



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited - prepared by management

March 31, 2018

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim condensed consolidated financial statements of Independence Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

INDEPENDENCE GOLD CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Expressed in Canadian Dollars)

	<u>March 31</u> <u>2018</u>	<u>December 31</u> <u>2017</u>
ASSETS		
Current		
Cash and cash equivalents	\$ 1,355,779	\$ 1,559,526
Short-term investments	1,213,902	1,207,880
Receivables (Note 6)	275,284	343,648
Investments (Note 3)	<u>74,527</u>	<u>96,120</u>
	<u>2,919,492</u>	<u>3,207,174</u>
Long term deposit	101,888	101,888
Land use deposits (Note 4)	72,000	72,000
Equipment	81,118	87,747
Mineral properties (Note 5)	<u>11,848,726</u>	<u>11,848,726</u>
	<u>\$ 15,023,224</u>	<u>\$ 15,317,535</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ <u>174,876</u>	\$ <u>309,358</u>
	<u>174,876</u>	<u>309,358</u>
Shareholders' equity		
Share capital (Note 7)	35,495,295	35,495,295
Reserves	407,016	407,016
Deficit	<u>(21,053,964)</u>	<u>(20,894,134)</u>
	<u>14,848,347</u>	<u>15,008,177</u>
	<u>\$ 15,023,224</u>	<u>\$ 15,317,535</u>

Nature and continuance of operations (Note 1)

Approved and authorized by the Board on May 23, 2018.

"Kendra Johnston"

Kendra Johnston, Director

"Randy C Turner"

Randy C. Turner, Director

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

INDEPENDENCE GOLD CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

(Expressed in Canadian Dollars)

	Three Month Period Ended March 31 2018	Three Month Period Ended March 31 2017
Expenses		
Exploration expenditures (recoveries) (Note 5)	\$ (19,402)	\$ 140,978
Property Investigation	7,405	-
Depreciation	6,629	6,629
Insurance	3,662	1,933
Legal, audit and accounting	89	7,447
Management fees and corporate services (Note 6)	67,800	54,488
Office and miscellaneous	20,553	252
Regulatory and transfer agent fees	11,413	7,791
Rent	1,782	25,944
Share-based compensation (Note 7)	-	281,396
Shareholder communications	18,336	27,001
Travel	4,687	4,225
Wages and benefits	25,829	53,041
	<u>(148,783)</u>	<u>(611,125)</u>
Interest income	10,546	15,469
Unrealized loss on investments	<u>(21,593)</u>	<u>-</u>
	<u>(11,047)</u>	<u>15,469</u>
Loss and comprehensive loss for the period	\$ <u><u>(159,830)</u></u>	\$ <u><u>(595,656)</u></u>
Basic and diluted loss per common share	\$ <u><u>(0.00)</u></u>	\$ <u><u>(0.01)</u></u>
Weighted average number of common shares outstanding - basic and diluted	56,090,392	56,090,392

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

INDEPENDENCE GOLD CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

(Expressed in Canadian Dollars)

	Three Month Period Ended March 31 2018	Three Month Period Ended March 31 2017
Cash flows used in operating activities		
Loss for the period	\$ (159,830)	\$ (595,656)
Items not affecting cash:		
Depreciation	6,629	6,629
Share-based compensation	-	281,396
Interest on short-term investments	(8,291)	(15,469)
Unrealized loss on investments	21,594	-
Changes in non-cash working capital items:		
Decrease in prepaid expenses	-	11,111
Decrease in receivables	68,364	108,792
Decrease in accounts payable and accrued liabilities	(134,481)	(38,730)
Net cash used in operating activities	<u>(206,016)</u>	<u>(241,927)</u>
Cash flows from financing activities		
Issuance of common shares for cash	-	120,000
Net cash provided by financing activities	<u>-</u>	<u>120,000</u>
Cash flows from investing activities		
Decrease in short-term investments	2,269	6,493
Net cash from investing activities	<u>2,269</u>	<u>6,493</u>
Change in cash and cash equivalents during the period	(203,747)	(115,434)
Cash and cash equivalents, beginning of the period	1,559,526	1,913,424
Cash and cash equivalents, end of the period	\$ <u><u>1,355,779</u></u>	\$ <u><u>1,797,990</u></u>

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

INDEPENDENCE GOLD CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)**

(Expressed in Canadian Dollars)

	Share Capital				
	Number	Amount	Reserves	Deficit	Total
Balance, December 31, 2016	55,490,392	\$ 35,265,861	\$ 520,982	\$ (18,623,355)	\$ 17,163,488
Issued for incentive stock options	600,000	229,434	(109,434)	-	120,000
Reserves transferred on cancelled/expired options	-	-	(278,145)	278,145	-
Share-based compensation	-	-	281,396	-	281,396
Loss for the period	-	-	-	(595,656)	(595,656)
Balance, March 31, 2017	56,090,392	\$ 35,495,295	\$ 414,799	\$ (18,940,866)	\$ 16,969,228
Issued for incentive stock options	-	-	-	-	-
Reserves transferred on cancelled/expired options	-	-	(81,239)	81,239	-
Share-based compensation	-	-	73,456	-	73,456
Loss for the period	-	-	-	(2,034,507)	(2,034,507)
Balance, December 31, 2017	56,090,392	\$ 35,495,295	\$ 407,016	\$ (20,894,134)	\$ 15,008,177
Loss for the period	-	-	-	(159,830)	(159,830)
Balance, March 31, 2018	56,090,392	\$ 35,495,295	\$ 407,016	\$ (21,053,964)	\$ 14,848,347

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

INDEPENDENCE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Independence Gold Corp. ("Independence" or the "Company") was incorporated under the Business Corporation Act (British Columbia) on November 1, 2011 and is considered to be in the exploration stage with respect to its mineral properties. Based on the information available to date, the Company has not yet determined whether its properties contain economically recoverable mineral reserves.

The Company's head office and principal address is 1020 - 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The Company's registered and records office is 2300 - 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5.

The recovery of the amounts comprised in mineral properties is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development, and upon future profitable production.

These condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses and has no source of recurring revenue. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. Management believes that the Company has sufficient working capital to maintain its operations for the upcoming fiscal year.

These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" on a basis consistent with the accounting policies disclosed in the audited consolidated financial statements for the fiscal year ended December 31, 2017.

These condensed consolidated interim financial statements should be read in conjunction with the most recently issued audited consolidated financial statements, which include information necessary or useful to understanding the Company's business and financial statement presentation. In particular, the Company's significant accounting policies which were presented in Note 3 to the Consolidated Financial Statements for the fiscal year ended December 31, 2017 and have been consistently applied in the preparation of the Company's consolidated interim financial statements.

The Company's condensed consolidated interim financial statements are unaudited. Financial information in this report reflects any adjustments (consisting of normal recurring adjustments) that are, in the opinion of management necessary to a fair presentation of results for the interim periods in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

INDEPENDENCE GOLD CORP.NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)**3. MARKETABLE SECURITIES**

	March 31, 2018	December 31, 2017
Rojo Resources Ltd.	\$ 1,150	\$ 2,000
Metallic Minerals Corp.	73,377	94,120
Total	\$ 74,427	\$ 96,120

As at March 31, 2018, the Company holds 5,000 (December 31, 2017 – 5,000) common shares of Rojo Resources Ltd., a public company listed on the TSX Venture Exchange. These shares were received pursuant to mineral property option agreements with the Company, at a value of \$42,000.

On September 29, 2017, the Company received 200,000 common shares and 200,000 warrants of Metallic Minerals Corporation pursuant to the sale of certain mineral properties that were written off in previous fiscal years. The common shares were recorded at fair value and the warrants were recorded at fair value using the Black-Scholes option pricing model. The Company revalues the common shares and warrants at each reporting period. Any changes in the fair value of the common shares and warrants is recorded in profit or loss.

The common shares and warrants when received, had a fair value of \$64,000 and \$3,971, respectively. The fair value of the warrants was based on the Black-Scholes valuation model using the following inputs:

Risk-free interest rate	0.62 - 1.81%
Expected life of warrants	1.75 - 2.00 years
Expected annualized volatility	30%
Expected dividend rate	0%

4. LAND USE DEPOSITS

The Company has provided deposits as security for land use and potential future reclamation work relating to its mineral properties. As at March 31, 2018 a total of \$72,000 (December 31, 2017 - \$72,000) had been lodged with the British Columbia Ministry of Energy, Mines & Petroleum Resources.

INDEPENDENCE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)

5. MINERAL PROPERTIES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and to the best of its knowledge, title to all of its properties, except as described below are properly registered and in good standing.

The Company holds interest in various mineral claims located in Canada, the capitalized acquisition costs of which are as follows:

	March 31 2018	December 31 2017
BRITISH COLUMBIA		
<u>3Ts PROJECT</u>		
Taken Property	\$ 345,693	\$ 345,693
<i>A 100% interest in certain claims. The property is subject to a sliding scale net smelter returns royalty ("NSR") ranging from 2.0% to 4.0%. The Company may reduce the NSR to 1.0% by paying \$2,000,000 per percent.</i>		
Tam Property	1,750,979	1,750,979
<i>A 100% interest, subject to a 1.0% NSR, one-half of which may be purchased back for \$250,000.</i>		
Tsacha Property	2,121,788	2,121,788
<i>A 100% interest in certain claims subject to a 2.0% NSR.</i>		
Tommy Lake Property	17,518	17,518
<i>A 100% interest.</i>		
YUKON		
<u>BOULEVARD PROJECT</u>		
Boulevard Property	4,683,537	4,683,537
<i>A 100% interest, subject to a 2.0% NSR. Upon completion of a 43-101 report with specific resource estimates, the Company will be obligated to issue a further 1,000,000 common shares.</i>		
YCS Property	425,237	425,237
<i>A 100% interest, subject to a 2.0% NSR. The Company can buy-back one-half of the NSR for \$1,000,000.</i>		
Solitude Property	865,566	865,566
<i>A 100% interest.</i>		
Tiger Property	233,776	233,776
<i>A 100% interest, subject to a 2.0% NSR. The Company can buy-back one-half of the NSR for \$2,000,000.</i>		
<u>WHITE GOLD PROPERTIES</u>		
Henderson Property	1,271,780	1,271,780
<i>A 100% interest.</i>		
Moosehorn Property	88,416	88,416
<i>A 100% interest.</i>		
Stinger Property	44,436	44,436
<i>A 100% interest.</i>		
Keno Property	-	-
<i>A 100% interest.</i>		
	\$ <u>11,848,726</u>	\$ <u>11,848,726</u>

INDEPENDENCE GOLD CORP.NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)**5. MINERAL PROPERTIES (continued)**

During the three months ended March 31, 2018, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Field Sampling	Drilling	Land Use & Tenure	Data Evaluation	Safety & Reclamation	Recoveries	Total for the period
BRITISH COLUMBIA								
3Ts Project	\$ 144	\$ -	\$ -	\$ -	\$ 328	\$ -	\$ -	\$ 472
YUKON								
Boulevard Project	14,108	-	3,279	-	27,500	-	-	44,888
Henderson	2,519	1,528	-	24	4,190	-	(40,000)	(31,740)
Moosehorn	1,078	1,528	-	-	930	-	(39,888)	(36,352)
Stinger	1,015	-	-	-	2,314	-	-	3,330
Others*	-	-	-	-	-	-	-	-
	\$ 18,864	\$ -	\$ 3,279	\$ 24	\$ 35,263	\$ -	\$ (79,888)	\$ (19,402)

*Others include Rosebute, Flow, Wolfcreek and Keno.

During the three months ended March 31, 2017, the Company incurred exploration expenditures as follows:

	Geology & Geophysics	Field Sampling	Drilling	Land Use & Tenure	Data Evaluation	Safety & Reclamation	Recoveries	Total for the period
BRITISH COLUMBIA								
3Ts Project	\$ 6,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,097
YUKON								
Boulevard Project	30,487	-	-	22,644	14,321	-	-	67,452
Henderson	15,244	-	-	77,910	-	-	-	93,154
Moosehorn	6,097	-	-	2,093	-	-	(40,000)	(31,810)
Flow	3,049	-	-	3,036	-	-	-	6,085
	\$ 60,974	\$ -	\$ -	\$ 105,683	\$ 14,231	\$ -	\$ (40,000)	\$ 140,978

INDEPENDENCE GOLD CORP.NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)**6. RELATED PARTY TRANSACTIONS**

The consolidated financial statements include the financial statements of Independence Gold Corp. and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Ownership	Principal Activity
Golden Pavilion Resources Ltd.	British Columbia, Canada	100%	Holding company
Silver Quest Resources (US) Ltd.	Nevada, USA	100%	Inactive

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Compensation paid or payable to key management for services rendered are as follows:

	Three months period ended March 31, 2018	Three months period ended March 31, 2017
Management fees	\$ 56,550	\$ 49,237
Directors fees	11,250	5,250
Geological consulting fees	18,442	7,312
Share-based compensation*	-	249,419
Property investigation	2,258	-
Total	\$ 88,500	\$ 311,218

* Share-based compensation consists of options granted to key management. The value shown above is calculated using the Black-Scholes option pricing model and does not represent actual amounts received.

Included in receivables at March 31, 2018 is \$262,580 (December 31, 2017 - \$258,576) due from companies with directors and/or officers in common. Included in accounts payable and accrued liabilities at March 31, 2018 is \$13,638 (December 31, 2017 - \$125,605) due to directors and companies with directors and/or officers in common.

The Company provides geological, office and administrative services to public companies with common directors. During the three months ended, March 31, 2018, the Company received or accrued \$7,350 (March 31, 2017 - \$12,900) for rent and \$12,006 (March 31, 2017 - \$44,226) for accounting, investor relations, geology and other.

INDEPENDENCE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

b) Issued share capital

The Company did not issue any shares during the three months period ended March 31, 2018.

During the year ended, December 31, 2017 the Company issued 600,000 common shares with an aggregate value of \$120,000 pursuant to the exercise of incentive stock options.

c) Stock options

The Company has an incentive stock option plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 10 years and vesting periods are determined by the Board of Directors.

As at March 31, 2018, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Shares	Exercise Price	Expiry Date
590,000	\$ 0.20	November 7, 2018
250,000	\$ 0.15	June 2, 2020
480,000	\$ 0.20	May 18, 2021
1,850,000	\$ 0.25	March 1, 2022
200,000	\$ 0.20	November 2, 2022
3,370,000		

INDEPENDENCE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2018 (Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES (continued)

c) Stock options (continued)

Stock option transactions are summarized as follows:

	March 31, 2018		December 31, 2017	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of period	3,370,000	\$ 0.22	3,785,000	\$ 0.20
Granted	-		2,400,000	\$ 0.25
Exercised	-		(600,000)	\$ 0.20
Expired/cancelled	-		(2,215,000)	\$ 0.21
Balance, end of period	3,370,000	\$ 0.22	3,370,000	\$ 0.22
Options exercisable, end of period	3,370,000	\$ 0.22	3,370,000	\$ 0.22

d) Share-based compensation

The Company did not issue any stock options during the three months period ended March 31, 2018.

During the three months ended March 31, 2017, the Company granted 2,200,000 stock options with a fair value of \$281,395 or \$0.13 per option. All options vest immediately on grant.

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the noted year:

	2017
Risk-free interest rate	0.98%
Expected life of options	5 years
Annualized volatility	86.91%
Weighted average FV	\$ 0.13
Expected dividend rate	0%

e) Warrants

As at March 31, 2018 and 2017 the Company had no outstanding share purchase warrants.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash investing and financing transactions during the three months ended March 31, 2018.

Significant non-cash investing and financing transactions during the three months period ended March 31, 2017 consisted of the transfer of reserves on expired/cancelled options of \$278,145 and transfer of reserves on exercise of options of \$109,434.