
BISON GOLD RESOURCES INC.

FINANCIAL STATEMENTS

**March 31, 2014
(Unaudited)**

Management's Responsibility for Condensed Interim Financial Statements

The accompanying unaudited condensed interim financial statements of Bison Gold Resources Inc. (the "Company" or "Bison") are the responsibility of the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim financial statements and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"signed Amir Mousavi"
Amir Mousavi
Chief Executive Officer

"signed Chris Carmichael"
Chris Carmichael
Chief Financial Officer

Toronto, Canada
May 29, 2014

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three months ended March 31, 2014 have not been reviewed by the Company's auditors.

BISON GOLD RESOURCES INC.

BALANCE SHEETS

(Unaudited)	March 31 2014	December 31 2013
Assets		
Current assets		
Cash and short-term deposits	\$ 530,848	\$ 391,016
Share subscriptions receivable	-	162,840
HST/GST receivable	17,690	11,013
Prepaid expenses and sundry receivables	8,307	3,011
	556,845	567,880
Equipment (Note 5)	4,931	5,331
Mineral properties and deferred exploration costs (Note 6)	10,363,265	10,349,565
	\$ 10,925,041	\$ 10,922,776
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 11(c))	\$ 298,705	\$ 264,457
Deferred premium on flow-through shares (Note 7)	42,378	49,488
	341,083	313,945
Deferred income tax liability (Note 10)	1,154,060	1,154,060
	1,495,143	1,468,005
Equity		
Share capital (Note 8(a))	13,647,541	13,616,480
Contributed surplus	3,265,443	3,241,180
Deficit	(7,483,086)	(7,402,889)
	9,429,898	9,454,771
	\$ 10,925,041	\$ 10,922,776

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

Going Concern (Note 1)

Commitments and Contingencies (Note 12)

Subsequent Event (Note 13)

BISON GOLD RESOURCES INC.

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited)

For the three months ended March 31	2014	2013
Expenses		
Audit and legal fees	\$ 16,295	\$ (52,509)
Consulting fees (note 11)	53,304	75,750
Insurance	2,050	2,214
Interest and bank charges	801	726
Office and general	1,645	6,279
Rent	2,250	2,250
Salaries	2,840	-
Stock-based compensation (Note 8(b))	-	2,503
Transfer agent, listing and filing fees	1,363	8,887
Travel and promotion	7,028	10,014
Depreciation	400	504
Loss before other income and expenses	(87,976)	(56,617)
Other income and expenses		
Interest income	670	602
Premium paid on flow through shares	7,110	48,354
Loss for the period before income tax	(80,196)	(7,661)
Deferred income tax expense (note 10)	-	-
Net loss and comprehensive loss for the period	\$ (80,196)	\$ (7,661)
Weighted average number of common shares outstanding – basic and diluted	117,168,393	108,859,504
Basic and fully diluted (loss) per share (Note 9)	\$ (0.00)	\$ (0.00)

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

BISON GOLD RESOURCES INC.

STATEMENTS OF CHANGES IN EQUITY

(Unaudited)

For the three months ended March 31	2014	2013
Share capital		
Balance, beginning of period	\$ 13,616,480	\$ 13,099,529
Shares issued on private placements	61,000	465,000
Value of warrants issued	(24,263)	(85,560)
Costs of shares issued	(5,676)	(13,425)
Balance, end of period	13,647,541	13,465,544
Units to be issued		
Balance, beginning of period	-	200,000
Units to be issued on private placements	-	(200,000)
Balance, end of period	-	-
Contributed surplus		
Balance, beginning of period	3,241,180	3,144,362
Stock-based compensation	-	2,503
Warrants issued on private placements	24,263	85,560
Balance, end of period	3,265,443	3,232,425
Deficit		
Balance, beginning of period	(7,402,890)	(7,130,329)
Net loss for the period	(80,196)	(7,661)
Balance, end of period	(7,483,086)	(7,137,990)
Total shareholders' equity, end of period	\$ 9,429,898	\$ 9,559,979

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

BISON GOLD RESOURCES INC.

STATEMENTS OF CASH FLOWS

(Unaudited)

For the three months ended March 31	2014	2013
Cash flow from operating activities		
Net loss for the period	\$ (80,196)	\$ (7,661)
Items not affecting cash:		
Depreciation	400	504
Stock-based compensation	-	2,503
Premium paid on flow-through shares	(7,110)	(48,354)
Changes in non-cash working capital:		
Accounts and share subscriptions receivable	162,840	(80,000)
HST/GST receivable	(6,677)	43,812
Prepaid and sundry receivables	(5,296)	(10,244)
Accounts payable and accrued liabilities	34,247	(284,941)
	<u>98,208</u>	<u>(384,382)</u>
Cash flow from investing activities		
Mineral property and deferred exploration expenditures	(23,700)	(102,050)
Government grant and other recoveries relating to mining expenditures	10,000	76,495
Purchase of equipment	-	-
	<u>(13,700)</u>	<u>(25,555)</u>
Cash flow from financing activities		
Proceeds from issue of common shares and warrants	61,000	465,000
Costs associated with issuance of common shares	(5,676)	(13,425)
Units to be issued	-	(200,000)
	<u>55,324</u>	<u>251,575</u>
Increase (decrease) in cash and short-term deposits	<u>139,832</u>	<u>(158,363)</u>
Cash and short-term deposits, beginning of period	<u>391,016</u>	<u>894,279</u>
Cash and short-term deposits, end of period	<u>\$ 530,848</u>	<u>\$ 735,916</u>
Interest received	<u>\$ 670</u>	<u>\$ 602</u>

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

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

1. NATURE OF BUSINESS AND GOING CONCERN

Nature of Business

Bison Gold Resources Inc. (the "Company" or "Bison") was incorporated on April 18, 2005 in Ontario and carries on business in one segment, being the acquisition, exploration and development of properties for mining of precious and base metals. The Company has not earned any revenue to date from its operations and is therefore considered to be in the development stage. The amounts shown as mineral properties and deferred exploration costs do not necessarily represent present or future values.

Bison Gold Resources Inc. is a publicly traded company incorporated and domiciled in Canada. The Company's registered office is as follows: 201-55 York Street, Toronto, Ontario M5J 1R7. The Company's common shares are listed on the TSX Venture Exchange ("TSXV") under the symbol BGE.

The financial statements were approved by the Board of Directors on May 29, 2014.

Going Concern

These financial statements have been prepared on a going concern basis, which presumes the Company will be able to realize its assets and discharge its liabilities in the normal course of operations in the foreseeable future.

In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds in the past, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The recoverability of the amounts shown for mineral properties and deferred exploration costs is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in mineral properties, the ability of the Company to obtain the necessary financing to continue the development of its mineral properties, and upon future profitable production. As such, there is significant doubt regarding the Company's ability to continue as a going concern and ultimately the appropriateness of the use of accounting principles applicable to a going concern.

Management believes that it can raise sufficient funds to pay its ongoing administrative expenses and to meet its liabilities for the ensuing twelve months as they fall due. The Company's ability to continue operations and fund its mining interest expenditures is dependent on management's ability to secure additional financing.

Accordingly, these financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. Changes in future conditions could require material write-downs to the carrying value of the mineral properties and deferred exploration costs.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements, including comparative periods, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), including IAS 34, Interim Financial Reporting.

Basis of presentation

These financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments that have been measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Short-term deposits

The Company considers short-term deposits to be financial instruments which can be redeemed by the Company, without significant penalty, on demand. As at March 31, 2014 the Company held \$301,702 (December 31, 2013 - \$301,702) in short-term deposits.

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 of financial asset is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of being sold or repurchased in the near term. They are carried in the balance sheet at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Available-for-sale - These assets are non-derivative financial assets that are either designated as such by management or not classified in any of the other categories. Available-for-sale financial assets are measured at fair value with changes recognized in other comprehensive income. Upon sale or impairment, the accumulated fair value adjustments recognized in other comprehensive income are recorded in the statement of loss and comprehensive loss.

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 loss and comprehensive loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at the end of each reporting period. Financial assets are impaired when there is any objective evidence that the future cash flows associated with a financial asset or a group of financial assets have been negatively impacted. Different criteria to determine impairment are applied for each category of financial assets described above.

Financial liabilities

The Company's accounting policy for each category of financial liability is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of being sold or repurchased in the near term. They are carried in the balance sheet at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Other financial liabilities - This category includes accounts payable and accrued liabilities which are recognized at amortized cost.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments - continued

Financial liabilities - continued

Bison's financial instruments include cash and short-term deposits, share subscription and sundry receivables and accounts payable and accrued liabilities. Cash and short-term deposits are classified as fair value through profit or loss and are classified within the level 1 (unadjusted quoted prices in active markets for identical assets) of the fair value hierarchy. The receivables are classified as loans and receivables and accounts payable and accrued liabilities as other financial liabilities, all of which are measured at amortized cost.

Mineral properties and deferred exploration costs

Mineral property acquisition costs and related direct exploration and development expenditures, net of recoveries, are deferred until the properties are placed into production. These net costs will be amortized against income using the unit-of-production method based on estimated recoverable reserves if the properties are brought into commercial production, or written off if the properties are abandoned or sold. The cost of mineral properties includes any cash consideration paid and the fair market value of shares issued, if any, on the acquisition of property interests. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

The recoverability of amounts shown for mineral properties and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future profitable production or proceeds from the disposition thereof.

Impairment of mineral properties and deferred exploration costs

At the end of each reporting period the carrying amounts of Bison's mineral properties are reviewed to determine whether there is an indication that those assets are impaired. If such an 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. In assessing value-in-use, the estimated future cash flows are discounted at a 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 statement of loss and comprehensive loss.

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 so that the increased carrying amount 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 as income immediately.

Government grants

The Company makes periodic applications for financial assistance under available government incentive programs and tax credits related to the mineral property expenditures. The Company recognizes government assistance on an accrual basis when all requirements to earn the assistance have been completed and receipt is reasonably assured. Government grants relating to mineral expenditures are reflected as a reduction of the cost of the property.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equipment

Equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Where an item of equipment comprises major components having different useful lives, they are accounted for as separate items of equipment.

The gain or loss arising on the disposal or retirement of an item of equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of loss and comprehensive loss.

Expenditure to replace a component of an item of equipment that is accounted for separately is capitalized with the existing carrying amount of the component written off. Other subsequent expenditure is capitalized if future economic benefits will arise from the expenditure. All other expenditure, including repair and maintenance, is recognized in the statement of loss as incurred.

Depreciation is provided over an asset's expected useful life using the following methods and annual rates:

Computers and equipment	-	30 % declining balance
Furniture and fixtures	-	30 % declining balance
Computer software	-	100 % straight-line

Impairment of equipment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of the fair value less costs to sell and value in use. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the property and equipment at the date the impairment is reversed does not exceed what the cost less accumulated depreciation would have been had the impairment not been recognized.

Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions at March 31, 2014 and December 31, 2013.

Share based payment transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site restoration work, discounted to their net present value, are provided for and capitalized to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through depreciation using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. Diluted loss per share is computed using the treasury stock method. Stock options and warrants outstanding are not included in the computation of diluted loss per share if their inclusion would be anti-dilutive.

Significant accounting judgments and estimates

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 reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the audited financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Critical accounting estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. The following are the key estimate and assumption uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

(i) Impairment of mineral properties

When there are indications that mineral properties may be impaired, Bison is required to estimate the property's recoverable amount. Recoverable amount is the greater of value-in-use and fair value less costs to sell. Determining the value-in-use requires Bison to estimate expected future cash flows associated with the property and a suitable discount rate in order to calculate present value. During the year ended December 31, 2013 the Company recorded an impairment loss via a write-down of mineral properties and deferred exploration costs of \$78,100 (2012 - \$380,770).

Critical judgments used in applying accounting policies

In the preparation of these financial statements management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments can have an effect on the amounts recognized in the financial statements.

Standards and amendments effective in the current period

There were no new standards issued by the IASB effective for the current period that had an impact on the Company's financial statements.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future accounting pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's financial statements, but which may affect the financial statements are listed below. The Company intends to adopt those standards when they become effective.

IFRS 9, Financial Instruments ("IFRS 9") was issued by the IASB on November 12, 2009 and subsequently revised in October 2012, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for financial years beginning on or after January 1, 2018. The Company anticipates that this standard will be adopted in the Company's financial statements for the year beginning January 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

3. CAPITAL DISCLOSURES

Bison's capital is composed of shareholders' equity. Bison manages its capital structure and makes adjustments to it, based on the funds available to Bison, in order to support the acquisition, exploration and development of mineral properties. The properties in which Bison currently has an interest are in the exploration stage; as such Bison is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, Bison will spend its existing working capital and raise additional amounts as needed. Bison will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Bison is not subject to any externally imposed capital requirements other than its requirement to meet certain flow-through share expenditures, as explained in note 12.

4. FINANCIAL RISK FACTORS

Bison's risk exposure and the impact on its financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment/contractual obligations. Bison is exposed to credit risk on its cash and short-term deposits, share subscription receivable and HST/GST receivables. Bison has deposited the cash and short-term deposits with reputable Canadian financial institutions, from which management believes the risk of loss is minimized. Management believes that the credit risk concentration with respect to the share subscription receivable and HST/GST receivables is remote.

Liquidity Risk

Bison's approach to managing liquidity risk is to ensure that it has sufficient liquidity to meet liabilities when due. As at March 31, 2014, Bison has current assets of \$556,845 (December 31, 2013 - \$567,880) to settle current financial liabilities of \$341,083 (December 31, 2013 - \$313,945). The Company needs to raise additional funds in order to meet future expenditures and cover administrative costs. As a result, the Company has significant exposure to liquidity risk (see Note 1).

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

4. FINANCIAL RISK FACTORS (CONTINUED)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

Interest Rate Risk

Bison has cash balances and short-term deposits. Bison's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The risk the Company will realize a loss as a result of a decline in the fair value of short-term deposits is limited due to the short-term nature of these investments

Commodity Price Risk

The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of precious metals.

5. EQUIPMENT

March 31, 2014	Cost	Accumulated Depreciation	Net Book Value
Computers and equipment	\$ 3,260	\$ (1,438)	\$ 1,822
Furniture and fixtures	11,411	(8,302)	3,109
Computer software	1,332	(1,332)	-
	\$ 16,003	\$ (11,072)	\$ 4,931

December 31, 2013	Cost	Accumulated Depreciation	Net Book Value
Computers and equipment	\$ 3,260	\$ (1,291)	\$ 1,969
Furniture and fixtures	11,411	(8,049)	3,362
Computer software	1,332	(1,332)	-
	\$ 16,003	\$ (10,672)	\$ 5,331

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

6. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

	March 31 2014	March 31 2013	Cumulative Since inception on April 18, 2005
Central Manitoba Bissett			
Balance, beginning of period	\$ 10,349,565	\$ 10,184,020	\$ -
Acquisition costs	-	-	481,010
Consulting and other	23,250	71,450	2,098,408
Drilling	450	-	6,064,449
Laboratory analysis	-	24,825	1,034,862
Reports	-	-	104,581
Transportation and accommodation	-	5,775	826,593
Total expenditures during the period	23,700	102,050	10,609,903
Government grants and other recoveries	(10,000)	(76,495)	(246,638)
Balance, end of period	10,363,265	10,209,575	10,363,265
Ross River			
Balance, beginning of period	-	78,100	-
Linecutting	-	-	78,100
Write down of property	-	-	(78,100)
Balance, end of period	-	78,100	-
Total mineral properties and deferred exploration costs	\$ 10,363,265	\$ 10,287,675	\$ 10,363,265

Central Manitoba Bissett (Gold Property)

The Company owns a 100% interest in 22 claims located approximately 160 kilometres northeast of Winnipeg, Manitoba. In 2009 the Company began follow-up drilling on its 2007-2008 drill program.

Apex/Miner (Gold Property)

The Company owns a total of 40 claims (Apex - 17, Miner - 23) in the Snow Lake area of Manitoba. W. Bruce Dunlop Ltd. (a shareholder) and Bart Kobar hold 2 separate net smelter royalties of 1.25% with an option for the Company to buy the royalties down to 0.5% for payments of \$200,000 for each area.

Cryderman (Gold Property)

The Company owns a 100% interest in 5 claims located approximately 145 kilometres northeast of Winnipeg, Manitoba.

Ross River (Gold Property)

The Company owns a 100% interest in 66 claims located in Southeastern Manitoba. In 2013 the Company recorded an impairment write down on this property totaling \$78,100.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

7. DEFERRED PREMIUM ON FLOW-THROUGH SHARES

The following summarizes the deferred premium on flow-through transactions for the three months ended March 31, 2014 and 2013.

	2014	2013
Balance, beginning of period	\$ 49,488	\$ 115,612
Recorded to statement of loss and comprehensive loss	(7,110)	(48,354)
Balance, end of period	\$ 42,378	\$ 67,258

8. SHARE CAPITAL

(a) Capital

Authorized: unlimited common shares

Issued:

Common Shares	Number of Shares	Value
Balance at January 1, 2013	102,582,837	\$ 13,099,529
Private placement (i and ii)	9,300,000	465,000
Value of warrants	-	(85,560)
Share issue costs (iii)	-	(13,425)
Balance at March 31, 2013	111,882,837	13,465,544
Balance at January 1, 2014	116,422,837	\$ 13,616,480
Private placement (iv)	1,220,000	61,000
Value of warrants (iv)	-	(24,263)
Share issue costs (v)	-	(5,676)
Balance at March 31, 2014	117,642,837	\$ 13,647,541

- (i) On January 17, 2013, the Company issued 7,300,000 units at a price of \$0.05 for gross proceeds of \$365,000. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.125, and has an expiry date of January 17, 2015. The warrants were valued at \$67,160 using the Black-Scholes model.
- (ii) On March 27, 2013, the Company issued 2,000,000 units at a price of \$0.05 for gross proceeds of \$100,000. Each unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.125, and has an expiry date of March 27, 2015. The warrants were valued at \$18,400 using the Black-Scholes model.
- (iii) The Company incurred share issue costs for the three months ended March 31, 2013 in the amount of \$13,425.
- (iv) On February 5, 2014, the Company issued 1,220,000 units at a price of \$0.05 per unit for gross proceeds of \$61,000. Each unit consisted of one common share and one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.075 and has an expiry date of February 5, 2016. All shares issued are subject to a hold period expiring June 5, 2014. The warrants were valued at \$24,263 using the Black-Scholes model.
- (v) The Company incurred share issue costs for the three months ended March 31, 2014 in the amount of \$5,676.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

8. SHARE CAPITAL (CONTINUED)

(b) Stock option plan

The Company has a stock option plan (the "Plan") under which the directors of the Company may grant options to qualified directors, officers and consultants of the Company. The exercise price of the options cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant and the maximum term of any option cannot exceed five years. One sixth of the options will vest every three months over an eighteen month period. The maximum aggregate number of common shares under option at any time under the Plan cannot exceed 5% of the issued and outstanding shares.

A summary of the Company's stock option activity for the three months ended March 31, 2014 and 2013 is as follows:

	Number Of Options	Weighted- Average Exercise Price
Outstanding, January 1, 2013 and March 31, 2013	3,087,500	\$ 0.24
Outstanding, January 1, 2014 and March 31, 2014	250,000	\$ 0.21

(i) No options were exercised or expired during the three months ended March 31, 2014 and 2013.

The weighted average remaining contractual life and weighted average exercise price of options outstanding and of options exercisable as at March 31, 2014 are as follows:

Exercise Price	Options Outstanding			Options Exercisable	
	Number Outstanding	Weighted-Average Exercise Price	Average Remaining Contractual Life (years)	Number Exercisable	Weighted-Average Exercise Price
\$0.10	50,000	\$0.10	0.43	50,000	\$0.10
\$0.36	75,000	\$0.36	3.11	75,000	\$0.36
\$0.20	25,000	\$0.20	2.43	25,000	\$0.20
\$0.16	100,000	\$0.16	3.11	100,000	\$0.16
Total	250,000	\$0.21	2.51	250,000	\$0.21

During the three months ended March 31, 2014 \$Nil (2013 - \$2,503) was recorded as stock-based compensation expense for the stock options vested during the period.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013
(Unaudited)

8. SHARE CAPITAL (CONTINUED)

(c) Warrants

Details of warrants outstanding are as follows:

	Number of Warrants	Exercise Price/ Warrant	Expiry Date
Balance, January 1, 2013	9,793,932	\$ 0.18	
Issued (note 8(a)(i))	3,650,000	\$ 0.125	January 17, 2015
Issued (note 8(a)(ii))	1,000,000	\$ 0.125	March 15, 2015
Balance, March 31, 2013	14,443,932	\$ 0.17	
Balance, January 1, 2014	11,850,000	\$ 0.196	
Issued (note 8(a)(v))	1,220,000	\$ 0.075	February 5, 2016
Balance, March 31, 2014	13,070,000	\$ 0.184	

The fair value of the warrants issued during the three months ended March 31, 2014 has been determined to be \$24,263 (2013 - \$85,560) using the Black-Scholes model based on the following assumptions:

	2014	2013
Risk free interest rate	0.98%	2.44%
Dividend yield	Nil	Nil
Expected stock volatility	124%	124%
Weighted-average expected life (years)	2.0	2.0

9. LOSS PER SHARE

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Diluted loss per share is computed using the treasury stock method. Stock options and warrants outstanding are not included in the computation of diluted loss per share as their inclusion would be anti-dilutive.

10. INCOME TAX INFORMATION

The estimated taxable income for the three months ended March 31, 2014 is \$Nil (March 31, 2013 - \$Nil). Based on the level of historical taxable income it cannot be reasonably estimated at this time if it is more likely than not the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities. Consequently, the future recovery or loss arising from differences in tax values and accounting values has been reduced by an equivalent estimated taxable temporary difference valuation allowance.

The estimated taxable temporary difference valuation allowance will be adjusted in the period in which it is determined that it is more likely than not that some portion or all of the future tax assets or future tax liabilities will be realized.

For further information on the Company's actual losses for tax purposes, refer to the December 31, 2013 audited financial statements. The benefit of these losses and the estimated loss for the period ended have not been recognized in these financial statements.

BISON GOLD RESOURCES INC.

NOTES TO FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited)

11. RELATED PARTY TRANSACTIONS

- (a) The Company paid \$2,250 (2013 - \$2,250) to a Company related by common management in rent for the period ended March 31, 2014.
- (b) The Company paid \$23,250 to officers and directors in consulting fees which were recorded as additions to mineral properties during the period ended March 31, 2014 (2013 - \$38,750).
- (c) As at March 31, 2014 accounts payable and accrued liabilities includes \$33,354 (December 31, 2013 - \$24,187) due to directors and officers.

Compensation of key management personnel

The remuneration expense of directors and other members of key management personnel during the three months ended March 31, not included in mineral properties was as follows:

	2014		2013
Salaries, consulting and benefits	\$ 33,750	\$	33,750
Stock-based compensation	-		2,503
	<u>\$ 33,750</u>	<u>\$</u>	<u>36,253</u>

12. COMMITMENTS AND CONTINGENCIES

- (a) The Company's mineral and exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- (b) The Company is committed to spending \$177,000 associated with the flow-through offerings that were completed in December 2013 by December 31, 2014. The Company intends to fulfill all flow-through commitments by December 31, 2014.

13. SUBSEQUENT EVENT

On April 8, 2014 the Company announced the 2014 exploration program for its Central Manitoba Property located in southeastern Manitoba. Through surface exploration the Company will continue development of its 100% owned Ogama-Rockland Gold Deposit. The Ogama-Rockland deposit is known for its recently published Maiden Mineral Resource Estimate. The estimate was classified as an inferred mineral resource and totals 1.28 million tonnes with a grade of 8.17 g/t Au for 337,000 ounces of contained gold at a cut-off grade of 2.50 g/t Au. The Mineral Resource Estimate and Report was prepared in compliance with National Instrument 43-101 requirements. An application for additional finances through the Mineral Exploration Assistance Program (MEAP) has been submitted to the Manitoba provincial government. The Company's exploration program, pending permits approvals will commence over the summer/fall of 2014.