Jayden Resources Inc.

Consolidated Financial Statements

For the year ended December 31, 2016

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Management's Responsibility

To the Shareholders of Jayden Resources Inc. (the "Company"):

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

April 28, 2017

(signed)

David Eaton
CEO and director

(signed)

Herrick Lau
CFO

MNP LLP

Independent Auditors' Report

To the Shareholders of Jayden Resources Inc.:

We have audited the accompanying consolidated financial statements of Jayden Resources Inc., and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2016 and 2015, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained based on our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Jayden Resources Inc. and its subsidiary as at December 31, 2016 and 2015, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which discloses matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

MNP LLP

April 28, 2017

Vancouver, BC

Chartered Professional Accountants

Jayden Resources Inc.
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Years Ended December 31 2016	2015
Expenses			
Administrative expenses	4	$ (345,957)	$ (331,785)
Impairment loss on available-for-sale investments	6	-	(66,894)
Impairment loss on exploration and evaluation assets	7	-	(16,178,223)
Operating loss for the year		(345,957)	(16,576,902)
Other income			
Interest income		530	732
Net loss for the year		**(345,427)**	**(16,576,170)**
Other comprehensive loss			
Item that may be reclassified subsequently to profit or loss :			
Unrealized gain (loss) on available-for-sale investments		18,931	(1,502)
Comprehensive loss for the year		**$ (326,496)**	**$ (16,577,672)**
Loss per share			
- Basic and diluted		$ (0.00)	$ (0.27)
Weighted average number of common shares outstanding			
- Basic and diluted		70,105,027	61,443,931

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

Jayden Resources Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at	Notes	December 31, 2016	December 31, 2015
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		1,265,859	239,432
Other receivables		5,763	1,090
Prepaid expenses and deposits		16,957	19,151
Available-for-sale investments	6	22,861	3,930
		1,311,440	263,603
Non-current assets			
Property, plant and equipment	5	79,742	84,988
Total Assets		1,391,182	348,591
Liabilities and Shareholders' Equity			
Current liabilities			
Amounts due to related parties	10 (d)	29,780	-
Convertible debenture	8	-	179,739
Payables and accruals		12,255	5,209
Total Liabilities		42,035	184,948
Shareholders' Equity			
Share capital	9	45,862,579	44,484,300
Reserves		2,378,380	2,225,728
Accumulated losses		(46,891,812)	(46,546,385)
Total equity		1,349,147	163,643
Total Liabilities and Shareholders' Equity		1,391,182	348,591

Approved on Behalf of the Board

"Denise Lok" Director
Denise Lok

"Savio Chiu" Director
Savio Chiu

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

Jayden Resources Inc.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Number of issued shares	Share capital	Share-based payments reserve	Fair value reserve for available-for-sale investments	Accumulated losses	Total
		$	$	$	$	$
Balances, January 1, 2015	58,493,246	43,973,300	2,225,728	(65,392)	(29,970,215)	16,163,421
Private placement	7,300,000	511,000	-	-	-	511,000
Decrease in fair value of available-for-sale investments	-	-	-	(1,502)	-	(1,502)
Other than temporary loss on available-for-sale investments	-	-	-	66,894	-	66,894
Loss for the year	-	-	-	-	(16,576,170)	(16,576,170)
Total comprehensive loss for the year	-	-	-	65,392	(16,576,170)	(16,510,778)
Balances, December 31, 2015	65,793,246	44,484,300	2,225,728	-	(46,546,385)	163,643
Balances, January 1, 2016	65,793,246	44,484,300	2,225,728	-	(46,546,385)	163,643
Private placement (note 9a)	15,000,000	1,200,000	-	-	-	1,200,000
Share issuance costs (note 9a)	-	(282,116)	-	-	-	(282,116)
Fair value of finder's warrants (note 9c)	-	-	186,116	-	-	186,116
Conversion of convertible debenture (note 8)	1,700,000	256,395	(52,395)	-	-	204,000
Warrant conversion (note 8)	1,700,000	204,000	-	-	-	204,000
Increase in fair value of available-for-sale investments	-	-	-	18,931	-	18,931
Loss for the year	-	-	-	-	(345,427)	(345,427)
Total comprehensive loss for the year	-	-	-	18,931	(345,427)	(326,496)
Balances, December 31, 2016	84,193,246	45,862,579	2,359,449	18,931	(46,891,812)	1,349,147

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

Jayden Resources Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Years Ended December 31, 2016	2015
	$	$
Cash flows from operating activities		
Loss for the year	(345,427)	(16,576,170)
Adjustments for:		
Depreciation	5,246	2,854
Bank interest income	(530)	(732)
Loss on available-for-sale investments	-	66,894
Impairment of mineral property	-	16,178,223
Convertible debenture interest expense	24,261	24,524
Operating loss before working capital changes	(316,450)	(304,407)
Decrease (increase) in other receivables	(4,673)	1,803
Decrease (increase) in prepaid expenses and deposits	2,194	(14,157)
Decrease in amount due to related parties	-	(31,818)
Decrease (increase) in payables and accruals	7,046	(26,544)
Net cash used in operating activities	(311,883)	(375,123)
Cash flows from investing activities		
Acquisition of exploration and evaluation assets	-	(44,397)
Interest received	530	732
Net cash generated from (used in) investing activities	530	(43,665)
Cash flows from financing activities		
Proceeds from private placement, net of share issuance costs	1,308,000	511,000
Loan received from former director (note 10)	84,898	-
Loan repayment (note 10)	(55,118)	-
Net cash generated from financing activities	1,337,780	511,000
Net increase in cash and cash equivalents	1,026,427	92,212
Cash and cash equivalents, beginning of the year	239,432	147,220
Cash and cash equivalents, end of the year	1,265,859	239,432

Supplementary cash flow information (note 14)

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

1. Nature of operations and going concern

(a) Nature of operations

Jayden Resources Inc. (the “Company”) was incorporated under the laws of the Province of British Columbia. On October 15, 2015, the Company’s common shares ceased trading on the TSE and began trading on the TSX Venture Exchange under the symbol JDN. On August 8, 2012, the Company changed its place of jurisdiction and was registered in the Cayman Islands as an exempted company with limited liability by way of continuation. Its subsidiary, Jayden Resources (Canada) Inc. (“Jayden Canada”) still remains a BC Company. The Company is principally engaged in the business of acquiring, exploring and developing interests in mining projects. To date, the Company has not generated revenues from its principal activities and is considered to be in the exploration stage.

The head office and principal address of the Company are located at Zephyr House, Mary Street, PO Box 709, Grand Cayman KY1-1107, Cayman Islands. The registered and records office are located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

(b) Going concern

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a “going concern”, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operation, and do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

The Company has not generated any revenues and has incurred accumulated losses of $46,891,812 (2015: $46,546,385) since inception. During the year ended December 31, 2016 the Company generated negative cash flows from operations of $311,883 (2015: $375,123). The Company is not expected to generate cash inflow from its operation during the next twelve months and therefore must rely on securing additional funds from either debt or equity financings for cash consideration. During the year ended December 31, 2016, the Company received net cash proceeds of $1,337,780 (2015: $511,000) pursuant to financing activities. The business of exploring for and mining of minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. While the Company is expanding its best efforts to achieve the above plan, there is no assurance that any such activity will generate sufficient funds for future operations.

The continuation of the Company as a going concern is depend upon the Company’s ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations or the receipt of proceeds from the disposition of its mineral property interest. The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain mineral reserves that are economically recoverable. The Company’s continuing operations, and the recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its mineral property interests, and on future profitable production or proceeds from the disposition of the mineral property interests. These matters and conditions, primarily as a result of the conditions described above, indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as going concern. If the going concern assumption is not appropriate, material adjustments to the consolidated financial statements could be required.

2. Basis of presentation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Boards ("IASB"), and interpretations of the International Financial Reporting Interpretations Committee. These consolidated financial statements were approved by the board of directors for issue on April 28, 2017.

(b) Basis of measurement

These consolidated financial statements have been prepared on a going concern basis, under the historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Jayden Canada. The Company consolidates the subsidiary on the basis that it controls the subsidiary. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through the power over the investee. All the intercompany transactions and balances have been eliminated on consolidation.

(d) Critical accounting judgements, estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations as of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Deferred taxes
The Company recognizes the deferred tax benefit related to deferred tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in the future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

2. Basis of presentation (continued)

(d) Critical accounting judgments, estimates and assumptions (continued)

Critical judgments in applying the Company's accounting policies

The following is the critical judgment, apart from those involving estimations that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Going concern
Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the year ended December 31, 2016. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, management concluded the ultimate appropriateness of the use of accounting principles applicable to a going concern.

Impairment of exploration and evaluation assets
Exploration and evaluation assets are considered for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assessment of impairment indicators involves the application of a number of significant judgment over the internal and external factors. External factors include future commodity prices, investors' sentiment and changes in environmental and mineral tenure regulations. Internal factors include technical data interpretation of the mineral resources estimates and the Company's exploration plans for the properties. As new data comes up and economy and market continually change, the recoverable amounts of the assets and the impairment loss might be different from these judgments and estimates. Management has determined to impair the entire carrying value of the exploration and evaluation assets as at December 31, 2015 (see note 7).

Impairment of available-for-sale investments
The Company follows the guidance of IAS 39 to determine when an available-for-sale equity investment in impaired. This determination requires significant judgement in evaluating if a decline in fair value is significant or prolonged, which triggers an impairment loss. In making this judgement, the Company's management evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, the volatility of the investment and the business outlook. Management has determined to write down the available-for-sale investment to fair value and the loss is recognized in the consolidated statement of operations and comprehensive loss as of December 31, 2015(see note 6).

3. Significant accounting policies

(a) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short term money market instruments with an original maturity of three months or less when acquired, which are readily convertible into a known amount of cash and which are subject to an insignificant risk of change in value. The cash and cash equivalents are mainly denominated in Canadian dollars and Hong Kong dollars. At December 31, 2016 and 2015, the cash and cash equivalents held by the Company comprised bank balances and cashable guaranteed investment certificates ("GICs"). GICs are matured in one year and are eligible for immediate cancellation after a 30 day hold period with interest earned to the date of cancellation. The GICs earn respective interest prime – 2.10% and 0.6% per annum (2015:Nil).

3. Significant accounting policies (continued)

(b) Interest income

Interest income from financial assets is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's carrying amount.

(c) Financing costs

The costs related to equity transactions are deferred until the closing of the equity transactions. These costs are accounted for as a deduction from equity. Transaction costs of abandoned equity transactions are recognized in profit or loss.

(d) Property, plant and equipment

Property, plant and equipment, other than land, is recorded at cost less accumulated depreciation. The cost of an item consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Depreciation is calculated using the declining balance method to write off the cost of asset, less the estimated residual value, at the following rates:

Computer equipment	30%
Other equipment	20%
Software	100%
Building	4%

Land is stated at acquisition cost less any impairment losses. Land is not depreciated.

The asset's residual values, depreciation method and useful lives are reviewed and adjusted if appropriate at each reporting date.

An item is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain and loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognize in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

3. Significant accounting policies (continued)

(e) Exploration and evaluation assets

The Company's exploration and evaluation assets are intangible assets relating to mineral rights acquired and exploration and valuation expenditure capitalized in respect of projects that are at the exploration/pre-development stage.

Exploration and evaluation expenditure related to an area of interest where the Company has tenure are capitalized on initial recognition at cost. Exploration and evaluation assets are subsequently stated at cost less any accumulated impairment losses and are not amortized. These assets are transferred to mine development assets in property, plant and equipment upon the commencement of mine development.

Exploration and evaluation expenditure in the relevant area of interest comprises costs which are directly attributable to:

- Acquisition:
- Surveying, geological, geochemical and geophysical;
- Exploratory drilling;
- Land maintenance;
- Sampling; and
- Assessing technical feasibility and commercial viability.

Exploration and evaluation expenditure also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. Capitalized costs, including general and administrative costs, are only allocated to the extent that those costs can be related directly to operation activities in the relevant area of interest. Proceeds received from government assistances in a property will be credited against the carrying value of the property, with any excess included in operations for the period.

The carrying amount of the exploration and evaluation assets is reviewed whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of discounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. An impairment loss is recognized in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

(f) Impairment of non-current assets

Property, plant and equipment and exploration and evaluation assets are assessed for impairment when events or circumstances indicate that the carrying amounts of the assets may not be recoverable. An impairment loss is recognized for any amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its 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. Value in use is determined as the present value of the estimated future pre-tax cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal. The Company reviews impairment on non-financial assets for possible reversal when events or circumstances warrant such consideration.

3. Significant accounting policies (continued)

(g) Decommissioning and rehabilitation liabilities

Decommissioning and rehabilitation liabilities are recognized for future obligations to retire long-lived assets which include dismantling, removing facilities and restoring the affected areas to normal operations. The provision for future restoration costs is the best estimate of the present value of the cash flows required to settle the restoration obligation at the reporting date.

Upon initial recognition of the decommissioning and rehailitation liability, the amount is capitalized to the carrying value of the related asset and amortized as an expense over the economic life of the asset. The liability increases in following periods as the accretion expenses are accounted for. The liability is adjusted annually for changes to factors such as expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

The Company did not have any significant decommissioning and restoration obligations at the reporting dates.

(h) Share-based payment transactions

The share option plan allows the Company employees (including directors and senior executives) and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense 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.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The charge or credit for a period recognized in profit or loss represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve. No expense is recognized for awards that do not ultimately vest.

3. Significant accounting policies (continued)

(h) Share-based payment transactions

At the time when the share options are exercised, the amount previously recognized in share option reserve is transferred to share capital. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share option expenses is transferred to accumulated losses.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

In situations where equity instruments are issued 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.

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, which vest immediately and priced at the previous day's closing price.

(i) Warrants issued in equity financing transactions

The Company engages in equity financing transaction to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. Each unit comprises a certain number of common share and a certain number of warrant. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the transaction.

The carrying amount of the warrants that are part of units is determined based on any difference between gross proceeds and the estimated fair market value of the shares and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for agency fee or other transactions costs are accounted for as share-based payments.

(j) Loss per share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of shares outstanding during the year. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year.

Existing stock options and share purchase warrants have not been included in the computation of diluted loss per share as to do so would be anti-dilutive. Accordingly, basic and diluted loss per share are the same.

3. Significant accounting policies (continued)

(k) Translation of foreign currencies

The functional and presentation currency of the Company and its subsidiary are Canadian dollar as this is the principal currency of the economic environment in which they operate. Transactions in foreign currencies (currencies other than Canadian dollars) are initially recorded in the Company's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the end of each reporting period. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

(l) Income taxes

Income tax expense comprises 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 the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(m) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, the Company classifies its financial instruments in the following categories:

(i) Financial assets and liabilities at fair value through profit or loss ("FVTPL"):

A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term.

Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the consolidated statement of operations. Gains and losses arising from changes in fair value are presented in the consolidated statement of operations within other gains and losses in the period in which they arise. Financial assets and liabilities at fair value through profit or loss are classified as current except for the portion expected to be realized or paid beyond twelve months of the balance sheet date, which is classified as non-current.

The Company has classified its cash and cash equivalents as FVTPL.

(ii) Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables are comprised of cash and cash equivalents, short-term investments, receivables, and deposits and amounts due from related parties.

Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

(iii) Available-for-sale financial assets:

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other categories.

Available-for-sale assets are initially recorded at fair value plus transaction costs, and are subsequently carried at fair value. All unrealized gains and losses arising from changes in the fair value of assets classified as available-for-sale are recognized directly in other comprehensive income, except for unrealized foreign exchange gains or losses on monetary financial assets and impairment losses which are recognized in the consolidated statement of operations. Any reversal of a previously recognized impairment loss on a non-monetary asset is recognized directly in other comprehensive income. Realized gains and losses from the derecognition of available-for-sale assets are recognized in the consolidated statement of operations in the period derecognized with any unrealized gains or losses being recycled from other comprehensive income.

(iv) Financial liabilities at amortized cost:

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

The Company has classified payables and accruals, amounts due to related parties and convertible debenture in this category.

(n) Impairment of Financial instruments

At each reporting date, the Company assesses whether there is objective evidence that a financial asset (other than a financial asset classified as fair value through profit or loss) is impaired.

The criteria used to determine if objective evidence of impairment exists include:

(i) significant financial difficulty of the obligor;

(ii) delinquencies in interest and principal payments; and

(iii) it becomes probable that the borrower will enter bankruptcy or other financial reorganization.

For equity securities, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired.

Financial assets carried at amortized cost:

If evidence of impairment exists, the Company recognizes an impairment loss as the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument’s original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost and available-for-sale debt instruments are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(Expressed in Canadian Dollars)

3. Significant accounting policies (continued)

(o) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(p) New and Revised IFRS Issued but Not Effective

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below except those which the Company does not expect any impacts on the consolidated financial statements.

IFRS 9 Financial Instruments

IFRS 9 was issued in November 2009 and subsequently amended as part of an ongoing project to replace IAS 39 Financial instruments: Recognition and measurement. The standard requires the classification of financial assets into two measurement categories based on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The two categories are those measured at fair value and those measured at amortized cost. The classification and measurement of financial liabilities is primarily unchanged from IAS 39. However, for financial liabilities measured at fair value, changes in the fair value attributable to changes in an entity's "own credit risk" is now recognized in other comprehensive income instead of in profit or loss. This new standard will also impact disclosures provided under IFRS 7 Financial instruments: disclosures.

In November 2013, the IASB amended IFRS 9 for the significant changes to hedge accounting. In addition, an entity can now apply the "own credit requirement" in isolation without the need to change any other accounting for financial instruments. The standard was initially effective for annual periods beginning on or after January 1, 2013, but the complete version of IFRS 9, issued in July 2014, moved the mandatory effective date to January 1, 2018. The Company does not expect this amendment to have a material impact on its consolidated financial statements

4. Administrative expenses

	Years Ended December 31, 2016	Years Ended December 31, 2015
	$	$
Depreciation (note 5)	5,246	2,854
Corporate administration	89,676	85,213
Exploration costs	71,190	-
Net foreign exchange (gain) loss	610	(7,829)
Investor relations	250	1,225
Professional fees	40,370	39,651
Regulatory and shareholder services	40,190	77,522
Staff costs		
- Salaries and others	98,425	133,149
	345,957	331,785

(Expressed in Canadian Dollars)

5. Property, plant and equipment

	Computer equipment	Other equipment	Software	Building	Land	Total
	$	$	$	$	$	$
Cost						
As at December 31, 2014, 2015 and 2016	6,652	12,597	4,145	59,100	36,138	118,632
Accumulated depreciation						
As at December 31, 2014	4,623	10,176	4,145	11,846	-	30,790
Depreciation	543	450	-	1,861	-	2,854
As at December 31, 2015	5,166	10,626	4,145	13,707	-	33,644
Depreciation	-	-	-	1,789	-	1,789
Write-off	1,486	1,971	-	-	-	3,457
As at December 31, 2016	5,166	10,626	4,145	15,496	-	38,890
Net book value						
As at December 31, 2015	1,486	1,971	-	45,393	36,138	84,988
As at December 31, 2016	-	1,971	-	43,604	36,138	79,742

6. Available-for-sale investments

	Shares	2016	2015
		$	$
Mountain Boy Minerals Ltd.	300,975	19,563	1,505
Great Bear Resources Ltd.	19,400*	3,298	2,425
		22,861	3,930

*The common shares have been consolidated on the basis of one (1) post-consolidated common share for every five (5) pre-consolidated common shares.

The fair values of the above investments have been determined by reference to their quoted bid prices at the respective reporting dates.

As of December 31, 2015, the Company has determined that there has been a prolonged decline in the fair value of the above investments. Thus, the unrealized loss of $66,894 accumulated as other comprehensive loss is recognized in the consolidated statements of operations and comprehensive loss during the year.

(Expressed in Canadian Dollars)

7. Exploration and evaluation assets

Canada	Silver Coin and Kansas	Other	Total
	$	$	$
At December 31, 2014	16,044,125	22,401	16,066,526
Surveying, geological, geochemical and geophysical	43,313	-	43,313
Land maintenance	1,084	-	1,084
Impairment of mineral exploration property	(16,088,522)	(22,401)	(16,110,923)
At December 31, 2016 and 2015	-	-	-

Throughout 2004 to 2011, the Company entered in to option agreements to acquire various interests in the Silver Coin and Kansas Property.

In 2015, the Company impaired exploration and evaluation assets for $16,110,923 given the fact that the Company has not invested any significant expenditures on the property and the management has intention to abandon the properties.

The Company made project reclamation deposits of $67,300 for the mineral properties. Such deposits will not be recovered and has been fully written off together with the exploration and evaluation assets as of December 31, 2015.

8. Convertible debenture

On November 6, 2014, the Company completed a non-brokered private placement of $204,000 aggregate principal amount of unsecured convertible debentures. The debentures were issued to the Company's related parties and bear $nil interest. The debt matured on November 16, 2016 and are convertible, at the election of the holder into units of the Company at a price of $0.12 per unit. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire an additional common share at a price of $0.12 until November 6, 2016.

For accounting purposes, the convertible debenture is considered to have both a debt and equity component. On November 6, 2014, the issuance date, an equity component of $52,395 was recorded, which was calculated as the issue price of the debenture less the fair value of the liability component at the date of issuance of the convertible debenture. The fair value of the liability component was calculated as the present value of the convertible note's price discounted at the Company's estimated incremental borrowing rate of 16% for the period from November 6, 2014 to the expected remaining life of the note.

The carrying value of the liability portion will be accreted to its redemption principle value of $204,000 over a period from the date of issuance to the estimated maturity and conversion date.

Interest accretion was recorded in the consolidated statements of operations and comprehensive loss in the amount of $24,261 for the year ended December 31, 2016 (2015: $24,524).

On November 1, 2016, the convertible debenture holders converted their $204,000 notes into units at the price of $0.12 which resulted in the issuance of 1,700,000 common shares and 1,700,000 warrants. The convertible debenture holders simultaneously exercised the warrants, at $0.12 per warrant, resulting in proceeds of $204,000 for the issuance of 1,700,000 common shares.

9. Share capital and stock options

(a) Share capital

The authorized share capital of the Company is 5,000,000,000 shares without par value.

On June 24, 2015, the Company closed the first tranche of its non-brokered private placement consisting of 2,300,000 units (the "Units") at a price of $0.07 per Unit for gross proceeds of $161,000. Each Unit consists of one common share of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") of the Company at a price of $0.09 per Warrant Share until June 24, 2017. The fair value of the common share component of the Units at the date of issuance was $0.07 being equal to market price therefore the Company allocated the entire $161,000 to common shares and $ nil to warrants.

On August 25, 2015, the Company closed the second tranche of its non-brokered private placement consisting of 5,000,000 units (the "Units") at a price of $0.07 per Unit for gross proceeds of $350,000. Each Unit consists of one common share of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") of the Company at a price of $0.09 per Warrant Share until August 25, 2017. The fair value of the common share component of the Units at the date of issuance was $0.07 being equal to market price therefore the Company allocated the entire $350,000 to common shares and $ nil to warrants.

On September 30, 2016, the Company closed a non-brokered private placement consisting of 15,000,000 units (the "Units") at a price of $0.08 per Unit for gross proceeds of $1,200,000. Each Unit consists of one common share of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Share (a "Warrant Share") of the Company at a price of $0.12 per Warrant Share until September 30, 2019. The fair value of the common share component of the Units at the date of issuance was $0.185, being lower than market price therefore the Company allocated the entire $1,200,000 to common shares and $nil to warrants. The Company paid a finder's fee in the amount of $96,000 and 1,200,000 finder's warrants at a price of $0.12 per Warrant Share until September 30, 2018 (see note 9c).

(b) Stock options

The Company has a stock option plan whereby the maximum number of shares subject to the plan, in the aggregate, shall not exceed 10% of the Company's issued and outstanding shares. The maximum term of any option will be ten years and the vesting is at the direction of the board, however, options granted to consultants performing "investor relations' activities" must at a minimum vest in stages over a period of not less than twelve months, with no more than ¼ of the options vesting in any three month period or such longer period as the board determines. The exercise price shall be no less than the discount market price as determined in accordance with TSE policies.

Stock option transactions and the number of stock options outstanding and exercisable as at December 31, 2016 and 2015 are summarized as follows:

(Expressed in Canadian Dollars)

9. Share capital and stock options (continues)

(b) Stock options (continues)

	Year ended December 31, 2016		Year ended December 31, 2015	
	Number	Weighted average exercise price	Number	Weighted average exercise price
		$		$
Options outstanding, beginning of the year	1,845,000	0.43	2,993,500	1.03
Expired	-	-	(1,148,500)	1.99
Options outstanding	1,845,000	0.43	1,845,000	0.43
Options exercisable	1,845,000	0.43	1,845,000	0.43

Options outstanding and exercisable

Number outstanding	Expiry date		Exercise price
			$
420,000	January 6, 2017	(note 16)	1.50
1,425,000	April 4, 2019		0.11
1,845,000			0.43

Option-pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates and therefore, in management's opinion, existing models do not necessary provide reliable measure of the fair value of the Company's stock options.

(c) Share purchase warrants

The finders' warrants were valued at $186,116 using the Black-Scholes pricing model with an expected volatility of 179.81%, an expected term of two (2) years, a risk-free interest rate of 0.51%, and a dividend yield of 0%.

Share purchase warrant transactions and the number of share purchase warrants outstanding as at December 31, 2016 and 2015 are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, December 31, 2014	5,700,000	$	0.12
Granted During the Year	7,300,000		0.09
Balance, December 31, 2015	13,000,000	$	0.10
Expired During the Year	(5,700,000)		0.12
Granted During the Year	16,200,000		0.12
Balance, December 31, 2016	23,500,000	$	0.11

(Expressed in Canadian Dollars)

10. Related party balances and transactions

(a) Related party balances

The amounts due from(to) related parties were $29,780 as at December 31, 2016 (see note(d)) (2015:$nil).

(b) Related party transactions

The Company entered into the following material related party transactions during the following periods:

Services provided for the year ended December 31, 2016	Management services	Rent and office expenses
	$	$
Baron Global Financial Canada Ltd. (1)	15,000	-
Transmax Investing (2)	60,000	-

Services provided for the year ended December 31, 2015	Management services	Rent and office expenses
	$	$
Baron Global Financial Canada Ltd. (1)	13,000	7,000

(1) Mr. Herrick Lau Mong Tak, officer of the Company, is the managing director of Baron Global Financial Canada Ltd.
(2) Mr. David Eaton, officer of the Company, is the owner of Transmax Investing.

(c) Compensation of key management personnel

Key management personnel are the directors of the Company whose compensations included in staff costs of administrative expenses comprised the following:

	Years ended December 31	
	2016	2015
	$	$
Management fee	-	9,375
	-	9,375

(d) On January 6, 2014, a previous director of the Company, provided a credit facility of up to approximately $2,061,855 to the Company to support the funding of the Company. Any drawdown would be non-interest bearing and none of the Company's assets are pledged as security. As at December 31, 2016, the Company owed 29,780 to the individual.

(Expressed in Canadian Dollars)

11. Income Taxes

The following table reconciles the expected income tax expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the consolidated statements of operations and comprehensive loss for the years ended December 31, 2016 and 2015:

	2016	2015
	$	$
Income (loss) before taxes	(345,427)	(16,576,170)
Statutory tax rate	26%	0%
Expected income tax (recovery)	(89,811)	-
Non-deductible expenses	8,854	19
Different statutory tax rates on foreign subsidiaries	-	(4,267,775)
Change in unrecognized deferred tax assets	80,957	4,267,756
Total income tax expense (recovery)	-	-

The statutory tax rate increased from 0% to 26% due to a change in the composition of board of directors on June 30, 2016, resulting in the Company becoming resident in Canada for income tax purposes

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding values for tax purposes. Details of deferred tax assets (liabilities) as at December 31, 2016 and 2015 are as follows:

	2016	2015
	$	$
Non-capital losses carry-forwards	4,588	4,206
Available-for-sale investments	(701)	-
Unrealized foreign exchange gain	(146)	-
Property, plant and equipment	(3,741)	(4,206)
Deferred tax assets (liabilities)	-	-

(Expressed in Canadian Dollars)

11. Income Taxes (continued)

The unrecognized deductible temporary differences at December 31, 2016 and 2015 are as follows:

	2016	2015
	$	$
Mineral property	19,152,457	19,594,625
Non-capital losses	3,521,649	3,109,017
Investment tax credit	356,648	361,460
Financing cost	225,693	-
Capital losses	562	-
Total unrecognized deductible temporary differences	23,257,009	23,065,102

As at December 31, 2016, the Company has not recognized a deferred tax asset in respect of non-capital loss carryforwards of approximately $3,521,649 (2015: $3,109,017) which may be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expires in:	$
2030	272,539
2031	882,346
2032	645,008
2033	873,348
2034	398,844
2035	164,569
2036	284,995
	3,521,649

The deferred tax assets have not been recognized at this stage of the Company's development, as it is not probable that future taxable profit will be available against which the Company can utilize such deferred tax assets.

12. Financial instruments

The Company is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the board of directors meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks. The Company has not used any derivatives or other instruments for hedging purposes and does not hold or issue derivative financial instruments for trading purposes. The most significant risks to which the Company is exposed to are described below.

(i) Currency risk

Some of the operating expenses and cash & equivalents held are denominated in foreign currencies and as such are subject to currency risk. The Company does not enter into derivative financial instruments to mitigate this risk but the Company does not believe its net exposure to foreign exchange risk is significant as most funds are held by the Company in CAD.

12. Financial instruments (continued)

(ii) Credit risk

The Company's cash & cash equivalent is held in authorized Canadian financial institutions. The Company does not have any asset-backed commercial paper. Management believes that the credit risk concentration with respect to its financial instruments is minimal.

The Company adopts conservative investment strategies. Usually investments are in liquid securities quoted on recognized stock exchanges. No margin trading is allowed. Loans and financial guarantees to individuals on non-Group entities have to be approved by the board of directors. The board monitors the Company's overall investment position and exposure on a day to day basis.

The credit and investment policies have been followed by the Company since prior years and are considered to have been effective in limiting the Company's exposure to credit risk to a desirable level.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash at banks and GICs carried at floating interest rates with reference to the market and non-interest bearing director's loans. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest bearing borrowings.

The policies to manage interest rate risk have been followed by the Company since prior years and are considered to be effective.

(iv) Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the board of directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The liquidity policies have been followed by the Company since prior years and are considered to have been effective in managing liquidity risk.

(v) Other price risk

Other price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than changes in interest rates and foreign exchange rates). The Company is exposed to change in market prices of listed equity in respect of its investments classified as available-for-sale investments (Note 6).

The policies to manage other price risk have been followed by the Company since prior years and are considered to be effective.

12. Financial instruments (continued)

(vi) Fair value measurements

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following three levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets;
Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorized in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The cash and cash equivalent and available-for-sale investments measured are grouped into level 1 as at December 31, 2016 and 2015.

There have been no significant transfers between levels 1 and 2 in the respective reporting periods. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods. The listed equity securities are denominated in Canadian dollars. Fair values have been determined by reference to their quoted bid prices at the reporting dates.

The fair value of the Company's amounts due to related companies and payables and accruals approximates its carrying values.

13. Capital risk management

The Company's capital management objectives are to insure the Company's ability to continue as a going concern so as to benefit from its operations to provide an adequate return for its shareholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties. The Company defines capital that it manages as its shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

14. Supplementary cash flow information

	Year Ended December 31, 2016	2015
	$	$
Non-cash Financing activities		
Finder's fees on private placement settled by issuance of warrants (note 9 (c))	186,116	-
Issuance of shares through exercise of convertible debenture (note 8)	256,395	-

15. Commitment

The Company entered into consulting contracts providing the following services:

	Monthly Fee	Service Provided
	$	
Baron Global Financial Canada Ltd.	5,000	Coporate Advisor
Andrew Michaels & Company	6,000	Consultant

16. Subsequent event

Subsequent to December 31, 2016, 420,000 stock options expired unexercised (note 9(b)).