

**BANYAN GOLD CORP.
CONDENSED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED
MARCH 31, 2014**

(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 March 31, 2014 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 interim financial statements by an entity's auditor.

Dated this 20th day of May 2014

BANYAN GOLD CORP.
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

(Unaudited - Prepared by Management)

Expressed in Canadian Funds

	Mar 31, 2014	Sept 30, 2013
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 240,029	\$ 370,586
Accounts Receivable	\$ 3,751	20,881
Accrued Interest	-	1,258
Prepays & Deposits	1,405	634
	<u>\$ 245,185</u>	<u>\$ 393,359</u>
Non-Current Assets		
Resource Property	<u>\$ 652,927</u>	<u>\$ 683,868</u>
Total Assets	<u>\$ 898,112</u>	<u>\$ 1,077,227</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	<u>\$ 11,798</u>	<u>\$ 48,804</u>
	<u>11,798</u>	<u>48,804</u>
Shareholders Equity		
Share capital	1,273,604	1,273,604
Contributed Surplus	194,335	164,887
Deficit	<u>(581,625)</u>	<u>(410,068)</u>
	<u>886,314</u>	<u>1,028,423</u>
	<u>\$ 898,112</u>	<u>\$ 1,077,227</u>

"Richmond Graham"

Richmond Graham
President & CEO

"David Rutt"

David Rutt
CFO

BANYAN GOLD CORP.**CONDENSED INTERIM STATEMENT OF OPERATIONS & COMPREHENSIVE LOSS**

(Unaudited - Prepared by Management)

Canadian Funds

	Three Months Ended		Six Months Ended	
	Mar 31, 2014	Mar 31, 2013	Mar 31, 2014	Mar 31, 2013
EXPENSES				
General & Admin	\$ 25,893	\$ 16,293	\$ 38,896	\$ 20,861
Listing & Filing Fees	8,405	9,773	11,282	23,328
Management Fees	31,500	-	63,000	-
Professional Fees	11,474	59,196	29,034	61,296
Stock Based Compensation	29,448	-	29,448	-
LOSS BEFORE OTHER ITEMS	106,720	85,262	171,660	108,385
Interest Income	(188)	735	103	784
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ 106,908	\$ 84,527	\$ 171,557	\$ 107,601
Loss per common share - basic & diluted	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.02)
Weighted average number of common common shares outstanding	14,484,000	8,522,889	14,484,000	5,899,934

BANYAN GOLD CORP.**CONDENSED INTERIM STATEMENT OF SHAREHOLDERS' EQUITY**

(Unaudited - Prepared by Management)

For the period ended March 31 - Canadian Funds

	Number of shares	Price	Capital Stock	Contributed Surplus	Deficit	Shareholders Equity
Balance, September 30, 2012	3,334,000		289,528	65,049	(169,835)	184,742
Shares issued for:						
Property Acquisition	4,000,000	\$0.10	400,000			400,000
Proceeds from Share Issue	5,000,000	\$0.10	500,000			500,000
Fair Value Warrants				71,313		71,313
Share Issuance Costs			(79,563)			(79,563)
Proceeds from Share Issue	2000000	\$0.10	200000			200000
Share Issuance Costs			(41,275)			(41,275)
Fair Value Warrants				28,525		28525
Net loss for the period					(107,601)	(107,601)
Balance, March 31, 2013	14,334,000		1,268,690	164,887	(277,436)	1,156,141
Balance, September 30, 2013	14,484,000		1,273,604	164,887	(410,068)	1,028,423
Shares issued for:						
Stock based compensation on stock options				29,448		29,448
Net loss for the period					(171,557)	(171,557)
Balance, March 31, 2014	14,484,000		1,273,604	194,335	(581,625)	886,314

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)

For the period ended March 31 - Canadian Funds

	Three Months Ended		Six Months Ended	
	Mar 31, 2014	Mar 31, 2013	Mar 31, 2014	Mar 31, 2013
Cash Flows from Operating Activities				
Net loss for the period	\$ (106,908)	\$ (84,527)	\$ (171,557)	\$ (107,601)
Adjustments for items not involving cash:				
Stock based compensation	29,448	-	29,448	-
	<u>(77,460)</u>	<u>(84,527)</u>	<u>(142,109)</u>	<u>(107,601)</u>
Changes in non-cash working capital items:				
Decrease (Increase) in deferred acquisition costs	-	15,000	-	15,000
Decrease (increase) in receivables & accrued interest	20,662	(5,214)	18,388	(6,508)
Decrease (Increase) in Prepaids & Deposits	(771)	-	(771)	-
Increase (decrease) in payables and acc. liabilities	<u>(17,140)</u>	<u>(18,660)</u>	<u>(37,006)</u>	<u>(28,660)</u>
Net cash used in operating activities	<u>(74,709)</u>	<u>(93,401)</u>	<u>(161,498)</u>	<u>(127,769)</u>
Cash Flows from Investing Activities				
Government Grant for Exploration	35,000	-	35,000	-
Exploration and Evaluation - Hyland	(600)	-	(4,059)	-
Cash Costs of Purchasing Resource Property	-	(145,804)	-	(145,804)
	<u>34,400</u>	<u>(145,804)</u>	<u>30,941</u>	<u>(145,804)</u>
Cash Flows from Financing Activities				
Proceeds from Share Issuance	-	700,000	-	700,000
Share Issuance Costs (exluding warrants costs)	-	(21,000)	-	(21,000)
	<u>-</u>	<u>679,000</u>	<u>-</u>	<u>679,000</u>
Net cash provided by financing activities	<u>-</u>	<u>679,000</u>	<u>-</u>	<u>679,000</u>
Increase (Decrease) in cash & cash equivalents during the period	<u>(40,309)</u>	<u>439,795</u>	<u>(130,557)</u>	<u>405,427</u>
Cash & Cash Equivalents - Beginning of the Period	<u>280,338</u>	<u>183,854</u>	<u>370,586</u>	<u>218,222</u>
Cash & Cash Equivalents - End of the Period	<u>240,029</u>	<u>623,649</u>	<u>240,029</u>	<u>623,649</u>

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

1 NATURE AND CONTINUANCE OF OPERATIONS

Banyan Gold Corp. (the "Company"), was incorporated by a Certificate of Incorporation under the name Banyan Coast Capital Corp., issued pursuant to the provisions of the Alberta Corporations Act ("ABCA") on July 26, 2010. It's name was changed to Banyan Gold Corp. by way of a certificate of amendment on February 14, 2013. The address of the Company's registered office is 166 Cougarstone Crescent SW, Calgary, Alberta, T3H 4Z5. These financial statements were approved and authorized for issuance by the Board of Directors on May 15, 2014.

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

On February 15, 2013 the Company completed its qualifying transaction by acquiring the Hyland Gold Project and raised \$500,000 by way of a non brokered private placement.

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.

BASIS OF PRESENTATION

These unaudited condensed interim financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with IAS 34, "Interim financial reporting". The condensed financial statements should be read in conjunction with the annual financial statements for the year ended September 30, 2013, which have been prepared in accordance with IFRS.

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) economic viability of the Hyland Gold Project.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended September 30, 2013.

Basis of Consolidation

The Company currently does not have any subsidiaries.

Foreign Exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expense are translated at the exchange approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the consolidated statements of operations.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on deposit and highly liquid short-term interest bearing variable rate investments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations.
- Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.
- Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of operations.
- Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the consolidated statement of operations. All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations.

Other financial liabilities: This category includes amounts due to related parties and accounts payables and accrued liabilities which are recognized at amortized cost.

The Company has classified its cash and cash equivalents as fair value through profit and loss. The Company's receivables are classified as loans and receivables. The Company's accounts payable and accrued liabilities and due to a related party are classified as other financial liabilities.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that do

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Stock-based compensation

The Company may grant stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

BANYAN GOLD CORP. NOTES TO THE FINANCIAL STATEMENTS

5. CASH AND CASH EQUIVALENTS

	Mar. 31, 2014	Sept. 30, 2013
Cash on deposit	\$ 90,029	\$ 120,586
Liquid short term deposit	<u>150,000</u>	<u>250,000</u>
	\$ 240,029	\$ 370,586

Included in liquid short term deposit is a \$150,000 redeemable GIC, bearing interest at 1.2% with a maturity date of April 10, 2014.

6. 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

Transactions

On February 15, 2013, the Company completed its Qualifying Transaction by issuing 4,000,000 shares to Argus Metals Corp. for the Highland Gold Project and raising \$500,000 by issuing 5,000,000 Units at \$0.10 per share. Each Unit was comprised of one share and 1/2 of a share purchase warrant exercisable at \$0.15 for a period of one year. A total share issuance costs of \$79,563, including \$71,313, assigned to the value of the share purchase warrants based on the Black Scholes pricing model, was incurred.

On March 1, 2013, the Company completed a non-brokered private placement for \$200,000 by issuing 2,000,000 Units at a price of \$0.10 per unit, each Unit consisting of one share and 1/2 of a share purchase warrant exercisable at \$0.15 for a period of one year. A total share issuance costs incurred equaled \$41,275, of which \$28,585 was assigned to the value of the share purchase warrants based on the Black Scholes pricing model.

The Company has established a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Company. The Plan is administered by the Board of Directors of the Company who establish the exercise prices, vesting conditions and expiry date of the options in accordance with the requirements imposed by the Exchange. The aggregate number of shares assumable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding shares reserved for the issuance to (a) any individual director or officer which will not exceed 5% of the issued and outstanding common shares, and (b) all consultants which will not exceed 2% of the issued and outstanding common shares.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

SHARE CAPITAL Cont'd

During the quarter ended March 31, 2014, the Company granted stock options to its directors and officers to purchase 750,000 common shares, at an exercise price of \$0.05 per share, exercisable on or before January 31, 2019. The fair value of stock options granted to directors is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.70%
Estimated volatility	213%
Expected life	5 years
Expected dividend yield	0%

The weighted average fair value of all stock options granted was \$0.0393

There were no stock option transactions during the period ended March 31, 2013.

At March 31, 2014, the following incentive stock options were outstanding to directors and officers:

- 250,050 stock options exercisable at \$0.15 with an expiry of January 25, 2021.
- 750,000 stock options exercisable at \$0.05 with an expiry of January 31, 2019

Warrants

In conjunction with the Company's Non-brokered private placements in February and March of 2013, a total of 3.5 million warrants were issued with an exercise price of \$0.15 for a period of one year. The fair value of warrants issued is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.0%
Estimated volatility	105%
Expected life	1 years
Expected dividend yield	0%

The weighted average fair value of all private placement warrants were \$0.0285

The expiry date of the 3.5 million outstanding warrants have been extended to March 1, 2015.

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.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

SHARE CAPITAL Cont'd

The Company recognizes compensation for all stock options and warrants granted using the fair value based method of accounting. During the period ended March 31, 2014, the Company recognized \$29,448.19 (March 31, 2013, Nil) in stock based compensation expense with respect to options vested during the period.

Stock-based compensation

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.

7. RESOURCE PROPERTIES

The Company has an interest in the Hyland Gold Project 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. 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%.

Opening balance - September 30, 2012	Nil
Acquisition Costs	\$ 550,800
Exploration and evaluation expenses capitalized	\$ 133,068
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Closing balance - September 30, 2013	\$ 683,868
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Government Grant for work completed	\$ (35,000)
Exploration and evaluation expenses capitalized	\$ 4,059
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Closing balance - March 31, 2014	\$ 652,927
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8. RELATED PARTY TRANSACTIONS

For the quarter, \$42,000 was expensed to the corporation by the three officers of the Company. \$31,500 has been billed to management fees and \$10,500 to professional fees.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

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.

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. As at March 31, 2014, the Company had a cash balance of \$240,029 and current liabilities of \$11,798. 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 believes that these sources will be sufficient to cover the expected short and long term cash requirements.

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 doesn't 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.

BANYAN GOLD CORP.

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL AND CAPITAL RISK MANAGEMENT Cont'd

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;
- 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, 2014.