

BANYAN GOLD CORP.
FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

MARCH 31, 2016

(Unaudited - Prepared by Management)

Notice of Disclosure of Non-auditor Review of Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3 (3)(a) issued by the Canadian Securities Administrators, 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 interim financial statements of the Corporation for the interim period ended March 31, 2016 have been prepared in accordance with International Financial Reporting Standards and are the responsibility of the Corporation's management.

The Corporation's independent auditors have not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of the interim financial statements by an entity's auditor.

Dated this 30th day of May 2016.

BANYAN GOLD CORP.
INTERIM STATEMENT OF FINANCIAL POSITION

(Unaudited - Prepared by Management)

For the six months ended March 31, 2016 - Expressed in Canadian Funds

	March 31 2016	September 30 2015
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	\$ 80,293	\$ 4,405
Accounts receivable	5,955	65,044
Prepays	<u>25,708</u>	<u>24,830</u>
	111,956	94,279
Capital Assets, net (Note 8)	6,818	8,021
Exploration and evaluation asset (Note 6)	<u>1,063,286</u>	<u>1,049,367</u>
Total Assets	\$ 1,182,060	\$ 1,151,667
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ <u>12,781</u>	\$ <u>82,884</u>
	<u>12,781</u>	<u>82,884</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	1,770,285	1,633,762
Contributed surplus	435,425	354,845
Deficit	<u>(1,036,431)</u>	<u>(919,824)</u>
	<u>1,169,279</u>	<u>1,068,783</u>
Total liabilities and shareholders' equity	\$ 1,182,060	\$ 1,151,667

Mark Haywood
CEO

David Rutt
CFO

BANYAN GOLD CORP.**CONDENSED INTERIM STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS**

(Unaudited - Prepared by Management)

Expressed in Canadian Funds

	Three Months Ended		Six Months Ended	
	Mar 31, 2016	Mar 31, 2015	Mar 31, 2016	Mar 31, 2015
EXPENSES				
Professional Fees	\$ 43,824	\$ 23,094	\$ 54,824	\$ 34,129
General & Admin	5,799	10,978	32,471	20,121
Management Fees	12,500	10,050	21,000	21,000
Listing & Filing Fees	8,167	8,167	8,312	8,167
Stock Based Compensation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
LOSS BEFORE OTHER ITEMS	70,290	52,739	116,607	83,417
Interest Income	<u>0</u>	<u>12</u>	<u>0</u>	<u>34</u>
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ 70,290	52,727	116,607	83,383
Loss per common share - basic & diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares outstanding	27,153,231	16,417,333	25,761,049	15,440,044

BANYAN GOLD CORP.
STATEMENT OF CHANGES IN EQUITY

(Unaudited - Prepared by Management)

For the Quarter Ended March 31, 2016 & 2015 - Expressed in Canadian Funds

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Shareholders Equity
Balance, September 30, 2014	14,484,000	1,273,604	197,309	(694,030)	776,883
Shares issued for:					
Proceeds from share issuance	8,700,000	\$0.05 435,000			435,000
Share Issuance Costs		(226,142)			(226,142)
Fair Value Warrants			222,826		222,826
Stock Subscriptions Received		60,000			60,000
Net loss for the period				(83,383)	(83,383)
Balance, March 31, 2015	23,184,000	1,542,462	420,135	(777,413)	1,185,184
Balance, September 30, 2015	24,384,000	1,633,762	354,845	(919,824)	1,068,783
Stock based compensation on stock options (Note 5)			19,453		19,453
Shares Issued for:					
Proceeds from share issuance	4,000,000	200,000			200,000
Share Issuance Costs		(63,477)			(63,477)
Fair Value Warrants			61,127		61,127
Net loss for the quarter				(116,607)	(116,607)
Balance, Mach 31, 2016	28,384,000	1,770,285	435,425	(1,036,431)	1,169,279

Note: All shares issued have been Class A common shares. No Class B common shares or Preference shares have been issued.

BANYAN GOLD CORP.
CONDENSED INTERIM STATEMENT OF CASH FLOWS

(Unaudited - Prepared by Management)
Expressed in Canadian Funds

	Three Months Ended		Six Months Ended	
	Mar 31, 2016	Mar 31, 2015	Mar 31, 2016	Mar 31, 2015
Cash Flows from Operating Activities				
Net loss for the period	\$ (70,290)	\$ (52,727)	\$ (116,607)	\$ (83,383)
Adjustments for items not involving cash:				
Amortization	601	-	1,203	-
Stock based compensation	-	-	19,453	-
	(69,689)	(52,727)	(95,951)	(83,383)
Changes in non-cash working capital items:				
Decrease (Increase) in receivables & accrued interest	21,062	55,445	59,089	4,433
Decrease (Increase) in Prepays & Deposits	(3,378)	(217,500)	(878)	(217,500)
Increase (Decrease) in payables and acc. Liabilities	(66,324)	(4,791)	(70,103)	(19,180)
Net cash used in operating activities	(118,329)	(219,573)	(107,843)	(232,247)
Cash Flows from Investing Activities				
Government Grant for Exploration	-	-	-	47,965
Equipment purchase	-	(9,436)	-	(9,436)
Exploration and Evaluation - Hyland	(281)	(42,792)	(13,919)	(65,541)
Net cash from investing activities	(281)	(52,228)	(13,919)	(27,012)
Cash Flows from Financing Activities				
Proceeds from Share Issuance	200,000	435,000	200,000	435,000
Share Subscriptions Received	(50,000)	60,000	-	60,000
Share Issuance Costs (excluding warrant costs)	(2,350)	(3,316)	(2,350)	(3,316)
Net cash from financing activities	147,650	491,684	197,650	491,684
Increase (Decrease) in cash & cash equivalents during the period	29,040	219,883	75,888	149,042
Cash & Cash Equivalents - Beginning of the Period	51,253	16,978	4,405	87,819
Cash & Cash Equivalents - End of the Period	80,293	236,861	80,293	236,861

Supplemental Disclosures

Interest paid	\$	-	\$	-
Interest received	\$	-	\$	-

BANYAN GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended March 31, 2016 and 2015

1. NATURE AND CONTINUANCE OF OPERATIONS

Banyan Gold Corp. (the "Company"), was incorporated as Banyan Coast Capital Corp. by a Certificate of Incorporation issued pursuant to the provisions of the Alberta Business Corporations Act ("ABCA") on July 26, 2010. The address of the Company's head office is 303 - 80 Richmond Street West, Toronto, Ontario, M5H 2A4. These financial statements were approved and authorized for issuance by the Board of Directors on February 25th, 2016.

The Company commenced trading on January 27, 2011, and trades under the symbol BYN.

On February 15, 2013 the Company completed its qualifying transaction by acquiring the Hyland Gold Project and raised \$500,000 by way of a non-brokered private placement.

These financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company.

If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. BASIS OF PRESENTATION

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared on a historical costs basis, except for financial instruments classified as financial instruments at fair value through profit and 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.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carry amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i) the recoverability of receivables which are included in the statements of financial position;
- ii) the inputs used in accounting for stock-based compensation expense, which are included in the statement of operations;
- iii) recoverability of future income tax asset;
- iv) recoverability of exploration and evaluation expense asset;
- v) the valuation of the rehabilitation provision; and
- vi) the valuation of share-based payments transactions.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended March 31, 2016 and 2015

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used by the Company are discussed in detail in the 2015 annual MD&A for the year ended September 30, 2015, under the heading "Critical Judgements and Accounting Estimates", as well as the 2015 annual audited financial statements for the year ended September 30, 2015, in Note 3.

There have been no material changes applied to these accounting policies from September 30, 2015 up to the date of this MD&A.

4. CASH AND CASH EQUIVALENTS

	March 31, 2016	March 31, 2015
Cash on Deposit	\$ 80,293	\$ 236,861
Liquid short term deposit	-	-
	\$ 80,293	\$ 236,861

5. SHARE CAPITAL

Authorized:

Unlimited number of:

- Unlimited Class A voting common shares
- Unlimited Class B non-voting, common shares
- Unlimited Preferred Shares

All issued shares are fully paid. There were 28,384,000 Class A common shares issued and outstanding on March 31, 2016.

Transactions

On January 29, 2016, the TSX Venture Exchange approved a non-brokered private placement of four million units at 5 cents per unit for gross proceeds of \$200,000.

Each unit consists of one common share and one full non-transferable common share purchase warrant, with each full warrant exercisable into one common share of the company at an exercise price of 7 cents, for a period of 36 months from the date of issuance.

The warrants, which form part of the units, may have their expiry time accelerated at any time prior to the expiry of the Warrants if the volume weighted average trading price of the Corporation's shares on the TSX Venture Exchange is greater than \$0.10 for 15 consecutive trading days, at which time the Corporation may give notice in writing to the Warrant holders within 10 days of such an occurrence that the Warrants shall expire on the 30th day following the giving of such notice. Funds will be used for general working capital.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended March 31, 2016 and 2015

5. SHARE CAPITAL (continued)

Directors and Officers of Banyan participated in the January 2016 financing by acquiring 1,300,000 units or \$65,000 and post close held approximately 32.9% of the shares outstanding.

Stock Options

The Company has established a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Company. The Plan is administered by the Board of Directors of the Company who establish the exercise prices, vesting conditions and expiry date of the options in accordance with the requirements imposed by the Exchange. The aggregate number of shares assumable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding shares reserved for the issuance to (a) any individual director or officer which will not exceed 5% of the issued and outstanding common shares, and (b) all consultants which will not exceed 2% of the issued and outstanding common shares.

No options were granted during the quarter ended March 31, 2015.

During the quarter ended March 31, 2016, the Company granted stock options to directors and officers to purchase 115,000 common shares, at an exercise price of \$0.05 per share, exercisable on or before February 1, 2021. At the same time, the Company cancelled 115,000 options which had previously been issued on December 31, 2015.

On March 31, 2016, the following incentive stock options were outstanding to directors, officers and advisors:

250,050 stock options exercisable at \$0.15 with an expiry of January 25, 2021
650,000 stock options exercisable at \$0.05 with an expiry of January 31, 2019
75,000 stock options exercisable at \$0.05 with an expiry of April 22, 2019
675,000 stock options exercisable at \$0.05 with an expiry of August 10, 2020
485,000 stock options exercisable at \$0.05 with an expiry of December 31, 2020
115,000 stock options exercisable at \$0.05 with an expiry of February 1, 2021

Option pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's stock options.

Warrants

The Company has 8,950,000 warrants outstanding at the end of the current period as a result of financings completed in March and April of 2015 and January 2016. Specific details on expiry and terms are as follows:

4,350,000 warrants exercisable at \$0.075* until March 13, 2017.
600,000 warrants exercisable at \$0.075* until April 10, 2017
4,000,000 warrants exercisable at \$0.07** until January 29, 2019

Note:

* The warrants may have their expiry time accelerated at any time prior to the expiry of the warrants if the volume-weighted average trading price of the corporation's shares on the TSX Venture Exchange is greater than 12 cents for 15 consecutive trading days, at which time the corporation may give notice in writing to the warrant holders within 10 days of such an occurrence that the warrants shall expire on the 30th day following the giving of such notice.

BANYAN GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended March 31, 2016 and 2015

5. SHARE CAPITAL (continued)

** The warrants may have their expiry time accelerated at any time prior to the expiry of the Warrants if the volume weighted average trading price of the Corporation's shares on the TSX Venture Exchange is greater than \$0.10 for 15 consecutive trading days, at which time the Corporation may give notice in writing to the Warrant holders within 10 days of such an occurrence that the Warrants shall expire on the 30th day following the giving of such notice.

6. RESOURCE PROPERTIES

The Company has an interest in the Hyland Gold Project and is located in the Watson Lake Mining District of southeast Yukon, approximately 74 kilometres northeast of the town of Watson Lake. The Hyland Gold Project consists of 927 claims totaling over 18,620 hectares. Banyan has earned a 100% interest in all properties subject to various NSR agreements with an aggregate royalty of 2.5% subject to a maximum buy back of 1.5%.

During the quarter ended six months ended March 31, 2015 the Company booked into receivables a government grant funding of \$47,965 from the Government of Yukon for reimbursement of eligible exploration and evaluation costs incurred during the fall 2014 work program. The Company has accounted for the government grant as a reduction in the carrying amount of the exploration and evaluation asset. All conditions attached to the funding were met during the quarter and funds were received after the quarter end.

During the six months ended March 31, 6 the Company received government grant funding of \$40,000 which was booked in the prior quarter.

Hyland Project

Closing balance - September 30, 2013	\$ 683,868
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Government grant for work completed	(35,000)
Exploration and evaluation expenses capitalized	65,308

Closing balance – September 30, 2014	\$ 714,176
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Government grant receivable for work completed	(87,965)
Exploration and evaluation expenses capitalized	423,156

Closing balance – September 30, 2015	\$ 1,049,367
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Government grant receivable for work completed	(nil)
Exploration and evaluation expenses capitalized	13,919

Closing balance – March 31, 2016	\$ 1,063,005
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BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended March 31, 2016 and 2015

7. RELATED PARTY TRANSACTIONS

During the quarter, \$41,000 (2015 - \$21,000) was expensed to the corporation by officers of the Company. \$10,500 (2015 - \$10,500) has been billed to management fees by 1195472 Ontario Ltd. for the CFO and \$10,500 (2015 - \$10,500) to professional fees by Paul D. Gray Geological Consulting and \$20,000 (2015 - nil) by Caravel Capital for the CEO.

8. PROPERTY AND EQUIPMENT

Field & Automotive Equipment

Cost at Sept 30, 2015	\$ 9,436
Current period additions	Nil
Cost at Dec 31, 2015	<u>\$ 9,436</u>
Accumulated amortization at Sept 30, 2015	\$ 1,415
Six month period amortization	<u>1,203</u>
Accumulated amortization at Mar 31, 2016	<u>\$ 2,618</u>
March 31, 2016 Net book Value	<u>\$ 6,818</u>

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Fair value estimates are made at the reporting date, based on relevant market information and other information about the financial instruments. Fair values are determined directly by reference to published price quotations in an active market, when available, or by using a valuation technique that uses inputs observed from the markets.

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs which are supported by little or no market activity.

All of the Company's cash and cash equivalents are assessed to be in Level 1.

The fair market value of the Company's receivables, payables and accruals approximate their carrying amount due to their short-term nature.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended March 31, 2016 and 2015

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

a) Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash that might be raised from equity financings. As at March 31, 2016, the Company had a cash balance of \$80,293 (2015 - \$236,861) and current liabilities of \$12,781 (2015 - \$16,312). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company has working capital of \$99,175 (2015 - \$443,996). A financing will be required to cover the expected short and long term cash requirements.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not believe a change by 1% in interest rate will have a significant impact on the fair value of its cash equivalents.

d) Foreign Currency Risk

The Company's reporting currency is in Canadian dollars and major transactions are denominated in Canadian dollars. Therefore the Company's currency risk is not significant.

Capital Disclosures

The Company manages its capital, consisting of shareholders' equity, in a manner consistent with the risk characteristics of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors.

The Company's objectives when managing capital are:

- a) to safeguard the Company's ability to continue as a going concern; and
- b) to facilitate potential acquisitions.

The Company is meeting its objective of managing capital through its detailed review and performance of due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity and monthly review of financial results. As disclosed previously, there are restrictions on the use of cash.

There were no changes in the Company's approach to capital management during the period ended March 31, 2016.

BANYAN GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS
For the Quarters ended March 31, 2016 and 2015

10. INCOME TAX

Income Tax is computed on a yearly and discussed in detail in the September 30, 2015 annual audited financial statements, Note 10.

11. LOSS PER SHARE

Diluted loss per share for the period ended March 31, 2016 and 2015 is the same as basic loss per share as the impact of the exercise of the outstanding share options and warrants is nominal and does not effect the rounded result.

12. SUBSEQUENT EVENTS

There are no reportable subsequent events.