

**BANYAN GOLD CORP.
FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED

JUNE 30, 2017

(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 June 30, 2017 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 28^h day of August 2017.



BANYAN GOLD CORP.
INTERIM STATEMENT OF FINANCIAL POSITION

(Unaudited - Prepared by Management)

For the quarter ended June 30, 2017 - Expressed in Canadian Funds

	June 30 2017	September 30 2016
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	\$ 2,363,947	\$ 926,496
Accounts receivable	13,178	16,860
Prepays	<u>69,338</u>	<u>21,245</u>
	\$ 2,446,463	\$ 964,602
Capital Assets, net (Note 8)	\$ 16,816	\$ 5,615
Exploration and evaluation asset (Note 6)	<u>1,549,637</u>	<u>1,349,222</u>
Total Assets	<u>\$ 4,012,916</u>	<u>\$ 2,319,439</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 22,809	\$ 105,110
Exploration amount to be renounced	<u>285,703</u>	<u>95,445</u>
	<u>308,512</u>	<u>200,555</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	4,258,496	2,730,926
Contributed surplus	1,446,103	798,611
Deficit	<u>(2,000,195)</u>	<u>(1,410,653)</u>
	<u>3,704,404</u>	<u>2,118,884</u>
Total liabilities and shareholders' equity	<u>\$ 4,012,916</u>	<u>\$ 2,319,439</u>

Tara Christie
CEO & President

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		Nine Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
EXPENSES				
Professional Fees	\$ 16,345	\$ 71,125	\$ 54,943	\$ 125,949
General & Admin	57,112	36,290	108,160	68,762
Management Fees	57,000	7,000	114,980	28,000
Listing & Filing Fees	6,206	750	14,473	9,062
Future Income Tax Expense	121,378	0	190,258	0
Stock Based Compensation	0	0	107,767	0
LOSS BEFORE OTHER ITEMS	258,041	115,165	590,581	231,774
Interest Income	1,039	0	1,039	0
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ 257,002	115,165	589,542	231,774
Loss per common share - basic & diluted	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	66,819,203	28,384,000	54,542,080	26,632,175

BANYAN GOLD CORP.
STATEMENT OF CHANGES IN EQUITY

(Unaudited - Prepared by Management)

For the Quarter Ended June 30, 2017 & 2016 - Expressed in Canadian Funds

	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Shareholders Equity
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 Financing:					
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 six months				(231,774)	(231,774)
Balance, June 30, 2016	28,384,000	1,770,285	435,425	(1,151,598)	1,054,112
Balance, September 30, 2016	46,890,560	2,730,926	798,611	(1,410,653)	2,118,884
Stock based compensation on stock options (Note 5)			107,767		107,767
Shares Issued for Financing (Feb):					
Proceeds from share issuance	9,361,316	800,000			800,000
Share Issuance Costs		(545,816)			(545,816)
Fair Value Warrants			539,725		539,725
Shares Issued for Financing (June)					
Proceeds from share issuance	4,000,000	600,000			600,000
Share Issuance Costs		(38,210)			(38,210)
Shares Issued for Warrant Exercises (Note5)	9,642,317	711,596			711,596
Net loss for the nine months				(589,542)	(589,542)
Balance, June 30, 2017	69,894,193	4,258,496	1,446,103	(2,000,195)	3,704,404

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		Nine Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Cash Flows from Operating Activities				
Net loss for the period	\$ (257,002)	\$ (115,165)	\$ (589,542)	\$ (231,774)
Adjustments for items not involving cash:				
Amortization	1,756	601	2,598	1,805
Future Income Tax for Renunciation	121,378	-	190,258	-
Stock based compensation	-	-	107,767	19,453
	(133,868)	(114,564)	(288,919)	(210,516)
Changes in non-cash working capital items:				
Decrease (Increase) in receivables & accrued interest	(8,693)	(768)	3,682	58,321
Decrease (Increase) in Prepays & Deposits	(66,766)	(3,202)	(48,093)	(4,080)
Increase (Decrease) in payables and acc. Liabilities	(16,798)	47,955	(82,301)	(22,148)
Net cash used in operating activities	(226,125)	(70,579)	(415,631)	(178,423)
Cash Flows from Investing Activities				
Government Grant for Exploration	-	-	40,000	-
Capital Assets	(13,800)	-	(13,800)	-
Exploration and Evaluation - Yukon	(151,548)	(2,739)	(240,415)	(16,658)
Net cash from investing activities	(165,348)	(2,739)	(214,215)	(16,658)
Cash Flows from Financing Activities				
Proceeds from Share Issuance	728,543	-	2,111,597	200,000
Share Subscriptions Received	-	-	-	-
Share Issuance Costs (excluding warrant costs)	(38,210)	-	(44,301)	(2,350)
Net cash from financing activities	690,333	-	2,067,296	197,650
Increase (Decrease) in cash & cash equivalents during the period	298,861	(73,318)	1,437,450	2,569
Cash & Cash Equivalents - Beginning of the Period	2,065,086	80,293	926,496	4,405
Cash & Cash Equivalents - End of the Period	2,363,947	6,975	2,363,947	6,975

Supplemental Disclosures

Interest paid	\$	-	\$	-
Interest received	\$	1,039	\$	-

BANYAN GOLD CORP.
NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

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 Suite 250 - 2237 2nd Avenue Whitehorse, Yukon and the registered office is 166 Cougarstone Crescent SW, Calgary, AB T3H 4Z5. These financial statements were approved and authorized for issuance by the Board of Directors on August 28, 2017.

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

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 results 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 June 30, 2017 and 2016

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used by the Company are discussed in detail in the 2016 annual MD&A for the year ended September 30, 2016, under the heading "Critical Judgements and Accounting Estimates", as well as the 2016 annual audited financial statements for the year ended September 30, 2016, in Note 3.

There have been no material changes applied to these accounting policies from September 30, 2016 up to the date of these financial statements.

4. CASH AND CASH EQUIVALENTS

	June 30, 2017	June 30, 2016
Cash on Deposit	\$ 1,863,947	\$ 6,975
Cashable GIC	<u>500,000</u>	<u>-</u>
	\$ 2,363,947	\$ 6,975

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 69,894,193 Class A common shares issued and outstanding on June 30, 2017.

Transactions

During the third quarter a total of 1,714,625 warrants were exercised for proceeds of \$128,543.

On June 22, 2017, the Corporation completed a financing of \$600,000 consisting of 4,000,000 shares under a non-brokered private placement. The Private Placement consisted of flow through shares (within the meaning of the *Income Tax Act* (Canada)), priced at \$0.15 per share. Net proceeds are budgeted for the Company's ongoing summer exploration program at the Aurex-McQuesten and Hyland Gold Projects.

During the third quarter of last year there were no share capital transactions.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

5. SHARE CAPITAL (continued)

Stock Options

There were no stock options granted during the quarter ended June 30, 2017.

On June 30 2017, 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
500,000 stock options exercisable at \$0.065 with an expiry of August 4, 2021
500,000 stock options exercisable at \$0.085 with an expiry of August 26, 2021
350,000 stock options exercisable at \$0.07 with an expiry of October 27, 2021
800,000 stock options exercisable at \$0.11 with an expiry of March 4, 2022

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.

There were no stock options granted during the previous year's quarter.

Warrants

The Company has 9,687,291 warrants outstanding at the end of the current period. Specific details on expiry and terms are as follows:

3,732,287 warrants exercisable at \$0.085 until August 24, 2018
5,955,004 warrants exercisable at \$0.115 until September 8, 2019

6. RESOURCE PROPERTIES

Hyland

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.

The Hyland Main Zone Inferred Gold Resource Estimate, prepared in accordance with NI 43-101 and at a 0.6g/t gold equivalent cutoff, contains 12,503,994 tonnes with 361,692 ounces gold at 0.9g/t and 2,248,948 ounces silver at 5.59g/t for a combined gold and silver 396,468 ounces gold equivalent.

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%.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

6. RESOURCE PROPERTIES (continued)

Aurex & McQuesten

On May 24 the Corporation completed the definitive agreements on the Aurex and McQuesten projects subject to TSX Venture approval and in the case of Alexco, requiring the consent of Silver Wheaton and the Government of Canada. The agreements provided for the Corporation to acquire up to 100% of the Aurex Property, from Victoria Gold Corp. ("**Victoria**") and up to 100% of the McQuesten Property, from Alexco Resource Corp. ("**Alexco**"). The Aurex and McQuesten gold properties are contiguous, comprising 8,230 hectares and 1,000 hectares respectively and are both highly prospective for intrusive-related gold mineralization, and include areas of historic gold production (lode and placer), in the prolific Mayo Mining District, Yukon Territory.

Highlights of Aurex Agreement with Victoria Gold Corp.:

Under the terms of the binding Letter Agreement with Victoria, which is subject to TSX Venture Exchange ("TSX-V") approval, Banyan may earn up to 100% interest in the Aurex property in three (3) stages:

- Initial 51% Option Interest - To acquire the initial 51% Option Interest in the Property, the Company is required, over a period of four (4) years, to issue in stages a total of 3 million common shares in the capital of the Company, and to incur in stages minimum exploration expenditures totaling \$1.6 million on the Property. Banyan will act as the Property's operator during the initial four-year term and has the option to defer expenditures into a 5th year. Following the earning of the 51% Option Interest, a joint venture ("**JV**") will be formed and Banyan will have the ability to elect to earn an additional 24%.
- Additional 24% Interest - In order to earn the Additional 24% Interest, such that Banyan would have an aggregate interest of 75% in the Property, Banyan will be required to spend an additional \$3.5 million in exploration expenditures over five (5) years. Upon having earned the Additional 24% Interest, Banyan will continue to act as the Property's operator and may elect to earn an additional 25%.
- Additional 25 % interest - In order to earn the Additional 25% Interest, such that Banyan would have an aggregate interest of 100% in the Property, within two (2) years Banyan must pay Victoria \$2 million cash or shares and grant Victoria a 6% net smelter return ("**NSR**") royalty with buybacks totaling \$7 million to reduce to a 1% NSR royalty on Au and a 3% NSR royalty on Ag.

Highlights of McQuesten Agreement with Alexco Resource Corp:

Under the terms of the McQuesten non-binding letter agreement with Alexco, it is intended that the parties will negotiate a binding agreement, which will be subject to TSX-V, Government of Canada and Silver Wheaton Corp. approvals, under which Banyan may earn up to a 100% interest in the McQuesten property in three (3) stages:

- Initial 51% Option Interest - To acquire the initial 51% Option Interest in the Property, the Company is required, over a period of four (4) years, to issue in stages a total of 1.6 million common shares in the capital of the Company, and to incur in stages minimum exploration expenditures totaling \$1.6 million on the Property. Banyan will act as the Property's operator during the initial four-year term and has the option to defer expenditures into a 5th year. Following the earning of the 51% Option Interest, a JV will be formed and Banyan will have the ability to elect to earn an additional 24%.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

6. RESOURCE PROPERTIES (continued)

- Additional 24% Interest - In order to earn the Additional 24% Interest, such that Banyan would have an aggregate interest of 75% in the Property, within three (3) years Banyan must spend an additional \$1 million in exploration expenditures, deliver a Preliminary Economic Assessment and pay Alexco \$600,000 in cash or shares of Banyan. Upon having earned the Additional 24% Interest, Banyan will continue to act as the Property's operator and may elect to earn an additional 25%.

Additional 25% interest - In order to earn the Additional 25% Interest, such that Banyan would have an aggregate interest of 100% in the Property, within two (2) years Banyan must pay Alexco \$2 million in cash or shares, deliver a Pre-Feasibility Study and grant Alexco a 6% NSR royalty with buybacks totaling \$7 million to reduce to a 1% NSR royalty on Au and a 3% NSR royalty on Ag.

	Aurex	McQuesten	Hyland	Total
Balance, Sept 30, 2015	\$ Nil	\$ Nil	\$ 1,049,367	\$ 1,049,367
Exploration & Evaluation Expenses Capitalized	Nil	Nil	16,658	16,658
Balance, June 30, 2015	Nil	Nil	1,066,025	1,066,025
Balance, Sept 30, 2016	\$ Nil	\$ Nil	\$ 1,349,222	1,349,222
Acquisition Costs	15,000	Nil	Nil	15,000
Exploration & Evaluation Expenses Capitalized	43,251	87,599	54,564	185,414
Balance, June 30, 2017	58,251	87,599	1,403,787	1,549,636

7. RELATED PARTY TRANSACTIONS

During the quarter, \$67,500 (2016 - \$68,125) was expensed to the corporation by officers and directors of the Company. \$12,000 (2016 - \$7,000) has been billed to management fees by 1195472 Ontario Ltd. for the CFO and \$7,000 (2016 - \$7,000) to professional fees by Paul D. Gray Geological Consulting along with a further \$3,500 charged against the Hyland property. \$45,000 was charged by 44984 Yukon Inc. for management fees for Tara Christie, CEO (2016 - \$20,000 by the previous CEO.). During the prior year's quarter there was also \$34,125 accrued for work performed by a director of the Company.

8. PROPERTY AND EQUIPMENT

Cost	Vehicles	Computers	Total
Balance - Sept 30, 2015	\$ 9,436	\$ Nil	\$ 9,436
Balance - Sept 30, 2016	9,436	Nil	9,436
Additions	9,000	4,800	13,800
Balance - June 30, 2017	18,436	4,800	23,236
Accumulated Depreciation	Vehicles	Computers	Total

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

8 Property & Equipment Cont'd

Balance - Sept 30, 2015	\$ 1,415	\$ Nil	\$ 1,415
Balance - Sept 30, 2016	3,822	Nil	3,822
Depreciation	1,938	660	2,598
Balance - June 30, 2017-07	5,760	660	6,420

<u>Carrying Amount</u>	<u>Vehicles</u>	<u>Computers</u>	<u>Total</u>
Balance - Sept 30, 2015	\$ 8,021	\$ Nil	\$ 8,021
Balance - Sept 30, 2016	5,615	Nil	5,616
Balance - June 30, 2017	12,676	4,140	16,816

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.

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.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

9 FINANCIAL AND CAPITAL RISK MANAGEMENT Cont'd

As at June 30, 2017, the Company had a cash balance of \$2,363,947 (2016 - \$6,975) and current liabilities of \$22,809 (2016 - \$60,736). 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 \$2,423,654 (2016 - negative \$18,128).

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, 2017

10. INCOME TAX

Income Tax is computed on a yearly and discussed in detail in the September 30, 2016 annual audited financial statements, Note 10.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

For the Quarters ended June 30, 2017 and 2016

11. LOSS PER SHARE

Diluted loss per share for the period ended June 30, 2017 and 2016 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 affect the rounded result.

12. SUBSEQUENT EVENTS

On July 6, 2017 the Corporation received TSX Venture Approval for the first option interest tranche on the Aurex and McQuestion definitive agreements (see Note 6).

On July 21, 2017, the Corporation completed the second tranche of the flow through financing by issuing 1,360,000 flow through share at a price of \$0.15 per share.