

BRIGADIER GOLD LIMITED
INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007

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.

BRIGADIER GOLD LIMITED
BALANCE SHEET
AS AT MARCH 31, 2007
(WITH COMPARATIVES AS AT DECEMBER 31, 2006)
(UNAUDITED)

| | <u>2007</u> | <u>2006</u> |
|--|---------------------|---------------------|
| ASSETS | | |
| Current | | |
| Cash and cash equivalents | \$ 605,648 | \$ 662,738 |
| Prepays and sundry receivables | <u>22,942</u> | <u>26,425</u> |
| | <u>628,590</u> | <u>689,163</u> |
| Other | | |
| Mineral properties – note 2 | 1,633,498 | 1,442,828 |
| Equipment | <u>3,197</u> | <u>685</u> |
| | <u>1,636,695</u> | <u>1,443,513</u> |
| | <u>\$ 2,265,285</u> | <u>\$ 2,132,676</u> |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 106,300 | \$ 118,302 |
| Long-term debt – note 3 | <u>80,000</u> | <u>80,000</u> |
| | <u>186,300</u> | <u>198,302</u> |
| SHAREHOLDERS' EQUITY | | |
| Share capital | 4,041,629 | 3,804,007 |
| Contributed surplus | 253,977 | 237,443 |
| Deficit | <u>(2,216,621)</u> | <u>(2,107,076)</u> |
| | <u>2,078,985</u> | <u>1,934,374</u> |
| | <u>\$ 2,265,285</u> | <u>\$ 2,132,676</u> |

See accompanying notes.
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BRIGADIER GOLD LIMITED
STATEMENT OF DEFICIT
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2007
(WITH COMPARATIVES FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2006)
(UNAUDITED)

| | Three months to March 31, 2007 | YTD 2007 | Three months to March 31, 2006 | YTD 2006 |
|------------------------------|--------------------------------------|----------------------|--------------------------------------|----------------------|
| Deficit, beginning of period | \$(2,107,076) | \$(2,107,076) | \$(1,539,689) | \$(1,539,689) |
| Net loss | <u>(109,545)</u> | <u>(109,545)</u> | <u>(74,546)</u> | <u>(74,546)</u> |
| Deficit, end of period | <u>\$(2,216,621)</u> | <u>\$(2,216,621)</u> | <u>\$(1,614,235)</u> | <u>\$(1,614,235)</u> |

See accompanying notes.
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BRIGADIER GOLD LIMITED
STATEMENT OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2007
(WITH COMPARATIVES FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2006)
(UNAUDITED)

| | Three months to March 31, 2007 | | Three months to March 31, 2006 | |
|---------------------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------|
| | YTD 2007 | YTD 2007 | YTD 2006 | YTD 2006 |
| Revenue | | | | |
| Interest earned | \$ <u>4,811</u> | \$ <u>4,811</u> | \$ <u>224</u> | \$ <u>224</u> |
| Expenses | | | | |
| Salaries, directors fees and benefits | 39,312 | 39,312 | 40,700 | 40,700 |
| Consulting fees | 36,000 | 36,000 | 14,120 | 14,120 |
| General and administrative | 9,443 | 9,443 | 6,666 | 6,666 |
| Stock based compensation | 16,534 | 16,534 | 7,238 | 7,238 |
| Advertising and promotion | 7,534 | 7,534 | 2,202 | 2,202 |
| Professional fees | 4,305 | 4,305 | 2,800 | 2,800 |
| Interest on long-term debt | 986 | 986 | 986 | 986 |
| Amortization | <u>242</u> | <u>242</u> | <u>58</u> | <u>58</u> |
| | <u>114,356</u> | <u>114,356</u> | <u>74,770</u> | <u>74,770</u> |
| Net loss | \$(<u>109,545</u>) | \$(<u>109,545</u>) | \$(<u>74,546</u>) | \$(<u>74,546</u>) |
| Net loss per share | \$(<u>0.00</u>) | \$(<u>0.00</u>) | \$(<u>0.01</u>) | \$(<u>0.01</u>) |

See accompanying notes.
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BRIGADIER GOLD LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2007
(WITH COMPARATIVES FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2006)
(UNAUDITED)

| | Three months to March 31, 2007 | YTD 2007 | Three months to March 31, 2006 | YTD 2006 |
|---|--------------------------------------|-------------------|--------------------------------------|------------------|
| Operating activities: | | | | |
| Net loss | \$(109,545) | \$(109,545) | \$(74,546) | \$(74,546) |
| Items not affecting cash: | | | | |
| Amortization | 242 | 242 | 58 | 58 |
| Stock based compensation | <u>16,534</u> | <u>16,534</u> | <u>7,238</u> | <u>7,238</u> |
| | (92,769) | (92,769) | (67,250) | (67,250) |
| Changes in non-cash working capital items: | | | | |
| Prepays and sundry receivables | 3,483 | 3,483 | (3,375) | (3,375) |
| Accounts payable and accrued liabilities | <u>(12,002)</u> | <u>(12,002)</u> | <u>18,172</u> | <u>18,172</u> |
| Cash used in operating activities | <u>(101,288)</u> | <u>(101,288)</u> | <u>(52,453)</u> | <u>(52,453)</u> |
| Financing activities: | | | | |
| Issue of common shares | 267,375 | 267,375 | 51,000 | 51,000 |
| Share issue costs | <u>(29,752)</u> | <u>(29,752)</u> | <u>-</u> | <u>-</u> |
| Cash provided by financing activities | <u>237,623</u> | <u>237,623</u> | <u>51,000</u> | <u>51,000</u> |
| Investing activities: | | | | |
| Fixed assets | (2,755) | (2,755) | - | - |
| Mineral properties | <u>(190,670)</u> | <u>(190,670)</u> | <u>(54,762)</u> | <u>(54,762)</u> |
| Cash used in investing activities | <u>(193,425)</u> | <u>(193,425)</u> | <u>(54,762)</u> | <u>(54,762)</u> |
| Decrease in cash position | (57,090) | (57,090) | (56,215) | (56,215) |
| Cash and cash equivalents, beginning of period | <u>662,738</u> | <u>662,738</u> | <u>78,656</u> | <u>78,656</u> |
| Cash and cash equivalents, end of period | <u>\$ 605,648</u> | <u>\$ 605,648</u> | <u>\$ 22,441</u> | <u>\$ 22,441</u> |
| Supplementary disclosure of non-cash transactions: | | | | |
| Issue of common shares under option agreements for mineral properties | <u>\$ 57,375</u> | <u>57,375</u> | <u>\$ 51,000</u> | <u>\$ 51,000</u> |

See accompanying notes.

BRIGADIER GOLD LIMITED
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2007

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. Interest in mineral properties

On February 28, 2007, the company signed an agreement with ValGold Resources Ltd. to amend an agreement (the "Amended Agreement") originally approved by the TSX Venture Exchange on March 15, 2006. Pursuant to the Amended Agreement, the company issued 425,000 common share purchase warrants to ValGold Resources Ltd. in consideration for an extension to the original \$250,000 expenditure deadline from March 15, 2007 to October 31, 2007. Each common share purchase warrant entitles ValGold Resources Ltd to acquire one additional common share of the company at any time for a period of 18 months from the date of issue at a price of \$0.15 per common share. In addition 425,000 common shares were issued to ValGold Resources Ltd. for the payment due on the first anniversary of the agreement.

3. Long-term debt

Long-term debt is represented by unsecured convertible debentures (the "Debentures") in the aggregate principal amount of \$80,000. The Debentures bear interest at a rate of 5% per annum and mature on December 19, 2010 (the "Maturity Date"). The Debentures are convertible at the option of the holder into units ("Units") of the company (i) in the case of principal amount of the Debentures at a price of \$0.10 per Unit if converted prior to the second anniversary of the issue date, and \$0.11, \$0.12 and \$0.13 per Unit if after the second anniversary and prior to the third, fourth and fifth anniversary of the issue date respectively; and (ii) in the case of interest at that price which is the higher of (a) the closing price of the company's common shares on the TSX Venture Exchange (the "Exchange") on the previous trading day and (b) such other price as may be prescribed by the Exchange. Each Unit shall consist of one common share and one common share purchase warrant entitling the holder to purchase one common share within the earlier of 24 months and the Maturity Date at a price of \$0.15 per common share.

At the Maturity Date, the Debentures shall be repaid either in cash or in common shares at the sole discretion of the company. If made in common shares, the outstanding amount under the Debentures on the Maturity Date shall be converted at the greater of (i) \$0.05 or (ii) the average closing price of the company's common shares over the preceding 20 trading days.

The company shall have the right of prepayment in whole and in part on 60 days' prior written notice, without bonus or penalty.

BRIGADIER GOLD LIMITED
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2007

4. Stock options

The company has granted stock options to certain officers, directors and consultants.

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

| | |
|---------------------|---------|
| Risk free rate | 3.00% |
| Expected life | 5 years |
| Expected volatility | 50% |
| Expected dividends | NIL |

As at March 31, 2007, 2,348,600 stock options were outstanding to officers, directors and consultants:

- 418,000 shares at \$0.20 per share until September 3, 2008
 - 325,600 shares at \$0.23 per share until July 6, 2009
 - 390,000 shares at \$0.15 per share until June 1, 2010
 - 100,000 shares at \$0.155 per share until June 6, 2011
 - 100,000 shares at \$0.15 per share until July 6, 2011
 - 965,000 shares at \$0.15 per share until August 29, 2011
 - 50,000 shares at \$0.15 per share until January 22, 2012
- 2,348,600

5. Share purchase warrants – common shares

As at March 31, 2007, 10,387,919 share purchase warrants were outstanding, as follows:

| <u>Number</u> | <u>Expiry Date</u> | <u>Exercise Price</u> |
|-------------------|--------------------|-------------------------------|
| 1,240,000 | June 6, 2007 | \$0.18 |
| 1,140,000 | July 6, 2007 | \$0.18 |
| 2,100,000 | November 16, 2007 | \$0.125 |
| 1,105,000 | February 7, 2008 | \$0.20 (for every 2 warrants) |
| 110,500 | February 7, 2008 | \$0.15 |
| 1,914,914 | June 23, 2008 | \$0.18 (for every 2 warrants) |
| 1,202,505 | June 23, 2008 | \$0.18 (for every 2 warrants) |
| 1,500,000 | June 23, 2008 | \$0.15 (for every 2 warrants) |
| <u>75,000</u> | June 23, 2008 | \$0.15 |
| <u>10,387,919</u> | | |

6. Subscription funds prepaid re April 20, 2007 private placement

Included in accounts payable and accruals is \$51,000 received on or by March 31, 2007 re the private placement completed on April 20, 2007.

BRIGADIER GOLD LIMITED
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
MARCH 31, 2007

7. Related party transactions

The company incurred legal fees of \$3,805 and share issue costs of \$5,600 with a law firm in which an officer of the company is a partner. Salaries expense for officers and directors, excluding benefits, totaled \$38,702. During the year, the company paid a total of \$24,202 in salaries to officers and directors, excluding benefits. The total benefits included in salaries expense to officers and directors amounted to \$610. 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. Included in the accounts payable and accruals is \$6,142 owing to the law firm referred to above.

8. Non-brokered equity financings

On February 16, 2007 the company completed a non-brokered private placement for an aggregate of 2,100,000 Units at a purchase price of \$0.10 per unit, for gross proceeds of \$210,000. Each unit is comprised of one common share of the company plus one common share purchase warrant. Each common share purchase warrant entitles the holder thereof to acquire one additional common share of the company at any time up to November 16, 2007 at a price of \$0.125 per common share. NuWave Financial Ltd. of Vancouver received a 10% cash finder's fee on the placement in the amount of \$21,000.

9. Subsequent events

Subsequent to March 31, 2007, the following event occurred:

On April 20, 2007 the company completed a non-brokered private placement for an aggregate of 1,285,714 Units at a purchase price of \$0.105 per unit, for gross proceeds of \$135,000. Each unit is comprised of one common share of the company plus one common share purchase warrant. Each common share purchase warrant entitles the holder thereof to acquire one additional common share of the company at any time up to January 20, 2008 at a price of \$0.14 per common share. NuWave Financial Ltd. of Vancouver received a 10% cash finder's fee on the placement in the amount of \$13,500.

10. Comparative figures

Certain of the comparative figures as at March 31, 2006 have been reclassified, where necessary, to conform with the financial statement presentation adopted for the year ended December 31, 2006 and the period ended March 31, 2007.