CANADIAN IMPERIAL VENTURE CORP.

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

NOVEMBER 30, 2015

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Canadian Imperial Venture Corp.

We have audited the accompanying financial statements of Canadian Imperial Venture Corp., which comprise the statements of financial position as at November 30, 2015 and 2014 and the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity (deficiency) for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of 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 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 the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Canadian Imperial Venture Corp. as at November 30, 2015 and 2014 and its financial performance and its 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 financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Canadian Imperial Venture Corp.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

November 2, 2016

CANADIAN IMPERIAL VENTURE CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	November 30, 2015	November 30, 2014
ASSETS		
Current		
Cash	$ 301	$ 7,595
Amounts receivable	25	14,901
Reclamation deposit (Note 5)	-	57,273
Prepaid expenses and deposits	-	10,778
Total current assets	326	90,547
Non-current assets		
Equipment (Note 7)	-	3,887
Total non-current assets	-	3,887
Total assets	$ 326	$ 94,434
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Trade payables and accrued liabilities	$ 318,023	$ 226,039
Due to related party (Note 12)	34,500	3,000
Total liabilities	352,523	229,039
Shareholders' deficiency		
Share capital (Note 8)	14,714,917	14,714,917
Reserves (Note 8)	2,661,740	2,661,740
Deficit	(17,728,854)	(17,511,262)
Total shareholders' deficiency	(352,197)	(134,605)
Total liabilities and shareholders' deficiency	$ 326	$ 94,434

Nature of operations and going concern (Note 1)
Basis of presentation (Note 2)
Commitment (Note 14)

"Gerard Edwards" Director *"George Langdon"* Director

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

CANADIAN IMPERIAL VENTURE CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30

	2015	2014
EXPENSES		
Depreciation (Note 7)	$ 258	$ 1,680
Finance expense	975	975
Write-down of exploration and evaluation assets (Note 6)	-	551,811
Other operating expenses (Note 9)	190,607	332,293
	(191,840)	(886,759)
Write-off of amounts receivable	(2,150)	-
Write-down of reclamation deposit	(20,257)	-
Loss on write-down of equipment	(3,629)	-
Other income	284	988
Loss and comprehensive loss for the year	$ (217,592)	$ (885,771)
Loss per common share, basic and diluted	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding, basic and diluted	62,596,238	62,596,238

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

CANADIAN IMPERIAL VENTURE CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	$ (217,592)	$ (885,771)
Items not affecting cash:		
Depreciation	258	1,680
Write-down of amounts receivable	2,150	-
Write-down of equipment	3,629	-
Write-down of reclamation deposit	20,257	-
Write-down of E&E assets	-	551,811
Changes in non-cash working capital items:		
Decrease in amounts receivable	12,726	7,828
Decrease in prepaid expenses	10,778	3,551
Decrease in trade payables and accrued liabilities	91,984	148,981
Decrease (increase) in reclamation deposits	37,016	(600)
Net cash used in operating activities	(38,794)	(172,520)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	-	40,000
Equipment additions	-	(635)
E & E costs recovered	-	20,000
Net cash provided by investing activities	-	59,365
CASH FLOWS FROM FINANCING ACTIVITIES		
Related party loan	31,500	3,000
Net cash provided by financing activities	31,500	3,000
Change in cash for the year	(7,294)	(110,155)
Cash, beginning of year	7,595	117,750
Cash, end of year	$ 301	$ 7,595
Cash paid during the year for interest	$ -	$ -
Cash paid during the year for income taxes	$ -	$ -

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

CANADIAN IMPERIAL VENTURE CORP.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

	Share Capital				
	Number of Common Shares	Amount	Reserves	Deficit	Total
Balance, November 30, 2013	62,596,238	$ 14,714,917	$ 2,661,740	$(16,625,491)	$ 751,166
Loss for the year	-	-	-	(885,771)	(885,771)
Balance, November 30, 2014	62,596,238	14,714,917	2,661,740	(17,511,262)	(134,605)
Loss for the year	-	-	-	(217,592)	(217,592)
Balance, November 30, 2015	62,596,238	$ 14,714,917	$ 2,661,740	$(17,728,854)	$ (352,197)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Canadian Imperial Venture Corp.'s (the "Company") business activity is the exploration and evaluation of resource properties in Canada. The Company is incorporated under the Business Corporations Act of British Columbia. The Company is listed on the NEX branch of the TSX Venture Exchange, under the symbol CQV.H. The Company's head office is located at 233 Duckworth Street, Suite 205, St. John's, NL. On May 15, 2015, trading in the shares of the Company were suspended.

The Company is in the exploration stage and the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to raise adequate financing through the capital markets.

The current market conditions and volatility increases the uncertainty of the Company's ability to continue as a going concern given the need to both curtail expenditures and to raise additional funds. The Company is experiencing, and has experienced, negative operating cash flows. The Company will continue to search for new or alternate sources of financing but anticipates that the current market conditions may impact the ability to source such funds. These items cast a significant doubt upon the Company's ability to continue as a going concern.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the Company's statement of financial position.

2. BASIS OF PRESENTATION

a) Statement of compliance and basis of measurement

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or 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.

The financial statements of the Company for the year ended November 30, 2015 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on September 12, 2016.

2. BASIS OF PRESENTATION (continued):

b) Functional currency and presentation currency

The Company's functional and presentation currency is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these financial statements, unless otherwise indicated.

a) Cash

Cash includes cash on hand and deposits held with financial institutions.

b) Exploration and evaluation expenditures

Pre-exploration costs

Pre-exploration costs are expensed in the year in which they are incurred.

Exploration and evaluation assets

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation assets ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to E&E activities, including general administrative overhead costs, are expensed in the year in which they occur.

The Company may occasionally enter into option arrangements, whereby the Company will transfer part of a resource property interest, as consideration, for an agreement by the optionee to meet certain E&E expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the E&E asset, with any excess cash accounted for as a gain on the statement of loss and comprehensive loss.

When a project is determined to no longer have commercially viable prospects to the Company, E&E expenditures in respect of that project are considered to be impaired. As a result, those E&E expenditure costs, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

The Company assesses E&E assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

c) Reclamation deposits

Cash which is subject to contractual restrictions on use is classified separately as reclamation deposits. Reclamation deposits are classified as loans and receivables.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

d) Equipment

Recognition and measurement

On initial recognition equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Gains and losses

Gains and losses on disposal of equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

Depreciation

Depreciation is recognized in profit or loss and is calculated using the declining balance method for the following classes of equipment at the following rates per annum:

Office Furniture	20% declining balance
Computer Equipment	100% declining balance
Computer Software	100% declining balance

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In the year of acquisition, depreciation is recorded at one-half the normal rate.

e) Impairment of non-financial assets

At each reporting date the carrying amounts of the Company's long-lived assets, which are comprised of equipment and E&E assets, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived from the asset or its related cash generating unit. For purposes of impairment testing, assets are grouped at the lowest levels that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the associated assets are reduced to their recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment charge is reversed through profit or loss only to the extent that the asset's carrying amount does not exceed the carrying amount that

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

e) Impairment of non-financial assets (continued):

would have been determined, net of any applicable depreciation, if no impairment loss had been recognized.

f) Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in net earnings. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax.

Financial assets "held-to-maturity", "loans and receivables", and "other financial liabilities" are subsequently measured at amortized cost using the effective interest method. The Company's financial assets and liabilities are recorded and measured as follows:

Asset or Liability	Category	Measurement
Cash	FVTPL	Fair value
Amounts receivable	Loans and receivables	Amortized cost
Reclamation bond	Held to maturity	Amortized cost
Trade payables and accrued liabilities	Other liabilities	Amortized cost
Due to related party	Other liabilities	Amortized cost

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash has been measured at fair value using Level 1 inputs and the investment is measured using Level 2 inputs.

g) Rehabilitation provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the year in which the obligation is incurred. The present value of the future obligation is calculated by discounting the amount of the future expenditures expected to be required to settle the obligation

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

g) Rehabilitation provision (continued):

using a pre-tax rate that reflects the time value of money and risks specific to the liability. The nature of the rehabilitation activities include restoration, reclamation and re-vegetation of the affected exploration sites.

A rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized to the related asset. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur.

h) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in net loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

i) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, common share warrants and flow-through shares are classified as equity instruments.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

i) Share capital (continued):

Incremental costs directly attributable to the issue of new common shares, common share warrants, or stock options are shown in equity as a deduction, net of tax, from the proceeds.

j) Loss per common share

Basic loss per share has been calculated using the weighted average number of common shares outstanding during the year.

Diluted loss per share has been calculated using the weighted average number of common shares that would have been outstanding during the respective period had all of the stock options and warrants outstanding at year-end having a dilutive effect been converted into shares at the beginning of the year and the proceeds used to repurchase the Company's common shares at the average market price for the year. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

k) Share-based compensation

The stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based compensation 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. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to capital stock.

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

l) New standards, interpretations and amendments

Effective December 1, 2014, the following standard was adopted but had no material impact on the financial statements:

i) IAS 32 (Amendment): Standard amended to clarify requirements for offsetting financial assets and financial liabilities for annual periods on or after January 1, 2014.

New standards and interpretations not yet adopted

Certain new standards issued that may impact the Company are described below. The Company intends to adopt these standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material.

i) IFRS 7 (Amendment): This standard was amended to require additional disclosure on the transition from IAS 39 to IFRS 9. It is effective for annual periods beginning on or after January 1, 2015.

ii) IFRS 9: New standard that replaced IAS 39 for classification and measurement of financial assets, effective for annual periods beginning on or after January 1, 2018;

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

l) New standards and interpretations not yet adopted (continued):

iii) IFRS 15: New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides

iv) a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service.* This standard is effective for annual periods beginning on or after January 1, 2018.

The Company is currently assessing the impact of these standards on its financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and judgments about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the financial statements are discussed below.

Critical judgments

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1.

i) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

(Expressed in Canadian Dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued):

Key sources of estimation uncertainty

ii) Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation ("E&E") assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available. During the year ended November 30, 2014, the Company had indicators of impairment and performed an impairment test resulting in a write-off of its exploration and evaluation assets of $551,811 (see Note 6).

As at November 30, 2015, there were no capitalized exploration and evaluation assets.

5. RECLAMATION DEPOSITS

The Company is required to make reclamation deposits in respect of its expected rehabilitation obligations. The reclamation deposits represent collateral for possible reclamation activities necessary on E&E assets in connection with the permits required for exploration activities by the Company.

During the year ended November 30, 2015, the Company was refunded $37,016 from the Alberta Energy Resources Conservation Board. The remaining balance of the reclamation deposit was impaired to $Nil as the Company does not have funds available to perform the remaining restoration work required to collect the deposit.

6. EXPLORATION AND EVALUATION ASSETS

	Mineral Exploration and Evaluation		
	Acquisition	Exploration and evaluation	Total
Balance at November 30, 2013	$ 202,500	$ 369,311	$571,811
Cost recovery	-	(20,000)	(20,000)
Write-down of exploration and evaluation assets	(202,500)	(349,311)	(551,811)
Balance at November 30, 2014, 2015	$ -	$ -	$ -

Mineral exploration and evaluation assets

In September 2012 the Company executed an option agreement (the "Option Agreement") with Carina Energy Inc. ("Carina"), a private mining exploration company based in Toronto, Ontario and Ozias Theriault ("Theriault") whereby the Company was granted an option by Carina and Theriault to acquire a 55% interest in the Little Bear Lake gold property (the "Property") which is located in the Lac du Bonnet Mining Division in Manitoba.

6. EXPLORATION AND EVALUATION ASSETS (continued):

Mineral exploration and evaluation assets (continued):

Pursuant to the terms of the Option Agreement:

- The Company issued to Carina 600,000 common shares on September 24, 2012 (the "Closing Date"), and on the first anniversary of the Closing Date (September 24, 2013) the Company was to deliver an additional 500,000 common shares to Carina.
- The Company was required to spend $600,000 of expenditures on the Property within two years of the Closing Date (September 24, 2014).
- The Company was responsible for cash payments to Theriault, being $20,000 paid on execution of the Option Agreement and was to pay $10,000 per month commencing on October 1, 2012 until June 1, 2014 for aggregate payments totaling $200,000.
- The Company was required to make two advance royalty payments of $50,000 each to Theriault, on each of November 12, 2013 and November 12, 2014.
- The property is subject to a 2.5% net smelter returns royalty.

On August 16, 2013, the Company announced that it had entered into an Amendment Agreement to the Option Agreement. The Amendment Agreement granted the Company an extension to the payment requirements for its acquisition of a 55% interest in the Property.

As consideration for the amendments made to the Option Agreement and upon approval from the TSX Venture Exchange, the Company made the following:

- a cash payment of $20,000 to Theriault; and
- the issuance of 500,000 common shares in the capital of the Company to Theriault.

Subject to the terms and conditions set out in the Option Agreement and Amendment Agreement, Theriault and Carina granted to the Company, the sole and exclusive right and option (the "Option") to acquire an undivided 55% right, title and interest in the Property in consideration of the Company making the following payments and share issuances:

- On the first day of each month commencing October 1, 2012, pay to Theriault $10,000 per month until March 1, 2013 for a total payment of $60,000 (paid);
- on the first day of each month, commencing on July 1, 2015, pay to Theriault $10,000 per month until August 1, 2016 for additional payments totalling $140,000 (not paid);
- on September 24, 2015, issue to Carina 500,000 common shares in the capital of the Company to Carina (not issued);
- prior to September 24, 2016, incur expenditures of $600,000 toward conducting exploration of the Property (qualifying expenditures made to-date - $466,565); and
- on or before November 12, 2016, pay to Theriault $50,000, and on or before November 12, 2017, pay to Theriault $50,000, in payment of the first two advance royalty payments to Theriault under the Amendment Agreement (said payments to be shared by Carina and the Company according to their respective interests in the Property).

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued):

Mineral exploration and evaluation assets (continued):

During the year ended November 30, 2014, all capitalized costs were written off as management had no further plans to explore the property.

As at November 30, 2015, the Company is delinquent on its payments and share issuances under the Option Agreement and Amendment Agreement; however no Notice of Default has been received.

7. EQUIPMENT

	Office Furniture	Computer Software	Computer Equipment	Total
Cost				
Balance at November 30, 2013	$ 11,536	$ 939	$ 10,623	$ 23,098
Additions	-	-	635	635
Balance at November 30, 2014	11,536	939	11,258	23,733
Write-off of equipment	(11,536)	(939)	(11,258)	(23,733)
Balance at November 30, 2015	$ -	$ -	$ -	$ -

	Office Furniture	Computer Software	Computer Equipment	Total
Depreciation and impairment				
Balance at November 30, 2013	$ 7,074	$ 469	$10,623	$ 18,166
Depreciation for the year	893	470	317	1,680
Balance at November 30, 2014	7,967	939	10,940	19,846
Depreciation for the year	178	-	80	258
Write-off of equipment	(8,145)	(939)	(11,020)	(20,104)
Balance at November 30, 2015	$ -	$ -	$ -	$ -
Carrying amounts				
At November 30, 2014	$ 3,569	$ -	$ 318	$ 3,887
At November 30, 2015	$ -	$ -	$ -	$ -

(Expressed in Canadian Dollars)

8. CAPITAL STOCK

Authorized capital stock: unlimited number of common shares without par value, issuable in series.

There were no capital transactions during the years ended November 30, 2015 or 2014.

Stock Option Plan

The Company has a rolling Stock Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company.

Options granted must expire no later than a maximum of ten years from the date of the grant.

Terms of the Plan are as follows:

i) The number of common shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant.

ii) The number of shares which may be awarded to any one individual may not exceed 5% of the issued shares at the date of grant, and the total number of options awarded to any consultant shall not exceed 2% of the issued and outstanding common shares at the time of the grant.

iii) The total number of options awarded to all persons employed by the Company who perform investor relations activities shall not exceed 2% of the issued and outstanding shares of the Company in any twelve month period.

iv) Under TSX.V policy all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

The Plan does not require vesting provisions for options issued except in limited circumstances.

There were no stock options granted during the years ended November 30, 2015 and 2014.

The following is a summary of changes in stock options:

	Number of Options	Weighted Average Exercise Price
Outstanding, November 30, 2013, 2014	1,730,000	$ 1.00
Expired	(780,000)	$ 1.00
Outstanding, November 30, 2015	950,000	$ 1.00

At November 30, 2015, the following stock options were outstanding and exercisable:

Expiry date	Number of Options	Weighted Average Life Remaining
May 2, 2016 (1)	810,000	0.42
June 17, 2016 (1)	140,000	0.55
	950,000	0.44

(1) Subsequent to year-end, these incentive stock options expired unexercised.

(Expressed in Canadian Dollars)

8. CAPITAL STOCK (continued)

Share purchase warrants

The following is a summary of changes in warrants:

	Number of Options	Weighted Average Exercise Price
Outstanding, November 30, 2013	**3,000,000**	**$ 1.00**
Issued	10,137,400	$ 0.10
Expired	(3,000,000)	$ 1.00
Outstanding, November 30, 2014	**10,137,400**	**$ 0.10**
Expired	(10,137,400)	$ 0.10
Outstanding, November 30, 2015	**-**	**$ -**

As at November 30, 2016, there were no share purchase warrants outstanding.

9. OTHER OPERATING EXPENSES

	Year ended November 30, 2015	**Year ended November 30, 2014**
Other operating expenses include:		
Office and shareholder information	$ 28,073	$52,919
Professional and filing fees	56,607	62,929
Promotion and travel	13,921	64,712
Service contracts and wages	92,006	151,733
	$190,607	**$ 332,293**

10. FINANCIAL RISK FACTORS

The fair value of the Company's amounts receivable, accounts payable and accrued liabilities, and due to related party approximate their carrying value, which is the amount recorded on the statement of financial position, due to their short terms to maturity. The Company's cash is measured at fair value, under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities. The Company's other financial instrument, being the reclamation deposit, is measured at amortized cost.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk. Receivables consists of input tax credits receivable from the Government of Canada.

10. FINANCIAL RISK FACTORS (continued):

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2015, the Company had a cash balance of $301 to settle current liabilities of $352,523. The Company expects to fund these liabilities through the issuance of capital stock and advances from related parties. See Note 1 for discussion of going concern risk.

Market risk

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

a) Interest rate risk

The Company has cash balances which are not at a significant risk to fluctuating interest rates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As of November 30, 2015, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of various precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

c) Foreign currency risk

The Company operates predominately in Canada and is not exposed to any significant foreign currency risk.

11. CAPITAL MANAGEMENT

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, and development of its exploration and evaluation interests. 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 Company is largely 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.

There were no changes in the Company's approach to capital management during the year ended November 30, 2015. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

	Year ended November 30, 2015	2014
Short-term benefits*	$ 90,000	$ 141,506

*includes base salaries pursuant to contractual employment, or consultancy arrangements. These have been recorded in service contracts, professional fees and wages

As at November 30, 2015, the Company had the following amounts outstanding to related parties:

a) Included in accounts payable and accrued liabilities is $215,574 (2014 - $152,187) owing to related parties for accrued management, consulting and professional fees and expense reimbursements.

b) $34,500 (2014 – $3,000) is due to the CEO, who is also a director of the Company. This amount is unsecured and non-interest bearing with no specific terms of repayment.

13. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of E & E assets in North America. All assets are located within Canada.

14. COMMITMENT

Under a management agreement with a company controlled by a director of the Company, the Company is committed to the monthly payment of management fees of $5,000 per month until July 2016.

(Expressed in Canadian Dollars)

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2015	2014
Net loss for the year	$ (217,592)	$ (885,771)
Expected income tax (recovery)	$ (63,000)	$ (257,000)
Permanent difference	-	4,000
Adjustment to prior years provision versus statutory tax returns	125,000	-
Expiry of non-capital losses	668,000	-
Change in unrecognized temporary difference and other	(741,000)	253,000
Other	$ 11,000	$ -
Total income tax expense (recovery)	$ -	$ -
Current income tax	$ -	$ -
Deferred tax recovery	$ -	$ -

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	2015	Expiry Date Range	2014	Expiry Date Range
Temporary Differences				
Share issue costs	$ 2,000	2036 - 2037	$ 4,000	2034 - 2037
Allowable Capital losses	$ 1,015,000	No expiry date	$ 1,447,000	No expiry date
Non-Capital losses	$ 4,615,000	2026 - 2035	$ 6,720,000	2015 - 2034
Property and equipment	$ 24,000	No expiry date	$ 18,000	No expiry date
Exploration and evaluation assets	$ 20,086,000	No expiry date	$20,106,000	No expiry date
Marketable securities	$ -	No expiry date	$ -	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.