



Interim unaudited condensed consolidated financial statements of

BOLD VENTURES INC.

For the nine months ended July 31, 2018 and 2017

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The accompanying financial statements for Bold Ventures Inc. have been prepared by management in accordance with International Financial Reporting Standards consistently applied. These financial statements are unaudited and have not been reviewed by the Company's auditors.

BOLD VENTURES INC.
Interim unaudited condensed consolidated statements of financial
position
As at

<i>(in Canadian Dollars)</i>	Notes	July 31, 2018 \$	October 31, 2017 \$
Assets			
Current assets			
Cash		102,532	148,922
Amounts receivable from a government		6,316	8,978
Marketable securities	5	4,529	10,237
Prepays and deposits		7,150	3,378
Total current assets		120,527	171,515
Exploration and evaluation assets	6	1,246,642	1,061,510
Total assets		1,367,169	1,233,026
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	7	27,699	61,702
Total liabilities		27,699	61,702
Equity			
Share capital	8	11,087,938	10,977,938
Contributed surplus		480,000	940,117
Deficit		(10,228,468)	(10,746,732)
Total equity		1,339,470	1,171,323
Total liabilities and equity		1,367,169	1,233,026

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

Going concern (Note 2)

Commitments and contingencies (Note 11)

Director

"Ian Brodie-Brown"

Ian Brodie-Brown

Director

"David Graham"

David Graham

BOLD VENTURES INC.**Interim unaudited condensed consolidated statements of loss and comprehensive loss**

<i>(in Canadian Dollars)</i>	<i>Note</i>	For the three months ended July 31,		For the nine months ended July 31,	
		2018	2017	2018	2017
Expenses					
Salaries and management fees		\$ 22,010	\$ 24,750	\$ 74,250	\$ 60,600
Professional fees		7,131	1,286	26,872	19,702
Office and general		7,717	8,067	21,665	21,187
Rent		3,300	3,300	9,900	10,268
Travel and promotion		6,006	7,828	15,308	13,625
Transfer agent and filing fees		577	2,562	13,730	21,702
Share-based payment	8(d)(i)	-	-	-	4,000
Loss before the following		(46,742)	(47,793)	(161,725)	(151,084)
Accretion income		-	12,023	-	36,069
Interest and other income		39	10,237	61	10,290
Flow through share premium		-	-	-	127,182
Loss on sale of marketable securities		-	(36,069)	-	(37,223)
Recovery/(write-off) of exploration and evaluation assets		59,811	(675)	59,811	(1,387,653)
		59,850	(14,484)	59,872	(1,251,335)
Net income (loss) and total comprehensive income (loss) for the period		\$ 13,108	\$ (62,277)	\$ (101,853)	\$ (1,402,419)
Net income (loss) per share:					
Basic and diluted income (loss) per share		\$ 0.00	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of shares outstanding - basic and diluted		123,400,246	117,400,246	121,792,839	116,392,839

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

Bold Ventures Inc.
Interim unaudited condensed consolidated statements of changes in equity

(In Canadian Dollars)

	Note	Share capital		Contributed surplus	Deficit	Total equity
		Number of shares	Amount			
			\$	\$	\$	\$
Balance at October 31, 2016		113,400,246	10,864,938	1,155,628	(9,482,344)	2,538,222
Options granted	9(d)(iii)	-	-	4,000	-	4,000
Flow through units issued	9(a)(iv)	4,000,000	200,000	-	-	200,000
Cash share issue costs	9(a)(iv)	-	(10,000)	-	-	(10,000)
Estimated fair value of flow through unit allocated to warrants	9(a)(iv)	-	(80,000)	80,000	-	-
Estimated fair value of flow through unit allocated to flow through share premium	9(a)(iv)	-	(80,000)	-	-	(80,000)
Options expired	9(d)(iii)	-	-	(189,000)	189,000	-
Warrants expired	9(b)(ii)	-	-	(133,511)	133,511	-
Loss for the period		-	-	-	(1,402,419)	(1,402,419)
Balance at July 31, 2017		117,400,246	10,894,938	917,117	(10,562,252)	1,249,803
Balance at October 31, 2017		117,400,246	10,977,938	940,117	(10,746,732)	1,171,323
Common shares issued as consideration for an option agreement	8(a)(i)	2,000,000	70,000	-	-	70,000
Common share units issued	8(a)(ii)	4,000,000	200,000	-	-	200,000
Estimated fair value of common share unit allocated to warrants	8(a)(ii)	-	(160,000)	160,000	-	-
Options expired	8(d)	-	-	(19,000)	19,000	-
Warrants and broker warrants expired	8(b)	-	-	(601,117)	601,117	-
Loss for the period		-	-	-	(101,853)	(101,853)
Balance at July 31, 2018		123,400,246	11,087,938	480,000	(10,228,468)	1,339,470

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

Bold Ventures Inc.
Interim unaudited condensed consolidated statements of cash flows

<i>(in Canadian Dollars)</i>	For the three months ended July 31,		For the nine months ended July 31,	
	2018	2017	2018	2017
	\$	\$	\$	\$
Cash flows from:				
Operating activities				
Net income (loss) for the period	13,108	(62,277)	(101,853)	(1,402,419)
Adjustment for items not affecting cash:				
Share-based payments	-	-	-	4,000
Write-off of exploration and evaluation assets	-	675	-	1,387,653
Accretion income	-	(12,023)	-	(36,069)
Interest income settled with non-cash proceeds	-	(10,238)	-	(10,238)
Loss on sale of marketable securities	-	36,069	-	37,223
Flow through share premium	-	-	-	(127,182)
Changes in non-cash working capital items:				
Amounts receivable	(1,028)	12,660	2,662	38,938
Prepays and deposits	3,847	4,236	(3,772)	(4,615)
Accounts payable and accrued liabilities	12,869	8,401	(34,003)	(26,647)
Cash flows from operating activities	28,796	(22,497)	(136,966)	(139,356)
Investing activities				
Proceeds on sale of marketable securities	-	-	5,708	98,847
Acquisition of exploration and evaluation assets	(14,783)	53,267	(115,132)	(167,466)
Cash flows from investing activities	(14,783)	53,267	(109,424)	(68,619)
Financing activities				
Issuance of working capital units	-	-	200,000	-
Issuance of flow through units	-	-	-	200,000
Share issue expenses	-	-	-	(10,000)
Cash flows from financing activities	-	-	200,000	190,000
Net change in cash	14,013	30,770	(46,390)	(17,975)
Cash, beginning of period	88,519	67,486	148,922	116,231
Cash, end of period	102,532	98,256	102,532	98,256

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

Bold Ventures Inc.
Notes to the interim unaudited condensed consolidated financial
statements
For the nine months ended July 31, 2018 and 2017
(in Canadian dollars)

1. General information

Bold Ventures Inc. ("Bold" or the "Company") was incorporated on June 8, 1989 under the laws of British Columbia. On August 31, 2010, the Company filed Articles of Continuance to continue into Ontario and is now subject to the laws of Ontario as if it had been incorporated under the *Business Corporations Act (Ontario)*.

The Company is engaged in the acquisition, exploration and evaluation of mineral properties in Canada and the USA and is publicly listed on the TSX Venture Exchange. The address of the registered office is Bay Adelaide Centre - East Tower, 22 Adelaide Street West, Suite 3600, Toronto, Ontario M5H 4E3.

The interim unaudited condensed consolidated financial statements of the Company for the nine months ended July 31, 2018 and 2017 were authorized for issuance in accordance with a resolution of the board of directors on September 19, 2018.

2. Going concern

The Company's ability to realize the costs it has incurred to date on its properties is dependent upon it being able to identify economically recoverable reserves; to finance their exploration and evaluation costs; to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the reserves; and to attain profitable operations.

The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. These conditions indicate the existence of material uncertainties which cast significant doubt on the Company's ability to continue as a going concern. Changes in future conditions could require material write downs of the carrying values.

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 exploration 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, environmental and social requirements.

These interim unaudited condensed consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying interim unaudited condensed consolidated financial statements. Such adjustments could be material. It is not possible to predict whether the Company will be able to raise adequate financing or to ultimately attain profitable levels of operations.

Details of deficit and working capital of the Company are as follows;

	<u>July 31, 2018</u>	<u>October 31, 2017</u>
	\$	\$
Deficit	10,228,468	10,746,732
Working capital	92,828	109,813

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3. Basis of preparation

These interim unaudited condensed consolidated financial statements are presented in accordance with International Financial Reporting Standards (“IFRS”) and in particular in accordance with International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). IFRS represents standards and interpretations approved by the International Accounting Standards Board (“IASB”), and are comprised of IFRSs, International Accounting Standards (“IASs”), and interpretations issued by the IFRS Interpretations Committee (“IFRICs”) or the former Standing Interpretations Committee (“SICs”).

4. Significant accounting policies

Basis of consolidation

These interim unaudited condensed consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

The Company owns 100% of Rencore Resources Inc., a company engaged in exploration of the Ring of Fire area north northeast of Thunder Bay, Ontario.

Basis of measurement

These interim unaudited condensed consolidated financial statements have been prepared on a going concern basis, under the historical cost basis, except for marketable securities and convertible debenture conversion feature, which are measured at fair value. These interim unaudited condensed consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Exploration and evaluation assets

Exploration and evaluation outlays relating to properties, that are incurred after the legal right to explore has been obtained, are capitalized until the properties are brought into production, at which time they are amortized on a unit-of-production basis. Other general exploration expenses are charged to consolidated statements of loss as incurred. The cost of properties abandoned, impaired or sold and their related capitalized exploration costs are expensed to consolidated statements of loss in the year of abandonment or sale. The amounts shown as exploration and evaluation assets represent unamortized costs to date and do not necessarily reflect present or future values.

Costs include the cash consideration and the fair market value of shares issued for the acquisition and exploration of properties. The carrying value is reduced by option proceeds received until such time as the exploration and evaluation assets are reduced to nominal amounts. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company are recorded in the accounts at the time of payment.

When a project is considered to no longer have commercially viable prospects for the Company, exploration and evaluation assets in respect of that property are assessed as impaired and written off to the consolidated statements of loss. The Company also assesses exploration and evaluation assets for impairment when other facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

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Impairment

Financial assets

At the end of each reporting period, the Company assesses its financial assets to determine whether there is any objective evidence that they are impaired. Significant financial difficulties of a debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the consolidated statements of loss.

Non-financial assets

At the end of each reporting period, non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly. Any impairment is recognized in the consolidated statements of loss.

Cash and cash equivalents

Cash and cash equivalents include short-term investments with original maturities of less than ninety days. The Company invests cash in term deposits maintained in high credit quality institutions.

Provisions and decommissioning liabilities

Provisions, which include decommissioning liabilities, are liabilities that are uncertain in timing or amount. The Company records a provision when:

- (i) the Company has a present obligation, legal or constructive, as a result of a past event;
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Constructive obligations are obligations that derive from the Company's actions where:

- (i) by an established pattern of past practice, published policies or a sufficiently specific current statement, the Company has indicated to other parties that it will accept certain responsibilities; and
- (ii) as a result, the Company has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Provisions are reduced by actual expenditures for which the provision was originally recognized. Where discounting has been used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase (accretion expense) is included in finance costs in the consolidated statements of loss.

The Company did not have any material reclamation provisions or decommissioning liabilities as at July 31, 2018 and 2017.

Loss per share

Basic loss per share is calculated using the weighted average number of shares outstanding. Diluted loss per share is calculated by assuming that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share. During the nine months

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ended July 31, 2018 and 2017, all outstanding options and warrants were considered anti-dilutive and were therefore excluded from the diluted loss per share calculation.

Income taxes

Income tax expense comprises current and deferred income tax. Income tax is recognized in the consolidated statements of loss except to the extent it relates to items recognized in other comprehensive loss or directly in equity.

Current income tax

Current income tax expense is based on the results for the period as adjusted for items that are not taxable and not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management at the end of each reporting period evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the financial statements and their corresponding tax bases used in the computation of taxable profit, and are accounted for using the asset and liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Flow through-share financings

The Company periodically finances a portion of its exploration activities through the issue of flow through shares, which transfers the tax deductibility of exploration expenditures to the investor (referred to as renunciation). Proceeds received on the issuance of such shares up to the value of similar non-flow through shares are credited to capital stock and any difference between that amount and the issue price is recognized as a flow through share premium and recognized as a liability in the consolidated statements of financial position. Upon renunciation to the investor of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the liability previously recorded is reversed with any difference being recorded as a deferred tax recovery (expense). To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a recovery on the consolidated statements of loss. The related exploration costs are charged to exploration and evaluation assets.

Foreign currency translation

The Canadian dollar is the functional and reporting currency of the Company's operations. Monetary assets and liabilities are translated into Canadian dollars at exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at historical exchange rates. Revenues and expenses are translated at the rate at the time of the transaction. Any resulting gain or loss is recorded in the consolidated statements of loss.

Revenue recognition

Operator fee revenue is recognized by the Company as a percentage of exploration and evaluation activities undertaken by the Company on behalf of the option holder of the Ring of Fire property. Revenue is recognized as these exploration and evaluation expenditures occur.

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Financial instruments

Financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as “fair value through profit or loss (“FVTPL”)”, “available for sale” financial assets, “held to maturity”, “loans and receivables”, or “other” financial liabilities. FVTPL financial instruments are measured at their fair value with changes in fair value recognized in net loss for the period. Available for sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive loss until the asset is removed from the consolidated statements of financial position or until impairment is assessed as other than temporary. Held to maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments recorded at fair value by valuation technique:

Level 1: The fair value measurements are classified as level 1 if the fair value is determined using quoted, unadjusted market prices for identical assets or liabilities.

Level 2: The fair value measurements are classified as level 2 when inputs other than quoted prices in level 1 which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: The fair value measurements are classified as level 3 when inputs require unobservable market data or use statistical techniques to derive forward curves from observable market data and unobservable inputs.

Share-based payments

The Company applies the fair value method of accounting for share-based payments granted to employees and other individuals providing similar services. The fair value of the options is determined using an option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk free interest rate over the expected life of the option. Each tranche of an option that vests over time is considered a separate award and the fair value of each tranche is expensed over its vesting period with the corresponding credit to contributed surplus.

Share-based payments granted to non-employees are measured at the fair value of goods received unless that cannot be reasonably estimated in which case the fair value of the share-based payments are used. The measurement date is generally the date the goods or services are received.

Cash consideration received from employees on exercise of options is credited to share capital along with the original grant date fair value of the options exercised. The value of options forfeited before vesting is removed from contributed surplus and credited to operations, while the value of options that expire after vesting is credited directly to deficit.

Warrants

All warrants issued under a unit financing arrangement are valued on the date of grant using the Black-Scholes option pricing model, net of related issue costs and are recorded in contributed surplus. Expired warrants are removed from contributed surplus and credited directly to deficit.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning on or after August 1, 2018 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded below. The following has not yet been adopted and is being evaluated to determine its impact on the Company.

Bold Ventures Inc.

Notes to the interim unaudited condensed consolidated financial statements

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IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

Segmented information

The Company currently conducts substantially all of its operations in Canada in one business segment.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the interim unaudited condensed consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the interim unaudited condensed consolidated financial statements are:

Capitalization of exploration and evaluation assets

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company’s exploration and evaluation assets.

Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company’s control, are feasible, and are within management’s ability to implement. Examination by applicable tax authorities is

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supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Restoration, rehabilitation and environmental obligations

Restoration, rehabilitation and environmental obligations are estimated based on the Company's interpretation of current legal or constructive obligation to incur restoration, rehabilitation and environmental costs, which may arise when environmental disturbance is caused by the exploration and evaluation of a property interest. Such costs are discounted to their net present value using a risk-free rate and are provided for and expensed as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The Company has no material restoration, rehabilitation and environmental obligations as at July 31, 2018 and 2017, as the disturbance to date is minimal.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Contingencies

Refer to Note 11.

Going concern

Refer to Note 2.

5. Marketable securities

The Company's marketable securities were designated as Fair Value Through Profit and Loss and were reported at fair value based on quoted market prices as follows:

	<u>July 31, 2018</u>	<u>October 31, 2017</u>
	\$	\$
KWG Resources Inc.	<u>4,529</u>	<u>10,237</u>

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6. Exploration and evaluation assets

For the nine months ended July 31, 2018	Beginning Balance	Acquisition costs	Exploration costs	Investment tax Credits	Write offs/proceeds	Ending Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Northern Ontario properties	482,773	-	-	-	-	482,773
Northwestern Ontario properties	182,400	111,720	82,919	-	(10,053) ⁽²⁾	366,986
Quebec properties	396,337	146	400	-	-	396,883
	1,061,510	111,866	83,319	-	(10,053)	1,246,642

For the year ended October 31, 2017	Beginning Balance	Acquisition costs	Exploration costs	Investment tax Credits	Write offs/proceeds	Ending Balance
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Northern Ontario properties	504,133	-	121	-	(21,481) ⁽¹⁾	482,773
Northwestern Ontario properties	112,273	8,000	68,301	-	(6,174) ⁽²⁾	182,400
Quebec properties	1,642,954	-	213,609	(70,390)	(1,389,836) ⁽¹⁾	396,337
	2,259,360	8,000	282,031	(70,390)	(1,417,491)	1,061,510

(1) Write-offs total \$1,411,317; consisting of Area 72 \$21,481, and Lac Surprise \$1,389,836.

(2) Cost recoveries from Lac des Milles Lac First Nation on the Traxxin Extension Gold project 2017 \$6,174; 2018 \$10,053.

(a) Northern Ontario properties - Ring of Fire

(i) Dundee Corporation earn-in right

Pursuant to an option agreement dated May 31, 2011 with a subsidiary ("Subco") of Dundee Corporation, Subco had the right to earn up to a 33-1/3% interest in Bold's Ring of Fire properties by funding \$2,500,000 of exploration work by May 31, 2014. Upon expending \$2,500,000 within a three year period, a joint venture is to be formed between the Company and Subco. During the year ended October 31, 2014 the \$2,500,000 spending threshold was met and Subco earned its 33-1/3% interest. The properties that Subco has earned into to date are described in (ii) to (iv) below.

(ii) Ring of Fire Claims

The Ring of Fire Claim blocks, for which exploration expenditure requirements are in abeyance with the Ministry of Northern Development and Mines, pending completion of First Nation agreements, were staked to explore areas located to the north and west of the Ring of Fire area of the James Bay Lowlands. Located approximately 550 km north of Thunder Bay, these claim groups are named Areas 55, 55E, 55E1, 55E2, 57 to 63 and 64 to 71.

During the year ended October 31, 2017 it was decided that no further exploration was warranted on area 72 and 73 and as a result, deferred exploration and evaluation assets incurred in connection with these two areas in the amount of \$21,481 were written off.

(iii) Koper Lake

Under an agreement dated May 4, 2012 with Fancamp Exploration Limited ("Fancamp"), subject to KWG Resources Inc.'s ("KWG") interest as discussed in (iv) below, the Company has earned a 50% working interest in the Fancamp Ring of Fire property known as the Koper Lake Project. The Koper Lake Project property is situated approximately 530 km north east of Thunder Bay in the James Bay Lowlands of northern Ontario. The agreement called for the Company to make option payments totalling \$1,500,000 and to incur exploration expenditures on the property of at least \$8,000,000 over a 3 year period, which it did under the KWG option agreement during 2016, as discussed in (iv) below.

A further 10% interest may be earned by Bold at any time by delivery of a positive feasibility study and by making a payment of \$700,000 in cash and/or stock at the option of Bold. The Company's President and Chief Executive Officer holds a 2% net smelter royalty interest ("2% NSR") in the four claims that comprise the property pursuant to an agreement with Fancamp dated June 17, 2003 whereby he sold the property to Fancamp and retained the 2% NSR.

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In January 2013, the Company signed an agreement with Fancamp giving Bold the option to earn up to a 100% working interest in the Koper Lake property. The agreement provides that once Bold has earned its 60% interest in the Koper Lake property (it has currently earned a 50% interest as discussed in (iv) below), it will then have two options for a period of 90 days following the date it earns its 60% interest. Under the first option it can earn a further 20% interest by agreeing to pay Fancamp \$15,000,000 payable in equal installments over three years with half of the amount payable in cash and the balance payable, at Bold's option, through the issuance of common shares of Bold, or its assignee, at the market price at the time the shares are issued. If the first option is exercised, Bold would then have the option to acquire Fancamp's remaining interest in exchange for a Gross Metal Royalty. Fancamp would then be entitled to be paid 2% of the total revenue from the sale of all metals and mineral products from the property from the commencement of commercial production. Once all of the capital costs to bring the Koper Lake project to the production stage have been repaid entirely, the gross metal royalty may be scaled up to a maximum of 4% of the total revenue from the sale of all metals and mineral products from the property depending upon the price of product sold.

(iv) KWG Resources Inc. option on the Koper Lake property

In March 2013, and amended October 23, 2015, the Company optioned its interest in the Koper Lake property to KWG. Under the terms of the option agreement, KWG assumed the obligation to make option payments totaling \$1,500,000 and to fund the \$8,000,000 exploration programs planned for the property; and as of September 21, 2016 KWG had met those obligations. As a result on September 21, 2016, the Company earned a 50% working interest in Fancamp's Koper Lake property; KWG earned an 80% interest in Bold's interest in chromite and a 20% interest in Bold's interest in nickel and other non-chromite minerals; at that time KWG was obligated to pay operator fees to the Company which it satisfied with a convertible debenture and 5,000,000 common shares of KWG which the Company estimated had a combined value of \$107,143 as at the date of the transaction. See Note 6.

KWG can acquire an 80% interest in chromite produced from the Koper Lake property by funding 100% of the costs to a feasibility study leaving Bold and its co-venturer (a subsidiary of Dundee Corporation) with a 20% carried interest, pro rata. For nickel and other non-chromite minerals identified during the exploration programs, the parties have agreed to form a joint arrangement in which KWG would have a 20% participating interest and Bold and its co-venturer (a subsidiary of Dundee Corporation) would have an 80% participating interest, pro rata. KWG will have a right of first refusal to purchase all ores or concentrates produced by such joint arrangement whenever its interest in the joint arrangement exceeds 50%.

(v) Rencore Claims

Pursuant to an amalgamation completed on February 13, 2012, the Company acquired Rencore Resources Limited and all of the exploration properties and related obligations held by Rencore in the Ring of Fire ("Rencore claims"). The Rencore claims consist of a 100% interest in mineral claims located north-northwest of Thunder Bay. These properties are known as REN 6 and REN 8.

Rencore has an option agreement dated May 31, 2011, as amended October 7, 2014, with a subsidiary ("Subco") of Dundee Corporation for Subco to earn a 33-1/3% interest in Rencore's Ring of Fire project by funding \$2,500,000 of exploration work by March 31, 2014 (extended to the date when another exploration program is approved and budgeted for completion). Upon expending \$2,500,000 within the agreed timeline, a joint venture will be formed between Rencore and Subco. Rencore will pay a finder's fee, as funds are expended by Subco pursuant to the option agreement in tranches of \$1,000,000, calculated as 2% of the funds expended satisfied in either common shares of the Company at the market price at the time of issuance, or twice that number of warrants exercisable at the market price for two years, subject to regulatory approval. At July 31, 2018 \$1,371,188 has been spent under this program.

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(b) Northwestern Ontario properties

(i) Wilcorp Project

Under an agreement dated February 24, 2012 and five subsequent amendments the Company acquired an option to certain property that is made up of patented claims and a staked mining claim. The option agreement for the patented claims now requires payments by the Company of \$8,000 annually on November 6 of each year. A payment of \$8,000 was made on November, 6 2016. The option may be exercised at any time, and the properties acquired, by the payment of \$100,000 to the vendor. The vendor retains a 2% Net Smelter Returns Royalty (“NSR”) of which half may be purchased at any time by Bold for \$500,000 cash. Bold retains a right of first refusal on the remaining 1% NSR.

The terms of the agreement for the staked mining claim are a one-time payment of \$12,000 (paid). The vendor retains a 1% NSR of which half may be purchased at any time prior to production for a cash consideration of \$500,000. Bold retains a right of first refusal on the remaining 0.5% NSR.

(ii) Traxin Extension Gold project

During the year ended October 31, 2017, the Company announced it had formalized an agreement with Lac des Milles Lac First Nation and had staked 7 claims totaling 3,953 acres in the Bedivere Lake area of northwestern Ontario. The parties have shared the cost related to the claim staking equally, and each party owns 50% of the gold property. Bold is the operator of the claims.

(iii) Stover Gold Project

On November 17, 2017 the Company entered into an option agreement to acquire the Stover Gold Project. Under the agreement the Company can earn a 100% working interest in the Stover Gold Property subject to a 2.5% net smelter returns royalty retained by the Optionors, by issuing 2 million common shares of Bold (issued) and paying \$30,000 in cash (paid) on the execution of the formal option agreement. Incremental cash option payments totalling an aggregate of \$75,000 plus a further \$600,000 in a combination of cash payments and/or share issuances, at the sole discretion of Bold plus \$600,000 of exploration of the property over a period of three years completes the earn-in. A minimum of \$175,000 must be expended on the property within the first year. The Company has the right to purchase a 1.5% net smelter returns royalty from the optionors in consideration for the payment of \$1,500,000.

The property is located approximately 85 km northeast of Wawa, Ontario on the Trans-Canada Highway and is road accessible. The property consists of 28 staked claims comprising 406 units totaling approximately 6,496 hectares (16,051 acres) plus a further 25 units to be included for a total of 431 units. The claim group occupies portions of six townships (Stover, Rennie, West, Meath, Riggs and Glasgow).

(iv) J & B Lithium Project

On February 12, 2018, the Company announced the acquisition of two separate claim groups located within the Georgia Lake Area Pegmatite field. The Jean claim group consists of 8 claims comprising 94 units covering an area of approximately 1,504 hectares and the Barbara claim group consists of 2 claims comprising 32 units covering an area of approximately 512 hectares. The Company acquired the claim groups for staking costs and the retention by the vendor of a 1% gross metal royalty, half of which may be purchased for \$500,000 and the Company retains a right of first refusal on the remainder of the royalty.

The Bold property lies within the northern portion of the Quetico subprovince (in the Superior Province of the Canadian Shield) near the southwest contact of the Beardmore-Geraldton Greenstone Belt. The Ontario Department of Mines mapped and documented the discovery of numerous lithium-bearing pegmatites in the Georgia Lake area during the period from 1956 to 1959. The work identified a number of pegmatite dikes and sills within the two claim groups. A systematic review of the geology and the

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historical work performed in the area indicates the potential exists to locate additional lithium bearing pegmatite dikes on Bold's claim groups. A prospecting, mapping and sampling program has been recommended.

(c) Quebec properties

The Quebec properties consist of Lac Grasset claim groups and an expired option on Northern Superior Resources Inc.'s 100% owned Lac Surprise property. Lac Grasset comprises 50 claims totaling 6,682 acres with both gold and base metals potential in La Gauchitiere Township, Mattagami, Quebec straddling the Sunday Lake Deformation Zone.

On May 20, 2014, the Company signed an agreement granting Bold an option to earn up to a 60% interest in Northern Superior Resources Inc.'s 100% owned Lac Surprise property. Exploration expenditures made under the agreement total \$1,389,836 at October 31, 2017. During the year ended October 31, 2017 the Lac Surprise option expired; as a result \$1,389,836 has been written off in these financial statements.

7. Related party transactions

During the nine months ended July 31, 2018 and 2017, the Company had the following related party transactions:

- a. Director's fees, professional fees and other compensation in the amount of \$74,250 (2017 - \$88,215), were paid or payable to directors and key management personnel in the form of short term salaries and benefits.
 - In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.
 - The remuneration of directors and key executives is determined by the compensation committee.
- b. Legal fees in the amount of \$29,395 (2017 - \$18,263) were paid or payable to a law firm whose partner is a director and an officer of the Company.

Included in accounts payable and accrued liabilities at July 31, 2018 was \$26,173 (2017 - \$13,905) owing to directors, and officers, companies owned by directors and officers, and a law firm whose partner is a director and an officer of the Company. These amounts are unsecured, non-interest bearing and due on demand.

8. Share capital

Authorized and outstanding:

The authorized capital of the Company consists of an unlimited number of common shares with no par value. At July 31, 2018, the Company has 123,400,246 (2017 - 117,400,246) common shares issued and outstanding.

(a) Share activity:

During the nine months ended July 31, 2018, the Company had the following common share activities:

(i) On November 17, 2017 the Company issued 2,000,000 common shares in connection with an option agreement to acquire the Stover Gold Project. The shares have been valued at \$70,000, being the market price of the shares on the day they were issued.

(ii) On January 26, 2018 the Company issued 4,000,000 working capital units in connection with a private placement for proceeds of \$200,000. Each WC Unit comprises one common share of the Company priced at \$0.05 and one common share purchase warrant, with each warrant entitling the holder to acquire one common share at a price of \$0.05 until January 26, 2023.

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The value of the warrant was estimated at \$160,000 using the Black Scholes pricing model.

During the year ended October 31, 2017, the Company had the following common share activities:

(iii) On December 30, 2016 the Company closed a non-brokered private placement with the sale of 4,000,000 flow-through units ("FT Units") for gross proceeds of \$200,000. Each FT Unit comprises one flow-through common share priced at \$0.05 and one common share purchase warrant ("Warrant"), with each Warrant entitling the holder to acquire one common share at a price of \$0.12 until December 30, 2018. The Company paid a cash finder's fee of \$10,000.

The value of the warrant was estimated at \$80,000 using the Black Scholes pricing model and \$80,000 was the estimated value assigned to the flow through share premium.

(b) Warrants

During the nine months ended July 31, 2018, the Company had the following warrant activity:

(i) The Company issued a total of 4,000,000 warrants in connection with the private placement described in 9(a)(ii). The warrants have been valued at \$160,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	147%
Risk-free interest rate	0.02%
Expected average life	5 years

During the year ended October 31, 2017, the Company had the following warrant activity:

(ii) The Company issued a total of 4,000,000 warrants in connection with the private placements described in 9(b)(iii). The warrants have been valued at \$64,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	159%
Risk-free interest rate	0.74%
Expected average life	2 years

A summary of warrant activity for the nine months ended July 31, 2018 and the year ended October 31, 2017 is as follows:

	Number of warrants**	Weighted- average exercise price (\$)
Balance, October 31, 2016	46,924,769	0.065
Warrants issued under a private placement	4,000,000	0.120
Warrants expired (1)	(2,900,000)	0.060
Balance, October 31, 2017	48,024,769	0.070
Warrants issued under a private placement	4,000,000	0.050
Warrants expired (1)	(40,244,769)	0.065 to 0.10
Balance, July 31, 2018	11,780,000	0.074

(1)The 2,900,000 warrants that expired had an original estimated value of \$133,511, which amount was transferred to deficit in 2017. The 40,244,769 warrants that expired had an original estimated value of \$601,117 which amount was transferred to deficit in 2018.

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As at July 31, 2018 the following common share purchase warrants were outstanding:

Expiration date	Number of Warrants**	Exercise Price (\$)
21-July-2020	3,780,000	0.050
30-Dec-2018	4,000,000	0.120
26-Jan-2023	4,000,000	0.050
Balance, July 31, 2018	11,780,000	0.074

**The warrant balances reported include the warrants underlying the Broker Warrants noted in (c).

(c) Broker Warrant units

As at July 31, 2018, the following broker warrant units were outstanding:

Expiration date	Number of Broker Warrant units	Exercise Price (\$)
21-July-2020	280,000	0.050
Balance, July 31, 2018	280,000	0.050

(d) Options

The Company has established a stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, and employees of the Company as well as persons providing ongoing services to the Company. The maximum number of common shares reserved for issuance upon the exercise of options is not to exceed 10% of the total number of common shares outstanding immediately prior to such an issuance. Under the plan, the Board of Directors has the choice of either vesting or allowing options issued to be exercisable upon issuance. Options are normally issued for a five-year term.

During the nine months ended July 31, 2018, 550,000 options expired with an original value of \$19,000, which amount was offset to deficit.

During the year ended October 31, 2017, the Company had the following option activity:

(i) On November 1, 2016, 100,000 options were granted, exercisable at \$0.05, and vested immediately. The options expire on July 25, 2021, and have been valued at \$4,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	143%
Risk-free interest rate	0.65%
Expected average life	5 years

(ii) On October 30, 2017 2,100,000 options were granted, exercisable at \$0.05, and vested immediately. The options expire on October 16, 2022, and have been valued at \$63,000 using the Black-Scholes option pricing model based on the following weighted average assumptions:

Expected dividend yield	0%
Expected annual volatility	147%
Risk-free interest rate	1.62%
Expected average life	5 years

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A summary of option activity for the nine months ended July 31, 2018 and the year ended October 31, 2017 is as follows:

	Number of options	Weighted-average exercise price (\$)
Balance October 31, 2016	6,325,000	0.09
Granted	2,200,000	0.05
Expired	(1,250,000)	0.25
Balance October 31, 2017	7,275,000	0.05
Expired	(550,000)	0.05
Balance July 31, 2018	6,725,000	0.05

The 550,000 (2017 – 1,250,000) options that expired had an original estimated value of \$19,000 (2017 - \$210,000), which amount was transferred to deficit.

The following table summarizes stock options outstanding and exercisable under the plan at July 31, 2018:

Options outstanding and exercisable		Weighted average exercise price (\$)
Number outstanding	Expiry date	
4,525,000	January 4, 2021	0.05
100,000	July 25, 2021	0.05
2,100,000	October 16, 2022	0.05
6,725,000		0.05

9. Capital management

The Company's objective when managing capital, defined as its equity, is to safeguard its ability to continue as a going concern, and to pursue the exploration and evaluation of its properties. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets, and seeks to retain sufficient equity to ensure that cash flows from assets will be sufficient to meet future cash flow requirements. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending. The Company is subject to flow-through obligations to investors, which require it to use the funds raised through the issue of "flow-through shares" on exploration expenditures. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital. The Company's capital management objectives, policies and processes have remained unchanged during the periods ended July 31, 2018 and 2017.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

10. Financial instruments and risk management

The carrying amounts for cash, amounts receivable, accounts payable and accrued liabilities approximate their estimated fair value due to the short term nature of these financial instruments.

Cash and amounts receivable, are classified as loans and receivables and are recorded at amortized cost, which upon their initial measurement is equal to their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

Marketable securities and the conversion feature on the convertible debenture are classified as FVTPL and are measured at fair value.

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Accounts payable and accrued liabilities, and loan from a shareholder are classified as other financial liabilities and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

The Company's financial instruments that are carried at fair value consist of marketable securities and the conversion feature on the convertible debenture. The marketable securities have been classified as level 1, while the conversion feature on the convertible debenture does not have quoted market prices and has been classified as level 2 within the fair value hierarchy.

The Company's risk exposures and the impact on its financial investments, as summarized below, have not changed significantly during the period.

Credit Risk

The Company's credit risk is primarily attributable to amounts receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to the financial instrument included in amounts receivable is remote.

Liquidity Risk

The Company's main source of liquidity is derived from its common stock issuances. As at July 31, 2018, the Company had current assets of \$120,527 (October 31, 2017 - \$171,515) to settle current liabilities of \$27,699 (October 31, 2017 - \$61,702). The Company's financial liabilities generally have contractual maturities that are subject to normal trade terms.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances and no interest bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company monitors its cash balances and is satisfied with the creditworthiness of its banks. As a result, the Company's exposure to interest rate risk is minimal.

Market Risk

Foreign Currency Risk

The Company's functional and reporting currency is the Canadian dollar and all expenditures are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. As the Company's properties are in the exploration stage and to date do not contain any identified mineral resources or reserves, the Company does not hedge against commodity price risk.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve month period:

- (i) The Company receives low interest rates on its cash and cash equivalent balances and, as such, the Company does not have significant interest rate risk.
- (ii) The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

11. Commitments and contingencies

The Company's exploration and evaluation activities are subject to government laws and regulations, including tax laws, and laws and regulations governing the protection of the environment. The Company believes that its operations comply in all material respects with all applicable past and present laws and regulations. The Company records provisions for any identified obligations, based on management's estimate at the time. Such estimates are, however, subject to changes in laws and regulations.

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The Company has indemnified the subscribers of flow-through share offerings pursuant to subscription agreements with investors for amounts that may become payable by the shareholder as a result of the Company not having met its expenditure commitments on qualified items.

On May 26, 2015, a legal action in the amount of \$500,000 was commenced by the Crown against the Company, and three other parties, for damages arising from a forest fire that the parties to the suit are alleged to be responsible for. The Company does not believe it is liable; however, the Company believes that it has sufficient insurance coverage to pay any amounts that it may be found liable for.