FREMONT GOLD LTD

Fremont Gold Ltd.

An Exploration Stage Company

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

THREE MONTHS ENDED JUNE 30, 2018

NOTICE

These unaudited interim consolidated financial statements have been prepared by management and have not been the subject of a review by the Company’s independent auditor

Fremont Gold Ltd.

Condensed interim consolidated statements of financial position

(Expressed in Canadian Dollars)

	Notes	June 30, 2018	March 31, 2018
ASSETS			
Current assets		$	$
Cash and cash equivalents		1,077,753	504,760
Accounts receivable		69,678	27,473
Prepaid expenses		115,661	68,290
Total Current assets		**1,263,092**	**600,523**
Non-current assets			
Mineral properties	4	2,368,911	2,218,020
Fixed assets		7,768	8,150
Reclamation bonds	5	106,910	104,685
Total Assets		**$ 3,746,681**	**$ 2,931,378**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 130,807	$ 173,230
Due to related parties	8	76,191	98,532
Total Current liabilities		**206,998**	**271,762**
Total liabilities		**206,998**	**271,762**
Shareholders' equity			
Share capital	6(a)	10,894,894	9,230,783
Warrant reserve	6(b)	205,670	205,670
Stock option reserve	6(c)	1,005,824	964,174

Subscription receipts	6(a)	-	325,992
Accumulated other comprehensive income (loss)		9,848	(12,803)
Accumulated deficit		(8,576,553)	(8,054,200)
Total Shareholders' equity		**3,539,683**	**2,659,616**
Total Liabilities and Shareholders' equity		**$ 3,746,681**	**$ 2,931,378**
Subsequent events (Notes 4)			

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

Approved by the Board of Directors

"Paul Reynolds"
Paul Reynolds, Director

"Michael Williams"
Michael Williams, Director

Fremont Gold Ltd.

Condensed interim consolidated statements of loss

(Expressed in Canadian Dollars except number of shares)

	Notes	3 months ended June 30, 2018	3 months ended June 30, 2017
Expenses		$	
Exploration	7	298,853	$ -
General and administration		68,388	3,167
Management		54,086	-
Professional fees		53,373	6,617
Stock-based compensation	6(c)	41,650	-
Travel		24,007	4,439
Listing and transfer agent		13,749	4,018
Depreciation		544	-
		554,650	18,241

Other income and expenses		
Foreign exchange gain	(29,359)	-
Interest income	(2,938)	-
Net loss for the period	**$ 522,353**	**$ 18,241**
Other comprehensive loss		
Unrealised foreign currency translation items	(22,651)	-
Total comprehensive loss for the period	**$ 499,702**	**$ 18,241**
Loss per share, Basic and diluted	$ 0.01	$ 0.00
Weighted average shares outstanding, Basic and diluted	42,157,496	12,868,692

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

Fremont Gold Ltd.

Condensed interim consolidated statements of changes in shareholders' equity

(Expressed in Canadian Dollars)

	Issued common shares	Share capital	Subscription receipts	Reserves, Warrants	Reserves, Stock options	Accumulated other comprehensive loss	Accumulated deficit	Total shareholders' equity
Balance at March 31, 2017	**12,460,789**	**$ 6,230,903**	**$ -**	**$ 170,221**	**$ 773,276**	**$ -**	**($ 7,239,510)**	**($ 65,110)**
Shares issued for cash	10,257,132	1,538,570	-	-	-	-	-	**1,538,570**
Shares issued for business combination	10,000,000	1,500,000	-	-	-	-	-	**1,500,000**
Shares issued for mineral property	300,000	45,000	-	-	-	-	-	**45,000**
Share issuance costs	-	(130,443)	-	35,449	-	-	-	**(94,994)**
Comprehensive loss	-	-	-	-	-	-	(18,241)	**(18,241)**
Balance at June 30, 2017	**33,017,921**	**$ 9,184,030**	**$ -**	**$ 205,670**	**$ 773,276**	**$ -**	**($ 7,257,751)**	**$ 2,905,225**
Balance at March 31, 2018	**33,315,422**	**$ 9,230,783**	**$ 325,992**	**$ 205,670**	**$ 964,174**	**($ 12,803)**	**($ 8,054,200)**	**$ 2,659,616**
Shares issued for cash:								
Private placement	9,615,200	1,538,432	(325,992)	-	-	-	-	**1,212,440**
Exercise of warrants	1,283,750	171,153	-	-	-	-	-	**171,153**

Share issuance costs	-	(45,474)	-	-	-	-	-	**(45,474)**
Stock options issued	-	-	-	-	41,650	-	-	**41,650**
Comprehensive income (loss)	-	-	-	-	-	22,651	(522,353)	**(499,702)**
Balance at June 30, 2018	**44,214,372**	**$ 10,894,894**	**$ -**	**$ 205,670**	**$ 1,005,824**	**$ 9,848**	**($ 8,576,553)**	**$ 3,539,683**

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

Fremont Gold Ltd.

Condensed interim consolidated statements of cash flows

(Expressed in Canadian Dollars)

	3 months ended June 30, 2018	3 months ended June 30, 2017
OPERATING ACTIVITIES	($	522,353) ($
Net loss for the period	18,241)	
Adjustments for items not involving cash:	41,650	
Stock-based compensation	-	
Depreciation		
	544	-
Unrealised foreign exchange items		
	(28,889)	-
	(509,048)	**(18,241)**
Net changes in non-cash working capital:		
Accounts receivable	(42,205)	(2,970)
Prepaid expenses		
	(47,371)	(2,100)
Accounts payable and accrued liabilities		
	(42,423)	24,942
Due to related parties		
Cash used in operating activities	(22,341)	(782)
	(663,388)	**849**
INVESTING ACTIVITIES		
Additions to mineral properties	(101,738)	-
Transaction costs, net of cash acquired		
Cash used in investing activities	-	(129,983)
	(101,738)	**(129,983)**
FINANCING ACTIVITIES		
Issuance of share capital, net of cash share issuance costs	1,166,966	1,443,576
Exercise of warrants		
Cash provided by financing activities	171,153	-
	1,338,119	**1,443,576**
Net increase in cash and cash equivalents	**572,993**	**1,314,442**
Cash and cash equivalents, beginning of period	**504,760**	**21,916**

(Unaudited, Expressed in Canadian Dollars)

Cash and cash equivalents, end of period	**$ 1,077,753**	**$ 1,336,358**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Fremont Gold Ltd. (formerly Palisades Ventures Inc., the "Company") was incorporated under the laws of British Columbia, Canada, on June 6, 2007. The principal business activity of the Company is the acquisition and exploration of mineral properties located in the United States. The Company is listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "FRE". The head office and records office of the Company are located at Suite 1500 – 409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2. The Company's registered office is located at 1200 – 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8.

Acquisition of Intermont and 1027344 B.C.

On June 29, 2017, the Company completed a transaction (the "Transaction") with Intermont Exploration, LLC ("Intermont"), 1027344 B.C. Ltd. ("1027344 B.C.") and various individuals unrelated to the Company pursuant to which the Company acquired 100% of the units of Intermont and 100% of the common shares of 1027344 B.C. in exchange for the issuance of 10,000,000 postconsolidation common shares. The closing of the Transaction was accompanied by the following:

- A three-for-four consolidation of the Company's common shares
- A non-brokered private placement resulting in the issuance of 10,257,132 units for gross proceeds of $1,538,570
- A change in name of the Company from Palisades Ventures Inc. to Fremont Gold Ltd., and
- The issuance of 300,000 post-consolidation common shares to the lessor of the Hurricane Project.

The Company remained the resulting issuer and a Tier 2 resource issuer upon closing of the Transaction.

The 16,614,386 issued and outstanding pre-consolidation, pre-Transaction common shares of the Company were adjusted to 12,460,789 post-consolidation common shares. As required by International Accounting Standards ("IAS") 33 - Earnings per Share, all references to share capital, common shares outstanding and per share amounts in these consolidated financial statements and the accompanying notes for periods prior to the share consolidation have been restated to reflect the three-for-four share consolidation.

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes the Company will be able to realise its assets and settle its liabilities in the normal course of business. For three months ended June 30, 2018, the Company reported a net loss of $522,353 (three months ended June 30, 2017: $18,241) and cash flow used in operations of $663,388 (three months ended June 30, 2017: cash provided by operating activities of $849), and as at that date had a net working capital balance of $1,056,094 (March 31, 2018: $328,761) and an accumulated deficit of $8,576,553 (March 31, 2018: $8,054,200).

The Company's ability to continue operations in the normal course of business is dependent on several factors, including its ability to secure additional funding. Management is exploring all available options to secure additional funding. Given the continuation of weak investor sentiment and capital market conditions, there exists significant uncertainty as to the Company's ability to raise additional funds on favorable terms.

Management has estimated that the Company will not have sufficient funds from existing working capital to meet its planned objectives and property obligations beyond 2018.

In addition, the recoverability of amounts presented as non-current assets is dependent upon a number of factors, including the ability of the Company to obtain financing to maintain properties in good standing and continue exploration and development and the discovery of economically recoverable reserves.

In the event the Company is unable to arrange appropriate financing, the carrying value of the Company's assets and liabilities could be subject to material adjustment and the Company will not be able to meet its obligations as they become due in the normal course of business. Furthermore, these conditions indicate the existence of a material uncertainty that raises substantial doubt as to the Company's ability to continue as a going concern.

(Unaudited, Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB ("International Accounting Standards Board") applicable to the preparation of interim financial statements, including IAS 34, 'Interim Financial Reporting'. The accounting policies followed in these condensed interim consolidated financial statements are the same as those applied in the Company's annual consolidated financial statements for the year ended March 31, 2018.

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as at August 27, 2018, the effective date the Board of Directors approved these financial statements. Any subsequent changes to IFRS after this date could result in changes to the consolidated financial statements as at and for the three months ended June 30, 2018.

The condensed interim consolidated financial statements do not contain all disclosures required under IFRS and should be read in conjunction with Company's annual consolidated financial statements and the notes thereto for the year ended March 31, 2018.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS 9 Financial Instruments (2014)

The IASB replaced IAS 39 Financial Instruments: Recognition and Measurement in its entirety with IFRS 9. IFRS 9 deals with classification and measurement, impairment, hedge accounting and derecognition of financial assets and liabilities. In February 2014, the IASB decided to defer to January 1, 2018 the implementation of IFRS 9. IFRS 9 is applicable to annual periods commencing on or after January 1, 2018. The Company's management has assessed the provisions of IFRS 9 and has concluded that its implementation did not have any significant impact on the Company's financial statements.

4. MINERAL PROPERTIES

3 months ended June 30, 2018	Mar. 31, 2018	Incurred during period	Foreign exchange	June 30, 2018
Goldrun	$ 1,084,875	$ -	$ 23,054	$ 1,107,929
Hurricane	672,039	-	14,281	686,320
Gold Bar	204,109	1,407	4,365	209,881
North Carlin	119,319	37,117	3,273	159,709

(Unaudited, Expressed in Canadian Dollars)

Rock Creek	115,866	608	2,474	118,948
Gold Canyon	19,835	48,586	1,386	69,807
Other properties	1,977	14,020	320	16,317
	$ 2,218,020	**$ 101,738**	**$ 49,153**	**$ 2,368,911**

Year ended March 31, 2018	Mar. 31, 2017	Transaction (1)	Incurred during period	Foreign exchange	31 Mar. 2018
Goldrun	$ -	$ 991,267	$ 97,899	($ 4,291)	$ 1,084,875
Hurricane	-	597,617	76,640	(2,218)	672,039
Gold Bar	-	-	199,925	4,184	204,109
North Carlin	-	-	116,873	2,446	119,319
Rock Creek	-	89,798	26,096	(28)	115,866
Gold Canyon	-	-	19,428	407	19,835
Other properties	-	-	1,937	40	1,977
	$ -	**$ 1,678,682**	**$ 538,798**	**$ 540**	**$ 2,218,020**

(1) 1027344 B.C. and Intermont transaction (see Note 1)

The Company held no interest in any mineral properties during the year ended March 31, 2017.

The capitalised costs of mineral properties relate to claim maintenance and acquisition costs associated with exploration and evaluation assets.

The Company's primary mineral properties as at June 30, 2018 were Hurricane, Gold Bar, Gold Canyon and North Carlin.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee their titles. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects.

It is possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties could be written off in the future.

(a) Hurricane, lease agreement

1027344 B.C. entered into an agreement dated February 13, 2015 with Nevada Eagle, LLC ("Nevada Eagle"), a third party, pursuant to which 1027344 B.C. leases six unpatented mining claims in Nevada collectively known as Hurricane. Subject to various conditions, the lease agreement provides 1027344 B.C. with the exclusive right to prospect, explore and mine on the property for a period of twenty years with a right to renew thereafter.

Nevada Eagle's rights and responsibilities associated with the lease agreement were assigned to Nevada Select Royalty, Inc. ("Nevada Select") pursuant to an assignment and assumption agreement dated May 4, 2016. Nevada Select is not related to 1027344 B.C. Nevada Eagle's ownership interest in the property was transferred to Nevada Select on May 5, 2016.

The lease agreement was amended on each of February 13, 2016, March 14, 2017, April 27, 2017 and July 23, 2018 whereby the terms of certain of the lease payments, share payments and work obligations as specified in the original February 2015 lease agreement were amended.

Pursuant to the July 23, 2018 amendment to the lease agreement, the minimum expenditure requirements associated with the property that were previously in place were terminated.

(b) Gold Bar, option agreement

In September 2017, the Company announced that it had entered into an option agreement with Ely Gold and Minerals Inc. ("Ely Gold"), an unrelated British Columbia based company, which controls 96 unpatented and 12 patented mining claims over the historic Gold Bar mine area in Eureka County Nevada (the "Gold Bar Property"). The option agreement was amended on July 13, 2018.

Pursuant to the amendment dated July 13, 2018, the payment of US$ 150,000 which had been previously due on September 8, 2019 was increased to US$ 160,000 and deferred to December 9, 2018. In addition, this December 2018 payment is irrevocable and will continue to be payable in the event the Company chooses to surrender the option.

5. RECLAMATION BONDS

Reclamation bonds totalling US$ 81,189 were paid in October 2017 in connection with the trenching program undertaken at Hurricane and in March 2018 in connection with the drilling program undertaken at Gold Bar and Gold Canyon. The bonds will be refunded in full after reclamation work has been completed and accepted by the United States Bureau of Land Management.

6. SHAREHOLDERS' EQUITY

(a) Share capital

The Company has authorized capital of an unlimited number of common voting shares without nominal or par value.

The Company has authorized capital of an unlimited number of preferred voting shares without nominal or par value.

Private placement, April 2018

In April 2018, the Company announced that it had closed a non-brokered private placement for gross proceeds of $1,538,432 through the issuance of 9,615,200 common shares at a price of $0.16 per common share. (Originally reported gross proceeds were $1,554,432 and originally reported common shares issued were 9,715,200).

The Company incurred $45,474 of share issue costs in connection with the financing including $24,362 in finder's fees paid to third parties in cash. The remaining share issue costs amounting to $21,112 related primarily to legal fees and fees levied by the TSX-V.

As at March 31, 2018, $325,992 of subscriptions had been received and were classified as subscription receipts.

April 2018 exercise of share purchase warrants

In April 2018, 1,283,750 share purchase warrants were exercised for total proceeds of $171,153. This followed from the exercise of 97,500 share purchase warrants in the year ended March 31, 2018 for proceeds of $13,000. All warrants exercised had an exercise price of $0.133 and were due to expire on April 29, 2018. The remaining 287,500 share purchase warrants expired unexercised (see Note 6(b)).

(b) Share purchase warrants

(Unaudited, Expressed in Canadian Dollars)

A summary of share purchase warrants outstanding as at June 30, 2018 is as follows:

Expiry date		Exercise price	Mar. 31, 2018	Issued	Exercised	Expired	June 30, 2018
April 29, 2018	$	0.133	1,571,250	-	(1,283,750)	(287,500)	-
June 29, 2019	$	0.150	361,720	-	-	-	361,720
June 29, 2019	$	0.250	5,023,566	-	-	-	5,023,566
June 30, 2019	$	0.250	105,000	-	-	-	105,000
			7,061,536	**-**	**(1,283,750)**	**(287,500)**	**5,490,286**
Weighted average exercise price			$ 0.219				$ 0.243
Weighted average remaining life (years)			1.00				1.00

1,283,750 share purchase warrants were exercised in the three months ended June 30, 2018 for proceeds of $171,153.

No warrants were issued in connection with the April 2018 non-brokered private placement.

(c) Stock options

A summary of stock options outstanding as at June 30, 2018 is as follows:

Expiry date		Exercise price	Mar. 31, 2018	Issued	Expired	June 30, 2018
September 18, 2021	$	0.150	2,350,000	-	-	2,350,000
March 26, 2022	$	0.160	250,000	-	-	250,000
March 26, 2020	$	0.160	50,000	-	-	50,000
			2,650,000	**-**	**-**	**2,650,000**
Weighted average exercise price			$ 0.151			$ 0.151
Weighted average remaining life (years)			3.49			3.24

Of the 2,650,000 stock options outstanding as at June 30, 2018, 1,055,000 stock options were exercisable as at this date at a weighted average exercise price of $0.15.

(Unaudited, Expressed in Canadian Dollars)

7. EXPLORATION AND DEVELOPMENT EXPENDITURES

3 months ended June 30, 2018	Gold Canyon	Gold Bar	Carlin North	Other properties	VP Exploration	Total
Drilling	$ 129,821	$ 59,861	$ -	$ -	$ -	$ 189,682
Payroll	5,066	1,033	17,741	2,066	-	25,906
Travel	7,394	2,205	9,153	965	-	19,717
Assay	-	-	17,086	-	-	17,086
Field supplies	1,525	532	1,034	13	-	3,104
Third party services	-	1,910	646	-	-	2,556
Restoration provision	10,815	4,987	-	-	-	15,802
VP Exploration	-	-	-	-	25,000	25,000
	$ 154,621	**$ 70,528**	**$ 45,660**	**$ 3,044**	**$ 25,000**	**$ 298,853**

The Company did not incur any exploration and development expenditures during the three months ended June 30, 2017.

8. RELATED PARTY TRANSACTIONS

The Company incurred the following expenses resulting from transactions with related parties including officers and directors or companies that are controlled by officers and directors of the Company:

	3 months ended June 30, 2018	3 months ended June 30, 2017
Stock-based compensation relating to stock options issued to officers and directors of the Company	$ 23,976	$ -
Recharge of exploration, claim and local administrative expenditures (1)	34,915	-
Remuneration of officers of the Company (2)	75,000	-
	-	6,000

(Unaudited, Expressed in Canadian Dollars)

Professional fees charged by a company controlled by the former CFO	**$**	**133,891**	**$**	**6,000**

(1) Certain exploration, local administrative and claim acquisition expenditures are charged to the Company by Tectonex LLC, a company owned by the Company's VP Exploration. Such charges totalled US$ 27,041 ($34,915) in the three months ended June 30, 2018 (three months ended June 30, 2017: nil). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex

(2) Comprises remuneration of the Company's President and Chief Executive Officer, Chief Financial Officer and Vice President Exploration and includes fees charged by companies controlled by officers of the Company

The Company owed the following amounts to related parties including officers and directors or companies that are controlled by officers and directors of the Company:

		June 30, 2018		March 31, 2018
Amount owing to the President and CEO and CFO relating to deferred remuneration	$	10,000	$	45,000
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures		15,115		29,135
Amounts owing to directors and officers relating to the reimbursement of expenses		51,076		24,397
	$	**76,191**	**$**	**98,532**

Certain directors and officers of the Company participated in the April 2018 private placement, subscribing for an aggregate of 1,563,750 common shares at a cost of $250,200 (see Note 6(a)).

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties. The Company's assets are located in Canada and the United States as follows:

		Canada		United States		Total
Non-current assets:						
June 30, 2018	$	-	$	2,483,589	$	2,483,589

(Unaudited, Expressed in Canadian Dollars)

March 31, 2018	-	2,330,855	2,330,855
Net loss:			
Three months ended June 30, 2018	188,553	333,800	522,353
Three months ended June 30, 2017	$ 18,241	$ -	$ 18,241

10. CAPITAL MANAGEMENT

The Company manages its capital structure, which consists of working capital and share capital, and makes adjustments to it depending on the funds available to the Company for acquisition, exploration and development of mineral property assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

All of the exploration and evaluation assets in which the Company has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for ongoing general and administrative expenses, the Company will use existing working capital and expects to raise additional funds through equity private placements as required in the future. The Company will continue to assess new exploration and evaluation assets and seeks to acquire additional interests if sufficient geologic or economic potential is established and adequate financial resources are available.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relatively small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no significant changes in its approach to capital management during the year ended June 30, 2018.

Additional information relating to the Company's ability to continue as a going concern is presented in Note 1.

11. RISK MANAGEMENT

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's exploration activity is situated entirely in the United States and it is therefore exposed to foreign exchange risk arising from transactions and monetary balances denominated in United States dollars. The Company has no program in place for hedging foreign currency risk.

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 rate. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The risk is considered minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to assist in determining the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet ongoing business requirements, taking into account its current cash position and potential funding sources.

At June 30, 2018, the Company had cash of $1,077,753 (March 31, 2018: $504,760) and net working capital of $1,056,094 (March 31, 2018: $328,761). With the exception of accrued liabilities totalling $3,500, the provision for estimated restoration costs totalling $28,970 and balances due to related parties (see Note 8), all accounts payable and accrued liabilities are due within 90 days of June 30, 2018. Amounts due to related parties are unsecured, non-interest bearing and have no set terms of repayment.

Additional information relating to the Company's ability to continue as a going concern is presented in Note 1.