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# **BRIGADIER GOLD LIMITED**

## **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 financial statements of 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 the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

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# BRIGADIER GOLD LIMITED

BALANCE SHEET  
AS AT MARCH 31, 2005  
(WITH COMPARATIVES AS AT DECEMBER 31, 2004)  
(UNAUDITED)

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	2005	2004
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 275,934	\$ 350,003
Prepaid expenses	45,192	38,275
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	321,126	388,278
<b>INTEREST IN MINERAL PROPERTIES</b> (note 2)	961,643	894,339
<b>EQUIPMENT</b> (net of accumulated depreciation)	1,258	1,355
	<hr/>	<hr/>
	\$1,284,027	\$1,283,972
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<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accruals	\$ 64,654	\$ 69,648
	<hr/>	<hr/>
	64,654	69,648
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<b>SHAREHOLDERS' EQUITY</b>		
<b>CAPITAL STOCK</b> (notes 3 and 4)	2,400,427	2,351,427
STOCK BASED COMPENSATION (note 2)	134,638	106,200
<b>DEFICIT</b>	(1,315,692)	(1,243,303)
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	1,219,373	1,214,324
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	\$1,284,027	\$1,283,972
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# BRIGADIER GOLD LIMITED

STATEMENT OF DEFICIT  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2005  
(WITH COMPARATIVES FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2004)  
(UNAUDITED)

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	Three months to March 31, 2005	YTD 2005	Three months to March 31, 2004	YTD 2004
<b>DEFICIT</b> , beginning of period	(\$1,243,303)	(\$1,243,303)	(\$ 970,683)	(\$ 970,683)
Accounting change (note 2)	-	-	-	21,226
<b>DEFICIT</b> , beginning of period, as restated	( 1,243,303)	( 1,243,303)	( 970,683)	( 991,909)
Net (loss) for the period	( 72,389)	( 72,389)	( 47,389)	( 47,389)
<b>DEFICIT</b> , end of period	(\$1,315,692)	(\$1,315,692)	(\$1,018,072)	(\$1,039,298)

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# BRIGADIER GOLD LIMITED

STATEMENT OF EARNINGS  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2005  
(WITH COMPARATIVES FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2004)  
(UNAUDITED)

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	Three months to March 31, 2005	YTD 2005	Three months to March 31, 2004	YTD 2004
<b>REVENUE</b>				
Interest	\$ 1,691	\$ 1,691	\$ 1,257	\$ 1,257
	1,691	1,691	1,257	1,257
<b>EXPENSES</b>				
Advertising and promotion	3,967	3,967	3,363	3,363
Foreign Exchange (gain)	-	-	695	695
General and administrative	7,903	7,903	12,755	12,755
Interest on long-term debt	-	-	576	576
Management salaries and benefits	22,203	22,203	13,810	13,810
Professional Fees	11,504	11,504	2,000	2,000
Stock based compensation	28,438	28,438	15,311	15,311
Amortization	65	65	136	136
	74,080	74,080	48,646	48,646
<b>NET (LOSS) FOR THE PERIOD</b>	<b>(\$ 72,389)</b>	<b>(\$ 72,389)</b>	<b>(\$ 47,389)</b>	<b>(\$ 47,389)</b>
<b>GAIN (LOSS) PER SHARE</b>	<b>(\$ .01)</b>	<b>(\$ .01)</b>	<b>(\$ .01)</b>	<b>(\$ .01)</b>

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# BRIGADIER GOLD LIMITED

## STATEMENT OF CASH FLOWS FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2005 (WITH COMPARATIVES FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2004) (UNAUDITED)

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	Three months to March 31, 2005	YTD 2005	Three months to March 31, 2004	YTD 2004
<b>OPERATING ACTIVITIES</b>				
Net (loss) for the period	(\$ 72,389)	(\$ 72,389)	(\$ 47,389)	(\$ 47,389)
Adjustment for amortization	65	65	136	136
Stock based compensation	28,438	28,438	15,311	15,311
	( 43,886)	( 43,886)	( 31,942)	( 31,942)
Changes in non-cash working capital				
- Accounts receivable	-	-	9,112	9,112
- Prepaid expenses	( 6,917)	( 6,917)	( 2,211)	( 2,211)
- Accounts payable and accruals	( 4,994)	( 4,994)	1,052	1,052
	( 55,797)	( 55,797)	( 23,989)	( 23,989)
<b>INVESTING ACTIVITIES</b>				
Interest in mineral property	( 67,272)	( 67,272)	( 38,316)	( 38,316)
	( 67,272)	( 67,272)	( 38,316)	( 38,316)
<b>FINANCING ACTIVITIES</b>				
Capital stock issued	49,000	49,000	750	750
Long-term debt	-	-	( 12,153)	( 12,153)
	49,000	49,000	( 11,403)	( 11,403)
<b>INCREASE (DECREASE) IN CASH</b>	<b>( 74,069)</b>	<b>( 74,069)</b>	<b>( 73,708)</b>	<b>( 73,708)</b>
<b>CASH, BEGINNING OF PERIOD</b>	<b>350,003</b>	<b>350,003</b>	<b>253,894</b>	<b>253,894</b>
<b>CASH, END OF PERIOD</b>	<b>\$275,934</b>	<b>\$275,934</b>	<b>\$ 180,186</b>	<b>\$ 180,186</b>

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# BRIGADIER GOLD LIMITED

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2005

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## 1. BASIS OF INTERIM FINANCIAL STATEMENTS

These interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

## 2. CHANGE IN ACCOUNTING POLICY

### STOCK BASED COMPENSATION

Effective January 1, 2004 the company adopted on a retroactive basis the new accounting standard CICA 3870 for stock based compensation which uses the fair value method of accounting for stock options granted to officers, directors and consultants. Accordingly, compensation expense was recorded for options granted prior to 2004 on a retroactive basis. Prior accounting periods and retained earnings have been restated to show the effect of compensation expense associated with stock option grants to officers, directors and consultants.

## 3. INTEREST IN MINERAL PROPERTY

During the period, the company issued 4,000 common shares in connection with the option agreements.

## 4. FINANCING DURING PERIOD

During the period, the company closed a non-brokered private placement totalling 400,000 common shares at \$0.12 per share, for an aggregate subscription value of \$48,000

## 5. STOCK OPTIONS

The fair value of the stock options were estimated at the grant date using the Black-Scholes option pricing model with the following assumptions:

Risk free rate -	2.45%
Expected life -	5 years
Expected volatility –	100%
Expected dividends –	nil

As at March 31, 2005, 1,397,900 stock options were outstanding to officers, directors and consultants, as follows:

- 35,000 shares at \$0.21 per share until expiry date, June 7, 2006
- 654,500 shares at \$0.20 per share until expiry date, September 3, 2008
  
- 708,400 shares at \$0.23 per share until expiry date, July 6, 2009

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# BRIGADIER GOLD LIMITED

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2005

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## 6. RELATED PARTY TRANSACTIONS

During the period, the company incurred legal fees of \$2,712 to a law firm in which an officer of the company is a partner. In addition, the company incurred exploration expenses of \$18,505 paid to two officers and directors. Salaries to two other officers and directors totalled \$20,700. These transactions are in the normal course of business. They are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.