

NAPIER VENTURES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 30 JUNE 2016

Stated in Canadian Funds

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements

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MANAGEMENT'S RESPONSIBILITY

To the Shareholders of Napier Ventures Inc.:

Management is responsible for the preparation and presentation of the accompanying condensed interim consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. 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 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 financial statements.

The Board of Directors and the 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 presented. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Audit Committee has the responsibility of meeting with management, and the external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board is also responsible for recommending the appointment of the Company's external auditors.

We draw attention to Note 1 in the unaudited condensed interim consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements.

18 August 2016

The condensed interim consolidated financial statements were approved by the Board of Directors on 18 August 2016 and were signed on its behalf by:

"Michael P. Raftery"

Michael P. Raftery, Director

"Donald Scoretz"

Donald Scoretz, Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Note	As at 30 June 2016	As at 31 March 2016
ASSETS		
Current Assets		
	\$ 18,490	\$ 10,338
	2,485	3,587
	7,929	7,929
	28,904	21,854
Non-current Assets		
(5)	81,800	81,800
	\$ 110,704	\$ 103,654
LIABILITIES		
Current Liabilities		
	\$ 185,197	\$ 133,340
(6)	127,570	87,900
	312,767	221,240
EQUITY (STATEMENT 3)		
	1,659,483	1,651,883
	30,290	30,290
	230,960	234,160
	(2,122,796)	(2,033,919)
	(202,063)	(117,586)
	\$ 110,704	\$ 103,654

Nature of operations and going concern	(1) Capital management	(8)
Basis of preparation - Statement of Compliance	(2) Segmented information	(9)
Related party transactions	(6) Comparative information	(10)

The condensed interim consolidated financial statements were approved by the Board of Directors on 18 August 2016 and were signed on its behalf by:

“Michael P. Raftery”

Michael P. Raftery, Director

“Donald Scoretz”

Donald Scoretz, Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS

	Note	Three months ended 30 June 2016	Three months ended 30 June 2015
CONTINUING OPERATIONS			
EXPENSES			
Exploration and evaluation			
Resource property expense	(5)	\$ 3,530	\$ 7,869
General and administrative			
Management fees	(6)	27,000	27,000
Professional fees	(6)	26,536	19,396
Shareholder relations		23,455	22,133
Office rent		6,000	6,000
Transfer agent and filing fees		1,506	1,163
Office and general	(10)	850	3,366
Stock-based compensation	(7)	-	47,498
		85,347	126,556
Loss from Operating Activities being Comprehensive Loss		\$ 88,877	\$ 134,425
Basic and Diluted Loss per Common Share		\$ (0.00)	\$ (0.01)
Weighted Average Number of Shares Outstanding		22,809,660	22,548,600

Canadian Funds
 Unaudited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Shares	Amount	Warrants	Amount	Options	Amount	Deficit	Shareholders' Equity
BALANCE AT 01 APRIL 2015	22,644,960	\$ 1,631,758	62,700	\$ 32,274	-	\$ 119,482	\$ (1,474,520)	\$ 308,994
Shares issued on exercise of warrants	4,800	726	-	-	-	-	-	726
Fair value transferred on exercise of warrants	-	-	(4,800)	(174)	-	-	-	(174)
Stock-based compensation	-	-	-	-	1,974,000	47,498	-	47,498
Comprehensive loss for the period	-	-	-	-	-	-	(134,425)	(134,425)
BALANCE AT 30 JUNE 2015	22,649,760	\$ 1,632,484	57,900	\$ 32,100	1,974,000	\$ 166,980	\$ (1,608,945)	\$ 222,619
Shares issued on exercise of options	50,000	5,500	-	-	-	-	-	5,500
Fair value transferred on exercise of options	-	1,241	-	-	(50,000)	(1,241)	-	-
Stock-based compensation	-	-	-	-	-	1,905	-	1,905
Comprehensive loss for the period	-	-	-	-	-	-	(98,932)	(98,932)
BALANCE AT 30 SEPTEMBER 2015	22,699,760	\$ 1,639,225	57,900	\$ 32,100	1,924,000	\$ 167,644	\$ (1,707,877)	\$ 131,092
Stock-based compensation	-	-	-	-	-	1,111	-	1,111
Comprehensive loss for the period	-	-	-	-	-	-	(79,206)	(79,206)
BALANCE AT 31 DECEMBER 2015	22,699,760	\$ 1,639,225	57,900	\$ 32,100	1,924,000	\$ 168,755	\$ (1,787,083)	\$ 52,997
Shares issued on exercise of options	20,000	2,200	-	-	-	-	-	2,200
Fair value transferred on exercise of options	-	2,910	-	-	(20,000)	(2,910)	-	-
Shares issued on exercise of warrants	49,900	5,738	-	-	-	-	-	5,738
Fair value transferred on exercise of warrants	-	1,810	(49,900)	(1,810)	-	-	-	-
Warrants expired	-	-	(8,000)	-	-	-	-	-
Stock-based compensation	-	-	-	-	-	68,315	-	68,315
Comprehensive loss for the period	-	-	-	-	-	-	(246,836)	(246,836)
BALANCE AT 31 MARCH 2016	22,769,660	\$ 1,651,883	-	\$ 30,290	1,904,000	\$ 234,160	\$ (2,033,919)	\$ (117,586)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Shares	Amount	Warrants	Amount	Options	Amount	Deficit	Shareholders' Equity
BALANCE AT 01 APRIL 2016	22,769,660	\$ 1,651,883	-	\$ 30,290	1,904,000	\$ 234,160	\$ (2,033,919)	\$ (117,586)
Shares issued on exercise of options	40,000	4,400	-	-	-	-	-	4,400
Fair value transferred on exercise of options	-	3,200	-	-	(40,000)	(3,200)	-	-
Stock-based compensation	-	-	-	-	-	-	-	-
Comprehensive loss for the period	-	-	-	-	-	-	(88,877)	(88,877)
BALANCE AT 30 JUNE 2016	22,809,660	\$ 1,659,483	-	\$ 30,290	1,864,000	\$ 230,960	\$ (2,122,796)	\$ (202,063)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOW

	Note	Three months ended 30 June 2016	Three months ended 30 June 2015
OPERATING ACTIVITIES			
Loss for the Period		\$ (88,877)	\$ (134,425)
Items not Affecting Cash			
Stock-based compensation		-	47,498
Unrealized foreign exchange		-	99
		(88,877)	(86,828)
Net Change in Non-cash Working Capital			
Amounts receivable		1,102	(909)
Prepaid amounts and deposits		-	(5,187)
Accounts payable and accrued liabilities		51,857	(17,095)
Due to related parties		39,670	-
		92,629	(23,191)
		3,752	(110,019)
INVESTING ACTIVITIES			
Redemption of term deposit		-	105,000
FINANCING ACTIVITIES			
Proceeds from share issuance		4,400	552
Net Increase in Cash		8,152	(4,467)
Cash position – beginning of period		10,338	19,894
Cash Position – End of Period		\$ 18,490	\$ 15,427
Cash paid for interest		\$ -	\$ -
Cash paid for income taxes		\$ -	\$ -

NAPIER VENTURES INC.

Canadian Funds
Unaudited

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1) Nature of operations and going concern

Napier Ventures Inc. ("The Company" or "Napier") was incorporated on 06 March 2007 under the laws of the province of British Columbia. The Company is in the exploration stage and is in the process of exploring mining properties in the United States. Napier's administrative office is at Suite 1010-789 West Pender Street, Vancouver, BC, V6C 1H2 and its registered office is at Suite 1000-840 Howe Street, Vancouver, BC, V6Z 2M1.

These condensed interim consolidated financial statements ("Financial Statements") have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

There are several adverse conditions that cast significant doubt upon the soundness of this assumption. The Company has incurred operating losses since inception, has no source of revenue, is unable to self-finance operations and has significant on-going cash requirements to meet its overhead and maintain its mineral interests. Further, the business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of exploration and evaluation assets is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties.

For the Company to continue to operate as a going concern in the long-term, it must continue to obtain additional financing to maintain operations; although the Company has been successful in the past at raising funds, there can be no assurance that this will continue in the future.

In the event that cash flow from operations, if any, together with the proceeds for any future financings are insufficient to meet the Company's operating expenses, the Company will be required to re-evaluate its planned expenditures and allocate its total resources in such a manner as the Board of Directors and management deem to be in the Company's best interest. This may result in a substantial reduction of the scope of existing and planned operations.

If the going concern assumption were not appropriate for these consolidated financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used and such adjustments could be material. Management believes it has available funds to continue operations for a period of one year.

	30 June	31 March
Rounded (000's)	2016	2016
Working capital	\$ (284,000)	\$ (199,000)
Accumulated deficit	\$ (2,123,000)	\$ (2,034,000)

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2) Basis of preparation – Statement of Compliance

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Since the unaudited condensed interim consolidated financial statements do not include all disclosures required by the IAS1 “Presentation of Financial Statements”, they should be read in conjunction with the Company’s audited annual consolidated financial statements for the year ended 31 March 2016.

The preparation of these financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. The judgements, estimates and assumptions made by management affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

3) Summary of significant accounting policies

The accounting policies and methods of computation followed in preparing these Financial Statements are the same as those followed in preparing the most recent audited annual consolidated financial statements. For a summary of significant accounting policies, please refer to the Company’s audited annual consolidated financial statements for the year ended 31 March 2016.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4) Financial instruments and risk management

a) Financial instrument classification and measurement

Financial instruments of the Company carried on the Condensed Interim Consolidated Statement of Financial Position are carried at amortized cost with the exception of cash and cash equivalents, which is carried at fair value. There are no significant differences between the carrying value of financial instruments and their estimated fair values as at three month period ended 30 June 2016 due to the immediate or short-term maturities of the financial instruments.

The fair value of the Company's cash and cash equivalents is quoted in active markets. The Company classifies the fair value of these transactions according to the following hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The Company's cash, cash equivalents, and term deposits have been assessed on the fair value hierarchy described above and classified as Level 1.

b) Fair values of financial assets and liabilities

The Company's financial instruments include cash and cash equivalents, term deposit, amounts receivable, reclamation bond, and accounts payable and accrued liabilities. At the period ended 30 June 2016, the carrying value of cash, cash equivalents, and term deposits are at fair value. Amounts receivable, and accounts payable and accrued liabilities approximate their fair value due to their short term nature.

c) Market risk

Market risk is the risk that changes in market prices will affect the Company's earnings or the value of its financial instruments. Market risk is comprised of commodity price risk and interest rate risk. The objective of market risk management is to manage and control exposures within acceptable limits, while maximizing returns. The Company is not exposed to significant market risk.

d) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank accounts. The Company's bank accounts are held with major banks in Canada and U.S.; accordingly, the Company is not exposed to significant credit risk.

e) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash and term deposit at variable interests. The Company is not exposed to significant interest rate risk.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

f) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk. At the period ended 30 June 2016, the Company held currency totalling the following:

Rounded to 000's	30 June 2016	31 March 2016
Canadian Dollar	\$ 8,000	\$ -
United States Dollar	\$ 8,000	\$ 10,000

g) Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time.

As the Company has no significant source of cash flows, this is a significant risk, although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future.

5) Resource property

a) Acquisition of property

Below is a summary of resource property costs incurred for the three months period ended 30 June 2016 and the year ended 31 March 2016:

ACQUISITION COSTS

Balance – 01 April 2015	\$	81,800
Write-off of acquisition costs		-
Balance – 30 June 2016 and 31 March 2016	\$	81,800

Calico Peak Property

The property, known as the Calico Peak Property and located in Delores County, Colorado, comprises 40 claims named DR 1-40 covering the height of land at Calico Peak and four patented claims. Each claim is nominally 1500 feet by 600 feet (20.66 acres) or 8.36 hectares. The 58 claims then cover 826 acres. The unpatented claims include only those surface rights and access rights, as defined under the Mining Act.

- Certain claims were staked for Napier International LLC. and are owned outright.
- The rest of claims were acquired through a purchase agreement from Clearwater Gold Mining Corporation for a deemed cost of \$75,000 through the issuance of 750,000 shares of the Company.

During the year ended 31 March 2015, the Company renegotiated payable balances with a vendor. The negotiation resulted in the Company settling total payables and acquisition costs for less than what was recorded on the books, resulting in a decrease in acquisition cost of \$11,065.

NAPIER VENTURES INC.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Emerald Isle Property

On 10 December 2015, Napier announced that it has entered into an asset purchase agreement (the “Agreement”) with Emerald Copper Corp. (the “Vendor”), whereby the Company will acquire a 100% interest in 57 unpatented mining claims in Mohave County, Arizona (the “Emerald Isle Property”) as well as 21 unpatented mining claims in Dolores County, Colorado (together with the Emerald Isle Property, the “Claims”).

As consideration for the Claims, Napier will grant to the Vendor a 2% net smelter returns royalty on all valuable minerals produced from the Claims. Napier will also pay the Vendor US\$200,000 pursuant to a promissory note (the “Note”). The Note will mature in 3 years from the date of closing of the acquisition of the Claims. The Note will bear simple interest at 8% per annum and may be converted into common shares of the Company at the option of the Company at any time at a conversion price equal to the 15 day volume-weighted average trading price of the Company’s shares at the time of conversion.

In addition, all costs or fees incurred by Emerald Copper Corp related to Emerald Isle Property will be paid by Napier before the ownership of the property is transferred.

The acquisition of the Claims is subject to the approval of the TSX Venture Exchange (the “TSXV”). The Vendor is a private company owned by Donald T. Scoretz, a director of the Company and as a result the proposed acquisition is a ‘related party transaction’ under Multilateral Instrument 61-101 (“MI 61-101”). The directors of the Company other than Mr. Scoretz considered, reviewed and approved the acquisition of the Claims and the terms of the Agreement. The proposed transaction is exempt from the formal valuation requirement under MI 61-101 by virtue of sections 5.5(a) and (b) and is exempt from the minority approval requirement by virtue of section 5.7(1)(a) of that instrument. No finder’s fees are payable in connection with the proposed transaction. The acquisition of the Claims is expected to occur promptly following receipt of conditional approval of the TSXV.

As at 30 June 2016, the approval of TSXV is pending.

Emerald Copper Corp. and another company have each located their own mining claims that in part cover the same U.S. public land. Emerald Copper Corp. and the other company are currently involved in a quiet title court action to resolve their claim conflict dispute. As of 30 June 2016 and today, the results of claim conflict dispute and likelihood of the results are not determinable.

b) Resource property expenses

A summary of exploration expenditures for the period ended 30 June 2016 and 2015 are as follows:

	30 June	30 June
EXPLORATION EXPENDITURES	2016	2015
General Property Search	3,530	7,869
Total	\$ 3,350	\$ 7,869

NAPIER VENTURES INC.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

6) Related party transactions

Related party transactions and balances not disclosed elsewhere in the consolidated financial statements are as follows:

RELATED PARTY DISCLOSURE

Name and Principal Position	Fiscal Period	Remuneration or fees ⁽ⁱ⁾	Share-based awards	Amounts Payable
Hamilton Investments Ltd - a company controlled by the CFO – management fees	2016	\$ 9,900	\$ -	\$ 28,350
	2015	\$ 9,000	\$ 17,016	\$ -
Fognani & Faught – a company of which a director was counsel during the year	2016	\$ -	\$ -	\$ -
	2015	\$ -	\$ -	\$ 10,000
North American Oil & Minerals Inc. – a company controlled by an interim CEO - management fees	2016	\$ 10,500	\$ -	\$ -
	2015	\$ 10,500	\$ 17,016	\$ 21,000
Emerald Copper Corp – a company controlled by an interim CEO	2016	\$ 3,530	\$ -	\$ -
	2015	\$ -	\$ -	\$ -
Mark Nesbitt	2016	\$ -	\$ -	\$ -
Director	2015	\$ -	\$ 17,016	\$ -
Danny Yu	2016	\$ -	\$ -	\$ -
Director	2015	\$ -	\$ 17,016	\$ -

⁽ⁱ⁾ Amounts disclosed were paid or accrued to the related parties during the period ended 30 June 2016 and 2015.

⁽ⁱⁱ⁾ Emerald Copper and Napier agreed that the Company will pay expenditures incurred related to Emerald Isle property before the ownership of the property is transferred (refer to Note 5 for details).

The above transactions are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to related parties are unsecured, non-interest bearing and have no fixed term of repayment except the loan from Michael Raftery mentioned below.

In addition to the amounts shown in the table above, Donald and Michael loaned the Company a total of \$77,970 as at 30 June 2016.

Donald loaned the Company a total of \$15,845 as at 30 June 2016, with no interest. Each loan is unsecured, bears no interest and is repayable on demand by Donald Scoretz.

Michael Raftery loaned the Company a total of \$62,125 as at 30 June 2016, with interest of \$464. Each loan is unsecured, bears no interest and is repayable on demand. In advancing loan, Michael Raftery has incurred interest, fees and other expenses as a result of financial arrangements. Michael Raftery has had to put in place in order to advance the Loan. The Company wishes to reimburse Michael Raftery for such interest, fees and other expenses incurred.

7) Share capital

a) Authorized

The Company is authorized to issue unlimited common shares without par value.

b) Common shares, issued and fully paid

As at 30 June 2016, the Company had 22,809,660 (31 March 2016 – 22,769,660) common shares issued and outstanding. As at 30 June 2016 and 31 March 2016, there were no shares held in escrow.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

c) Warrants

There were no warrants outstanding as at 30 June 2016 and 31 March 2015.

d) Stock options

During this quarter, the Company has issued stock options to its directors, officers, and consultants. Details of stock options outstanding as at 30 June 2016 are as follows:

EXPIRY DATE	GRANT DATE	Exercise Price	30 June 2016	31 March 2016
09 April 2017 ⁽ⁱ⁾	09 April 2015	\$ 0.11	172,000	212,000
09 April 2020	09 April 2015	\$ 0.11	1,692,000	1,692,000
		\$ 0.11	1,864,000	1,904,000

(i) Company has granted 282,000 options to a consultant. The options have vested quarterly over a 12-month period.

	31 March 2016	31 March 2015
Number of options vested	-	211,500
Compensation recognized	\$ -	\$ 67,824

Stock option activities during the period are summarized as follows:

STOCK OPTION ACTIVITY	30 June 2016	Weighted average exercise price	31 March 2016	Weighted average exercise price
Balance – beginning of period		\$	\$	
Granted	1,904,000	0.11	1,974,000	0.11
Exercised	(40,000)	0.11	(70,000)	0.11
Balance – end of period	1,864,000	\$ 0.11	1,904,000	\$ 0.11

e) Contributed surplus

CONTRIBUTED SURPLUS	30 June 2016	31 March 2016
Balance – beginning of period	\$ 264,450	\$ 151,756
Stock based payment	-	118,829
Fair value transferred on option exercise	(3,200)	(6,135)
Balance – end of period	\$ 261,250	\$ 264,450

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

f) Stock-based payments

No options or warrants were issued during the period ended 30 June 2016. For the year ended 31 March 2016, the Company issued compensation options to its directors and agents. Stock-based compensation occurred as follows:

	30 June 2016	31 March 2016
Total options granted	-	1,974,000
Average exercise price	\$ -	\$ 0.11
Estimated fair value of compensation recognized	\$ -	\$ 118,829
Estimated fair value per option	\$ -	\$ 0.06

The fair value of the stock-based compensation of options to be recognized in the accounts has been estimated using the Black-Scholes Model with the following weighted-average assumptions:

	30 June 2016	31 March 2016
Risk free interest rate	N/A	0.68%
Expected dividend yield	N/A	-
Expected stock price volatility	N/A	49%
Expected option life in years	N/A	2.5

g) Earnings per share

The calculation of basic loss per share for the year ended 30 June 2016 was based on the loss of \$88,877 (2015 – \$187,333) and the weighted average number of common shares outstanding of 22,809,660 (2015 – 22,649,760) respectively.

The Company does not have any instruments that would give rise to a dilution effect as of 30 June 2016. The Company has 1,864,000 stock options that are anti-dilutive and thus, not included in diluted loss per share as of 30 June 2016.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

8) Capital management

The Company's capital structure consists of cash and cash equivalents, term deposit, and shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the acquisition and exploration of resource properties and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

The Company invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

9) Segmented information

The Company operates in one operating segment, which is the acquisition, exploration, and development of mineral property interests. The following table provides segmented disclosure on assets and liabilities as reviewed by management regularly:

Rounded to 000's	Canada	United States	Total
30 June 2016			
Current Assets	\$ 19,000	\$ 10,000	\$ 29,000
Resource properties	-	82,000	82,000
Current Liabilities	\$ 313,000	\$ -	\$ 313,000
31 March 2016			
Current Assets	\$ 12,000	\$ 10,000	\$ 22,000
Resource properties acquisition costs	-	82,000	82,000
Current Liabilities	\$ 221,000	\$ -	\$ 221,000

10) Comparative information

Certain of the comparative figures have been reclassified to conform to the current period presentation.