	2,732,542
CARRYING VALUE							
March 31, 2016	-	-	-	-	-	-	-
March 31, 2017	\$ 1,099,006	\$ 1,013,519	\$ 1,113,738	\$ 3,941,088	\$ 2,818,699	\$ 1,713,501	\$ 11,699,551

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(Expressed in Canadian dollars)

Mackie East, Mackie West and Doc claims

On April 6, 2016, the Company completed a definitive acquisition agreement with Tudor Holdings involving the issuance of 30,000,000 common shares of the Company at a value of \$0.10 per share (issued) (Note 7) in exchange for rights to the Mackie Property located in the Skeena Mining Division of northwestern British Columbia. The 30,000,000 common shares will be subject to an escrow agreement, under which the shares will be released over the next three years. The Mackie Property consists of three main claim groups: Mackie East, Mackie West and the Doc claims.

The Mackie East claims are subject to an option agreement, whereby the Company can acquire a 100% interest in the claims by making property payments totaling \$250,000 over the next three years (\$50,000 paid). The Mackie East claims are subject to a 2.5% net smelter return (“NSR”) royalty.

The Mackie West claims are not subject to an underlying option agreement and will be wholly owned on completion of the acquisition agreement. There are no NSR royalties in respect of these claims.

The Doc claims are subject to an option agreement, whereby the Company can acquire a 100% interest in the claims by making the property payments totaling \$2,000,000 over the next three years. The option agreement was amended in November 2016, such that the \$50,000 cash payment due in November 2016 was replaced by the issuance of 70,000 common shares of the Company’s shares to the optionor (issued with a value of \$38,500) (Note 7). The Doc claims are subject to a 2.5% NSR royalty.

Treaty Creek Property

On May 10, 2016, the Company entered into a joint venture agreement, under which it acquired a 60% interest in the Treaty Creek Property located in northwestern British Columbia by acquiring a 31% interest from American Creek Resources Ltd. (“American Creek”), which held a 51% stake, and a 29% interest from Teuton Resources Corp. (“Teuton”), which held a 49% interest. The Company acquired the combined 60% interest by issuing 500,000 common shares to each of American Creek and Teuton with a combined value of \$1,260,000 (issued) (Note 7). As part of the agreement, the Company agreed to complete a minimum of \$1,000,000 in exploration expenditures on the Treaty Creek Property during 2016 (completed).

Pursuant to the agreement, the Company holds a 60% interest and each of American Creek and Teuton hold a 20% interest. Both American Creek’s and Teuton’s 20% interests are carried during the exploration period until a production notice is given, at which time they will each be responsible for 20% of the costs under and subject to the terms of the joint venture agreement. The Property is subject to 3% NSR royalties and under the terms of the agreement, and the Company is designated as operator of the joint venture.

Finder’s fees consisting of 490,000 common shares of the Company were issued on June 14, 2016 with a value of \$617,400, in respect to the Company’s acquisition of the interests in the Treaty Creek Property (Note 7).

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Electrum Property

On May 10, 2016, the Company entered into a joint venture agreement, under which it acquired a 60% interest in the Electrum Property located in northwestern British Columbia from American Creek, by issuing 1,000,000 common shares with a value of \$1,260,000 (issued) (Note 7) and paying \$500,000 (paid). As part of the agreement, the Company also acquired 3,125,000 shares of American Creek by investing \$250,000 pursuant to a private placement, at a price of \$0.08 per American Creek share (Note 5). Under the terms of the agreement, the Company is designated as operator of the joint venture.

The Electrum Property comprises eight claims, of which six claims are subject to a 2% NSR royalty which can be purchased at any time for \$1,000,000.

Finder's fees consisting of 490,000 common shares of the Company were issued on June 14, 2016 with a value of \$617,400, in respect to the Company's acquisition of the interests in the Electrum Property (Note 7).

Eskay North Property

On May 10, 2016, the Company acquired a 100% interest in a single mining claim in the Skeena Mining Division of northwestern British Columbia, known as the Eskay North Property. As consideration for the claim, the Company will issue 750,000 common shares over a twelve-month period (issued with a combined of \$582,500) (Note 7). The Eskay North Property is subject to a 2.5% NSR royalty payable to the vendor.

Orion Property

On June 1, 2016, the Company entered into an option agreement to acquire a 100% interest in the Orion Property located in the Skeena Mining Division of northwestern British Columbia by making option payments totaling \$700,000 (\$100,000 paid) and the issuance of 700,000 common shares over a five-year period (300,000 common shares issued with a value of \$371,000) (Note 7). The Property is subject to a 2.5% NSR royalty.

Fairweather, Delta and High North Property Option Agreements

On May 24, 2016, the Company entered into agreements with Tudor Holdings to assume option agreements on three properties in the Skeena Mining Division of northwestern British Columbia. The Company was granted the right to acquire the 100% interest in the three properties pursuant to the terms of assignment and assumption agreements. The properties are known as the Fairweather Property, the Delta Property, and the High North Property.

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The terms of the acquisition of the three properties are summarized below:

Fairweather Property

The Company has been assigned the right to acquire a 100% interest in the Fairweather Property by paying Tudor Holdings the sum of \$37,662, which represents costs paid to date in respect of the property (paid). The agreement also stipulates additional option payments totaling \$320,000 (\$20,000 paid) and the issuance of up to 700,000 common shares over a five-year period (300,000 common shares issued with a combined value of \$502,500) (Note 7). The Property is subject to a 2% NSR royalty.

Delta Property

The Company has been assigned the right to acquire a 100% interest in the Delta Property by paying Tudor Holdings the sum of \$105,951, which represents costs paid to date in respect of the Property (paid). The agreement also stipulates additional option payments totaling \$900,000 over a four-year period are required to be assumed and paid by the Company to acquire the 100% interest (\$100,000 paid). Claims comprising the Property are subject to NSR royalties of 2.5% to 3.0%.

High North Property

The Company has been assigned the right to acquire a 100% interest in the High North Property by paying the sum of \$102,468, which represents costs paid to date in respect of the Property (paid). The agreement also stipulates additional option payments totaling \$900,000 over a four-year period are required to be assumed and paid by the Company to acquire the 100% interest (\$100,000 paid). The Property is subject to a 2.5% NSR royalty.

Reclamation Bonds

During the year ended March 31, 2017, the Company has paid a \$66,600 reclamation bond for the Mackie Property and a \$65,000 reclamation bond for the Treaty Creek Property to the Minister of Finance. The bonds are recoverable, subject to the Company meeting the B.C. Ministry of Energy and Mines reclamation requirements.

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5. AVAILABLE-FOR-SALE INVESTMENTS

Pursuant to the Company's joint venture agreement with American Creek related to the Electrum Property, the Company acquired 3,125,000 shares of American Creek by investing \$250,000 at a price of \$0.08 per American Creek share (Note 4).

	September 30, 2017		March 31, 2017	
	Cost	Fair Value	Cost	Fair Value
American Creek:				
3,125,000 common shares	\$ 250,000	\$ 187,500	\$ 250,000	\$ 187,500
	\$ 250,000	\$ 187,500	\$ 250,000	\$ 187,500

During the six months ended September 30, 2017, the Company recognized a fair value adjustment on their investments in the amount of \$Nil (2016 - gain of \$31,250).

6. PROPERTY AND EQUIPMENT

	Building	Land	Equipment	Vehicle	Website	Total
COSTS						
Balance, March 31, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	38,750	33,750	-	27,000	23,424	122,924
Balance, March 31, 2017	38,750	33,750	-	27,000	23,424	122,924
Additions / Reductions	-	-	90,482	3,000	(1,321)	92,161
Balance, September 30, 2017	38,750	33,750	90,482	30,000	22,103	215,085
ACCUMULATED DEPRECIATION						
Balance, March 31, 2016	-	-	-	-	-	-
Depreciation	937	-	-	1,297	2,928	5,162
Balance, March 31, 2017	937	-	-	1,297	2,928	5,162
Depreciation	968	-	5,493	1,735	2,887	11,083
Balance, September 30, 2017	1,905	-	5,493	3,032	5,815	16,245
NET BOOK VALUE						
March 31, 2017	37,813	33,750	-	25,703	20,496	117,762
September 30, 2017	\$ 36,845	\$ 33,750	\$ 84,989	\$ 26,968	\$ 16,288	\$ 198,840

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7. SHAREHOLDERS' EQUITY

Authorized share capital

Unlimited common shares, without par value

Unlimited preferred shares issuable in series

Share issuances

On April 18, 2016, the Company issued 30,000,000 common shares valued at \$3,000,000 in connection with the Company's definitive acquisition agreement with Tudor Holdings to acquire the Mackie East, Mackie West and Doc claims (the "Qualifying Transaction") (Notes 1 and 4).

On April 18, 2016, the Company completed a non-brokered private placement of 11,880,000 common shares at a price of \$0.10 each for gross proceeds of \$1,188,000. The Company paid finder's fees totaling \$44,493 and legal costs of \$26,021 related to this private placement.

On May 10, 2016, an aggregate of 150,000 stock options of the Company were exercised at a price of \$0.20 each, resulting in the issuance of 150,000 shares of the Company for gross proceeds of \$30,000.

On June 14, 2016, the Company completed a non-brokered private placement consisting of 13,000,000 units at a price of \$0.10 per unit for gross proceeds of \$1,300,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to purchase an additional common share at an exercise price of \$0.10 per share for a period of two years from closing. No value was attributed to the warrant component of the unit. The Company paid legal costs of \$39,990 related to this private placement.

On June 14, 2016, the Company issued 500,000 common shares to each of American Creek and Teuton with a combined total of 1,000,000 common shares valued at \$100,000 related to the Treaty Creek Property (Note 4).

On June 14, 2016, the Company issued 1,000,000 common shares valued at \$100,000 related to the Electrum Property (Note 4).

On June 14, 2016, the Company issued 980,000 common shares valued at \$98,000 as finder's fees in respect to the Company's acquisition of the interests in the Treaty Creek and Electrum properties (Note 4).

On June 14, 2016, the Company issued 250,000 common shares valued at \$25,000 related to the Eskay North Property (Note 4).

On June 22, 2016, the Company issued 250,000 common shares valued at \$345,000 related to the Orion Property (Note 4).

On July 21, 2016, the Company issued 250,000 common shares valued at \$475,000 related to the Fairweather Property (Note 4).

On July 21, 2016, an aggregate of 300,000 stock options of the Company were exercised at a price of \$0.10 each, resulting in the issuance of 300,000 shares of the Company for gross proceeds of \$30,000.

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On August 11, 2016, the Company completed a non-brokered private placement consisting of 3,070,000 common shares at a price of \$1.00 each for gross proceeds of \$3,070,000. The Company paid finders' fees totaling \$186,066 and legal costs of \$13,319 related to this private placement.

On November 29, 2016, the Company issued 250,000 common shares valued at \$137,500 related to the Eskay North Property (Note 4).

On November 29, 2016, the Company issued 50,000 common shares valued at \$27,500 related to the Fairweather Property (Note 4).

On December 19, 2016, the Company issued 70,000 common shares valued at \$38,500 related to the Doc Property (Note 4).

On January 27, 2017, an aggregate of 50,000 stock options of the Company were exercised at a price of \$0.10 each, resulting in the issuance of 50,000 shares of the Company for gross proceeds of \$5,000.

On March 22, 2017, an aggregate of 50,000 stock options of the Company were exercised at a price of \$0.10 each, resulting in the issuance of 50,000 shares of the Company for gross proceeds of \$5,000.

On April 6, 2017, an aggregate of 11,000,000 share purchase warrants of the Company were exercised at a price of \$0.10 each, resulting in the issuance of 11,000,000 shares of the Company for gross proceeds of \$1,100,000.

On May 29, 2017, the Company issued 250,000 common shares valued at \$130,000 related to the Eskay North Property, and issued 50,000 common shares valued at \$26,000 related to the Orion Property (Note 4).

On June 15, 2017, an aggregate of 50,000 stock options of the Company were exercised at a price of \$0.10 each, resulting in the issuance of 50,000 shares of the Company for gross proceeds of \$5,000.

On August 22, 2017, the Company closed the first tranche of a non-brokered private placement consisting of 717,200 flow-through common shares ("FT Shares") at a price of \$0.80 per FT Share, 1,139,452 non-flow-through common shares ("Non-FT Shares") at a price of \$0.64 per Non-FT Share, and 1,263,639 units at a price of \$0.64 per unit for gross proceeds of \$2,111,740. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$1.00 per share for a period of two years.

On August 30, 2017, the Company closed the second tranche of a non-brokered private placement consisting of 925,000 FT Shares at a price of \$0.80 per FT Share for gross proceeds of \$740,000. In connection with both the first and second tranches of this private placement, the Company paid finders' fees totaling \$83,726, issued 98,532 finders' warrants valued at \$38,180, issued 95,147 finders' common shares valued at \$75,166, and incurred legal and other regulatory costs totaling \$82,837 (Note 12).

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Escrow shares

As at September 30, 2017, 18,345,000 (March 31, 2017 – 22,931,250) common shares are held in escrow and will be released over 36 months following the April 6, 2016 completion of the Company's Qualifying Transaction.

Stock options

The Company adopted an incentive stock option plan (the "Option Plan") which allows the Company's Board of Directors, at its discretion and in accordance with TSX-V requirements, to grant non-transferable options to purchase common shares to its directors, officers, employees and technical consultants to the Company. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. Such options will be exercisable for a period of up to five years from the date of grant and vesting terms will be determined at the time of grant by the Board of Directors.

On February 16, 2016, the Company granted 150,000 stock options with an exercise price of \$0.20 per share expiring on April 30, 2017. The fair value of the stock options was estimated to be \$785 using the Black-Scholes option pricing model with the following assumptions: term of 1.25 years; expected volatility of 100%; risk-free rate of 0.49%; and expected dividends of Nil.

On April 19, 2016, the Company granted 2,850,000 stock options with an exercise price of \$0.10 per share expiring April 19, 2026. The fair value of the stock options was estimated to be \$254,904 using the Black-Scholes option pricing model with the following assumptions: term of 10 years; expected volatility of 100%; risk-free rate of 1.49%; and expected dividends of Nil.

On March 7, 2017, the Company granted 300,000 stock options with an exercise price of \$0.55 per share expiring March 7, 2019. The fair value of the stock options was estimated to be \$89,049 using the Black-Scholes option pricing model with the following assumptions: term of 2 years; expected volatility of 100%; risk-free rate of 0.74%; and expected dividends of Nil.

Changes in stock options for the six months ended September 30, 2017 and for the year ended March 31, 2017 are as follows:

	September 30, 2017		March 31, 2017	
	Number of stock options	Exercise price	Number of stock options	Exercise price
Outstanding, beginning	2,750,000	\$ 0.20	150,000	\$ 0.20
Granted	-	\$ -	3,150,000	\$ 0.14
Exercised	(50,000)	\$ 0.10	(550,000)	\$ 0.13
Expired	-	\$ -	-	\$ -
Outstanding, ending	2,700,000	\$ 0.15	2,750,000	\$ 0.20
Exercisable, ending	2,700,000	\$ 0.15	2,750,000	\$ 0.20

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Stock options outstanding as at September 30, 2017 are as follows:

Grant Date	Number of options	Exercise Price	Expiry Date
April 19, 2016	2,400,000	\$0.10	April 19, 2026
March 7, 2017	300,000	\$0.55	March 7, 2019
	2,700,000		

Warrants

Changes in share purchase warrants for the six months ended September 30, 2017 and for the year ended March 31, 2017 are as follows:

	September 30, 2017		March 31, 2017	
	Number of warrants	Exercise price	Number of warrants	Exercise price
Outstanding, beginning	13,000,000	\$ 0.10	-	\$ -
Issued	1,362,171	\$ 0.99	13,000,000	\$ 0.10
Exercised	(11,000,000)	\$ 0.10		
Outstanding, ending	3,362,171	\$ 0.46	13,000,000	\$ 0.10

Share

purchase warrants outstanding as at September 30, 2017 are as follows:

Issue Date	Number of warrants	Exercise Price	Expiry Date
June 14, 2016	2,000,000	\$0.10	June 14, 2018
August 22, 2017	1,263,639	\$1.00	August 22, 2019
August 22, 2017	43,032	\$0.85	August 22, 2019
August 30, 2017	55,500	\$0.85	August 30, 2019
	3,362,171		

8. RELATED PARTY TRANSACTIONS

During the year ended March 31, 2017, 2,850,000 stock options with a fair value of \$254,904 were granted to officers and directors of the Company.

As at September 30, 2017, a total of \$22,753 (March 31, 2017 - \$12,949) was owing to an officer and director of the Company and is included in accounts payable and accrued liabilities.

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Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The Company paid and/or accrued management fees of \$48,000 (2016 - \$34,000) to Morfopoulos Consulting Associates Ltd, a company controlled by the Chief Financial Officer of the Company, for management, accounting and administrative services.

The Company paid and/or accrued consulting fees of \$60,000 (2016 - \$70,000) to Ray Marks, the Executive VP and director of the Company, for management and supervision of field operations. The Company also paid and/or accrued a total of \$155,270 (2016 - \$206,845) to Ray Marks for exploration-related expenditures (labour, logistics, third party costs) incurred on behalf of the Company during the period.

The Company paid and/or accrued management fees and other office costs of \$Nil (2016 - \$27,509) to Earlston Management Corp., a company with former directors in common, for various administrative and other corporate services, including all reasonable reimbursable expenses incurred in the performance of its services.

The Company paid and/or accrued salaries and wages of \$36,000 (2016 - \$Nil) to Walter Storm, the Chief Executive Officer of the Company.

The Company paid and/or accrued management fees of \$24,000 (2016 - \$Nil) to Tudor Holdings, a company controlled by an officer and director of the Company. As at September 30, 2017, \$4,200 (March 31, 2017 - \$20,000) is owing to this company.

The Company paid and/or accrued consulting fees of \$10,000 (2016 - \$Nil) to Robert Quinn, a director of the Company.

Other related party transactions

During the year ended March 31, 2017, the Company entered into various agreements with Tudor Holdings, a company controlled by an officer and director of the Company to acquire various exploration and evaluation assets (Note 4).

9. CREDIT FACILITY AGREEMENT

On May 10, 2016, the Company entered into a credit facility agreement with Tudor Holdings for up to \$650,000 for the purpose of funding the acquisition, exploration and development of the Company's mineral properties. The credit facility has a two-year term, is unsecured and non-convertible, with an interest rate of 8% per annum. As at September 30, 2017, the Company has not made any draws upon this credit facility.

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10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2017, the Company's financial instruments are comprised of cash, available-for-sale investments, and accounts payable and accrued liabilities. The fair values of advances and accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity. Fair values of financial instruments are classified in a fair value hierarchy based on the inputs used to determine fair values. The levels of the fair value hierarchy are as follows:

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 (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – Inputs that are not based on observable market data (unobservable inputs).

As at September 30, 2017, the fair value of cash and available-for-sale investments (Note 5) held by the Company was based on level 1 of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset backed commercial paper.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at September 30, 2017, the Company had cash of \$1,395,081 to settle current liabilities of \$3,199,060. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company requires additional cash to meet the payment obligations.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

Interest rate risk

Interest rate risk arises from changes in market rates of interest that could adversely affect the Company. The Company's current exposure to interest rate risk is limited to its cash and cash equivalents yielding interest income at varying rates. The Company's current exposure to interest rate risk is insignificant.

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Foreign currency risk

Foreign currency risk arises from fluctuations in foreign currencies versus the Canadian dollar that could adversely affect reported balances and transactions denominated in those currencies. The Company currently has no assets or liabilities and has nominal revenue or expenses denominated in a foreign currency, so it is not exposed to foreign currency risk.

Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required.

11. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at September 30, 2017, the Company's shareholders' equity was \$15,713,393 and it had current liabilities of \$3,199,060. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses. Additional funds may be required to finance the Company's future business opportunities.

The Company is not subject to any externally imposed capital requirements. There were no changes to the Company's approach to capital management during the six months ended September 30, 2017.

12. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

During the six months ended September 30, 2017

The Company issued a total of 300,000 common shares valued at \$156,000 for the acquisitions of exploration and evaluation assets (Notes 4 and 7).

In connection with August 2017 private placement, the Company issued 98,532 finders' warrants valued at \$38,180 and issued 95,147 finders' common shares valued at \$75,166 (Note 7).

In August 2017, the Company issued a total of 1,642,200 FT Shares at \$0.80 per FT Share for gross proceeds of \$1,313,760, resulting in a flow-through share premium liability of \$7,172.

The Company recorded a reversal in the amount of \$4,472 between reserves and share capital in connection with stock options exercised.

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Included in accounts payable and accrued liabilities as at September 30, 2017 is \$2,998,629 related to exploration and evaluation assets.

During the year ended March 31, 2017

The Company issued a total of 34,100,000 common shares valued at \$8,093,300 for the acquisitions of exploration and evaluation assets (Notes 4 and 7).

Included in accounts payable and accrued liabilities as at March 31, 2017 is \$24,097 related to exploration and evaluation assets.

The Company recorded a reversal in the amount of \$36,540 between reserves and share capital in connection with stock options exercised.

13. SUBSEQUENT EVENT

On October 30, 2017, the Company closed a non-brokered private placement of 410,000 units at a price of \$0.70 per unit for gross proceeds of \$287,000. Each unit consists of one common share and one-half of one transferable common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at a price of \$1.00 for a period of two years.