CANADIAN IMPERIAL VENTURE CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED MAY 31, 2016
(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Canadian Imperial Venture Corp. is prepared by management in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". Management acknowledges responsibility for the preparation and presentation of the unaudited interim financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

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

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

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

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor. The accompanying unaudited interim 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 interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

CANADIAN IMPERIAL VENTURE CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
AS AT

	May 31, 2016	November 30, 2015
ASSETS		
Current		
Cash	$ 364	$ 301
Amounts receivable	1,251	25
Total assets	$ 1,615	$ 326
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current		
Trade payables and accrued liabilities	$ 366,828	$ 318,023
Due to related party (Note 12)	34,500	34,500
Total liabilities	401,328	352,523
Shareholders' deficiency		
Share capital (Note 8)	14,714,917	14,714,917
Reserves (Note 8)	2,661,740	2,661,740
Deficit	(17,776,370)	(17,728,854)
Total shareholders' deficiency	(399,713)	(352,197)
Total liabilities and shareholders' deficiency	$ 1,615	$ 326

Nature of operations and going concern (Note 1)
Basis of presentation (Note 2)
Commitment (Note 13)

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

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

CANADIAN IMPERIAL VENTURE CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE AND SIX MONTH PERIODS ENDED

	Three months ended May 31, 2016	Three months ended May 31, 2015	Six months ended May 31, 2016	Six months ended May 31, 2015
GENERAL AND ADMINISTRATION				
Depreciation	$ -	$ -	$ -	$ 258
Filing fees	1,250	3,045	1,250	10,964
Management fees	15,000	15,000	30,000	30,000
Office and administration	219	3,259	264	4,341
Professional fees	1,186	(2,899)	1,936	1,923
Rent	4,425	3,274	8,850	6,547
Salary and wages	-	16,965	-	31,484
Telephone	96	1,475	210	3,014
Transfer agent	-	895	-	15,526
Travel	2,714	798	5,006	9,900
	(24,890)	(41,812)	(47,516)	(113,957)
Other Items				
Loss on write-down of fixed assets	-	(3,629)	-	(3,629)
Gain on adjustment to amounts receivable	-	2,588	-	2,588
Interest expense	-	(590)	-	(590)
Other income	-	3,118	-	6,269
	-	1,487	-	4,638
Loss and comprehensive loss for the period	$ (24,890)	$ (40,325)	$ (47,516)	$ (109,319)
Loss per common share, basic and diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
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 unaudited condensed interim financial statements.

CANADIAN IMPERIAL VENTURE CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE AND SIX MONTH PERIODS ENDED

	Three months ended May 31, 2016	Three months ended May 31, 2015	Six months ended May 31, 2016	Six months ended May 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the period	$ (24,890)	$ (40,325)	$ (47,516)	$ (109,319)
Items not affecting cash:				
Depreciation	-	-	-	258
Loss on write-down of equipment	-	3,629	-	3,629
Changes in non-cash working capital items:				
Decrease (increase) in amounts receivable	(514)	6,146	(1,226)	14,901
Decrease in prepaid expenses	-	3,067	-	1,067
Increase in trade payables and accrued liabilities	25,456	(30,948)	48,805	21,069
Decrease in reclamation deposits	-	37,183	-	37,031
Net cash used in operating activities	52	(21,248)	63	(31,364)
CASH FLOWS FROM FINANCING ACTIVITIES				
Related party loan	-	17,000	-	31,000
Net cash provided by financing activities	-	17,000	-	31,000
Change in cash for the period	52	(4,248)	63	(364)
Cash, beginning of period	312	11,479	301	7,595
Cash, end of period	$ 364	$ 7,231	$ 364	$ 7,231
Cash paid during the period for interest			$ -	$ -
Cash paid during the period for income taxes			$ -	$ -

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

CANADIAN IMPERIAL VENTURE CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE THREE AND SIX MONTH PERIODS ENDED

	Share Capital				
	Number of Common Shares	Amount	Reserves	Deficit	Total
Balance, November 30, 2014	62,596,238	$ 14,714,917	$ 2,661,740	$(17,511,262)	$ (134,605)
Loss for the period	-	-	-	(68,994)	(68,994)
Balance, May 31, 2015	62,596,238	14,714,917	2,661,740	(17,580,256)	(203,599)
Balance, November 30, 2015	62,596,238	$ 14,714,917	$ 2,661,740	(17,728,854)	(352,197)
Loss for the period	-	-	-	(47,516)	(47,516)
Balance, May 31, 2016	62,596,238	$ 14,714,917	$ 2,661,740	$(17,776,370)	$ (399,713)

The accompanying notes are an integral part of these unaudited condensed interim 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 was incorporated under the Canada Business Corporations Act of British Columbia. The Company is listed on the NEX division of the TSX-Venture exchange, having 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 unaudited condensed interim 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 condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and critical estimates applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended November 30, 2015. The condensed interim financial statements do not include all of the information required for full annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Company's financial position and performance since the last financial statements. Certain amounts in the prior period have been reclassified to conform with the presentation in the current period.

These unaudited interim financial statements of the Company for the period ended May 31, 2016 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on August 26, 2016.

b) Functional currency and presentation currency

The functional and presentation currency of Canadian Imperial Venture Corp. is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these unaudited condensed interim 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 period 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 period 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.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

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 period 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 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

g) Rehabilitation provision (continued):

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 period 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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

j) Loss per common share

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

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 period-end having a dilutive effect been converted into shares at the beginning of the period and the proceeds used to repurchase the Company's common shares at the average market price for the period. 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.

ii) 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.

iii) 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;

iv) 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 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

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

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

v) 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 period of the change, if the change affects that period only, or in the period of the change and future periods, 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 unaudited condensed interim 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.

Key sources of estimation uncertainty

i) 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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

i) Exploration and evaluation assets

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 period 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 May 31, 2016, 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 assets

In September 2012 the Company executed an option agreement (the "Option Agreement") between the Company, Carina Energy Inc. ("Carina"), a private mining exploration company based in Toronto, Ontario and OziasTheriault ("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.

Pursuant to the terms of the Option Agreement:

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

On August 16, 2013, the Company announced that it had entered into an Amendment Agreement to the Option Agreement dated August 16, 2012. The Amendment Agreement grants the Company an extension to the payment requirements for its acquisition of its 55% interest in the Property.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued):

Mineral exploration and evaluation assets (continued):

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 grant to the Company, the sole and exclusive right and option (the "Option") to acquire an undivided 55% right, title and interest in the Property by 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;
- on September 24, 2015, issue to Carina 500,000 common shares in the capital of the Company to Carina;
- prior to September 24, 2016, make expenditures of $600,000 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).

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 May 31, 2016, the Company is delinquent on its payments and share issuances for the Option 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	$ -	$ -	$ -	$ -

(Expressed in Canadian Dollars)

7. EQUIPMENT (continued):

	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	$ -	$ -	$ -	$ -

8. CAPITAL STOCK

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

There were no capital transactions during the three and six months ended May 31, 2016 and 2015.

Stock Option Plan

There were no stock options granted during the three and six months ended May 31, 2016 and 2015.

The following is a summary of changes in stock options:

	Number of Options	Weighted Average Exercise Price
Outstanding, November 30, 2015	950,000	$ 1.00
Expired	(810,000)	$ 1.00
Outstanding, May 31, 2016	140,000	$ 1.00

At May 31, 2016, the following stock options were outstanding and exercisable:

Expiry date	Number of Options	Weighted Average Life Remaining
June 17, 2016 (1)	140,000	0.05

(1) Subsequent to period-end May 31, 2016, these incentive stock options expired unexercised.

8. CAPITAL STOCK (continued)

Share purchase warrants

As at May 31, 2016, there were no share purchase warrants outstanding.

9. 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.

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 May 31, 2016, the Company had a cash balance of $364 to settle current liabilities of $401,328. 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 May 31, 2016, 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.

(Expressed in Canadian Dollars)

9. FINANCIAL RISK FACTORS (continued):

c) Foreign currency risk

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

10. 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 three month period ended May 31, 2016. The Company is not subject to externally imposed capital requirements.

11. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting these accompanying unaudited condensed interim 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:

	Three month ended May 31,		Six month period ended May 31,	
	2016	2015	2016	2015
Short-term benefits*	$ 15,000	$ 34,883	$ 30,000	$ 64,402

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

11. RELATED PARTY TRANSACTIONS (continued):

As at May 31, 2016, the Company had the following amounts outstanding to related parties:

a) Included in accounts payable and accrued liabilities is $267,493 (Q2 FY2015 - $170,559) owing to related parties for accrued management, consulting and professional fees and expense reimbursements.
b) $34,500 (Q2 FY2015 – $34,000) 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.

12. 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.

13. 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.