ALTA VISTA VENTURES LTD.

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS

QUARTER ENDED JULY 31, 2016

Date Submitted: SEPTEMBER 29, 2016

Introduction

The following discussion and analysis, prepared as of September 29, 2016 is prepared in accordance with International Financial Reporting Standards ("IFRS") and should be read in conjunction with the Company's condensed consolidated interim financial statements for the quarter ended July 31, 2016.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

Forward Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "designed", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", and similar expressions. These statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward looking statements. Based on current available information, the Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that those expectations will prove to be correct. The forward-looking statements in this MD&A are expressly qualified by this statement, and readers are advised not to place undue reliance on the forward-looking statements.

Description of Business

The Company trades on the Canadian Securities Exchange (CSE) under the symbol AVV, the Frankfurt Stock Exchange under the symbol YAB, and over the counter in the United States under the symbol YRLLD.

The Company has recently made the commitment to move into the Unmanned Arial Vehicle sector by signing three letters of intent to purchase a 100% interest in three companies.

The may acquire a 100 percent interest in High Eye for 2,200,000 shares of The Issuer and $200,000 in cash.

The Company has a signed Letter of Intent to acquire a 100% interest in the UAV division of Pioneer Exploration Consultants for a total of 9,000,000 shares of The Issuer and $500,000 in cash, which are to be paid in three installments over 12 months from closing. The Issuer has issued 3,000,000 shares and paid $150,000 to Pioneer as an initial payment with the remaining payments as follows: 3,000,000 shares and $150,000 on the six month anniversary and the final 3,000,000 shares and $200,000 on, or before, the twelve month anniversary. Once the final payment is made The Issuer will grant a 10% royalty on the profits of the Pioneer division for a period of five years.

In addition, the Company has a Letter of Intent for the purchase of a one hundred percent interest in Aeromao Inc., a manufacturer of fixed wing UAVs. The Issuer has agreed to acquire Aeromao for $1,400,000 in cash and 2,200,000 shares of The Issuer in one payment due three months after signing of a definitive agreement. A definitive agreement has yet to be signed between the two parties.

The Company is in the process of completing a Change in Business to the Technology Sector, subject to CSE approval.

The Company had previously signed a definitive agreement for the purchase of an early stage Marijuana for Medical Purposes Regulations (MMPR) applicant called Thor Pharma and a letter of intent for the purchase of a

90% interest in a licensed MMPR producer called Redecan Pharm. The Company subsequently cancelled the agreement for the purchase of Redecan Pharm and terminated the agreement for the purchase of Thor Pharma.

The Company's previous principal business activity was the acquisition and exploration of mineral properties with a focus on northwest Mexico. The Company utilized the project generator business model to maximize its exposure to discovery while minimizing shareholder risk. As a project generator the Company acquired early stage, under developed properties with high potential and then optioned a percentage interest in them to other public companies for a combination of cash, shares and exploration commitments. The Company had six projects in its portfolio, which remain in the Company's wholly owned Mexican subsidiary. Biannual taxes have not been paid on the properties for several years and portions of properties are currently in the process of being cancelled.

Performance Summary

Alta Vista Ventures Ltd. (the "Company") previously acquired interests in mineral properties in Mexico and over the years has spent significant funds exploring these properties. As a result of a change in management, the Company no longer intends to use its resources on its mineral exploration properties and wrote them down to $nil in the year ended October 31, 2015. As at July 31, 2016, the Company still has title to these mineral properties.

As at July 31, 2016, the Company had a working capital deficit of $231,095 (October 31, 2015- $691,162 deficit). This is not sufficient to fund the Company's operating expenses and exploration activities in the short term, and additional funds will need to be raised through equity markets to provide additional financing for operating expenses and exploration activities.

Unmanned Aerial Vehicle Sector Activities:

On July 6, 2016, the Company announced the signing of a Letter of Intent to purchase a 100% interest in High Eye Aerial Imaging Inc. High Eye is a leader in unmanned aerial vehicle ('UAV') surveying and is the only company in Ontario to offer both multi rotor and fixed wing UAVs to their clients.

High Eye core business is providing two dimensional and three dimensional ortho-mosaic images, mapping of remote sites, aerial surveys, volumetric calculations, digital elevation modeling, aerial inspections of areas that are difficult to access, as well as environmental assessment & monitoring images. High Eye's key clients are in the mining, construction, industrial, agricultural, and environmental sectors.

Alta Vista has agreed to acquire High Eye for 2,200,000 shares of Alta Vista and $200,000 to be paid in two payments over six months. The companies have agreed to complete the required due diligence and prepare the definitive agreement for signing within 60 days.

"I am excited about this deal with Alta Vista as it will allow us to grow our operations in conjunction with Alta Vista's aggressive expansion plans", stated Murray Hunt, president of High Eye Aerial Imaging.

About the Unmanned Aerial Vehicle sector:

The UAV market is rapidly diversifying with new applications being introduced at a regular pace. The industry has expanded to include environmental management, crisis management, agriculture, policing and crowd monitoring, civil engineering, pollution monitoring, fisheries protection, disaster management, telecommunications maintenance, oil and gas exploration, mineral exploration, mine safety, geophysical surveys and mapping applications.

The UAV sector is quickly becoming one of the most dynamic sectors in the aerospace industry. According to a survey by marketsandmarkets.com in October of 2015 “the global Unmanned Aerial Vehicle (UAV) market is valued at US$ 10.1 Billion in 2015 and is expected to show a robust growth in future, accounting for USD 14.9 Billion by 2020…”. In addition, it is forecast that spending on UAVs will triple over the next decade, growing from US$4 billion in 2015 to US$14 billion by 2024 (the Canadian Trade Commissioner Office).

About High Eye Aerial Imaging Inc.:

High Eye is a leader in UAV surveying and is the only company in Ontario to offer both multi rotor and fixed wing UAV’s. All of High Eye’s operations are conducted within the requirements of the CARS and Transport Canada Special Flight Operations Certifications.

All High Eye personnel involved in flight operations hold the following qualifications:

- Aeronautical training and certification to Transport Canada standards
- Holds either a Pilot permit issued by Transport Canada, or a Civil and Commercial UAV Training Certificate, issued by CCUVS
- Holds a “Restricted Operator Aeronautical” Radio Licence (ROC-A) issued by Industry Canada

For more information on High Eye Aerial Imaging please visit their website at www.higheye.ca.

On July 11, 2016, the Company announced the signing of a Letter of Intent to purchase a 100% interest in Aeromao Inc.

Aeromao is a manufacturer of Unmanned Aerial Vehicles (UAV) used for survey and mapping purposes. Aeromao has quickly grown into a leader in the industry with their UAVs. Aeromao has sold their proprietary line of Aeromapper UAVs to clients operating in every continent - and approximately 50 countries in total.

Since its conception the proprietary Aeromapper line of fixed wing UAVs has offered mapping and surveying companies a unique product in the quickly expanding marketplace. Competing manufacturers have not yet created a competitive product, which makes the Aeromapper line of UAVs true leaders in their categories. Critical competitive advantages are the superior battery life (equating to longer flight times), modularity and unique design characteristics, GNSS PPK capabilities, specific manufacturing processes, and affordability.

Aeromao has been growing consistently year-over-year since inception. It booked $614,849 of revenue in fiscal year 2015, which was an increase of 28% over the revenue of 2014.

Alta Vista has agreed to acquire Aeromao for $1,400,000 and 2,200,000 shares of Alta Vista. The companies have agreed to complete the required due diligence and prepare the definitive agreement for signing within 90 days.

About Aeromao Inc.:

Aeromao has been in business since 2013 and has quickly grown into a world leader in the industry. The Aeromapper line of UAVs are operating in every continent and in approximately 50 countries.

Aeromao is backed by years of experience and a history of innovative endeavours in the area of UAVs for high-precision mapping. Its roots date back to 2005 where the principles were involved in Latin America providing aerial photography and photomapping services with UAVs and RPVs (Remotely Piloted Vehicles) where they successfully completed more than 280 flight missions, in times where UAV services where unheard of. These missions resulted in high quality flight operations and imagery in complex terrain and evolving technology. These flight operations were completed for projects for government institutions, private firms and even military agencies.

For more information on Aeromao please visit their website at www.aeromao.com.

On July 15, 2016, the Company announced that the University of Guelph Muck Crops Research Station has chosen High Eye Aerial Imaging to be its partner in a multiyear "Innovative technologies" research project. This new project is designed to study how "aerial surveillance" can be used to identify areas of crops where disease is starting or help with an integrated pest management program. High Eye will be compensated through the length of the study through a federal-provincial-territorial initiative.

High Eye was chosen to be the exclusive partner in this project from a select group of UAV survey companies. High Eye will undertake flights once a week over the study area to take true colour and near infrared images.

This partnership will help High Eye to advance its standing as a leader in agricultural surveying, a rapidly growing business in the UAV surveying sector.

On July 19, 2016, the Company announced the signing of a Binding Letter of Intent to purchase a 100% interest in the unmanned aerial vehicle (UAV) division of Pioneer Exploration Consultants Ltd ("Pioneer").

The UAV division of Pioneer specializes in providing UAV solutions to the mining and exploration industry and has successfully completed aerial surveys throughout Canada, the United States and internationally for both major and junior mining and exploration companies. Clients include both major and junior mining companies.

In late 2014, Pioneer developed the world's first commercially available UAV based magnetometer survey called UAV-Aero Mag (trademarked). This proprietary survey uses ultra-sensitive magnetic equipment to aid in the discovery of diamonds, gold, silver and other types of deposits.

There are many competitive advantages to UAV based magnetometer surveys, of which the key one is not having to rely on helicopters – a significant cost saving to the client. Surveys can be flown at much lower elevations and at much closer line spacing than conventional surveys, enabling the delivery of much higher quality exploration data. Further, a UAV flies at a much slower speed than a helicopter and it is believed that that adds to much more detailed data. Additional cost savings that get passed on the client stem from the system's portability; the entire system can be transported anywhere in the world at a fraction of the cost of a conventional airborne magnetic survey system. This allows for surveys in very remote settings and in extreme conditions.

Another area of specialization includes UAV based LiDAR surveying. LiDAR (an acronym of Light Detection And Ranging) is becoming a more popular tool for mining and exploration companies as it gives a very accurate representation of topography, even in heavily forested areas. Many junior exploration companies attracted to LiDAR surveys do not undertake surveys due to the cost of helicopter based surveys. Alta Vista believes that cost effective UAV based LiDAR surveys utilizing Pioneer's proprietary UAV mounted system will become much more popular with junior exploration companies. As a division of Alta Vista, management will be able to quote on industrial and urban contacts – an as yet under-utilized use of this technology.

Other services provided by the UAV division of Pioneer include 3-D site modelling and volume calculations, high resolution orthophotos, pit and pile surveying, environmental monitoring, tailings dam survey control and remote site inspections.

Alta Vista has agreed to acquire the UAV division of Pioneer for 9,000,000 shares of Alta Vista and $500,000 to be paid in three installments over 12 months from closing. Once the final installment is made Alta Vista will grant a 10% royalty on the profits of the Pioneer division for a period of five years.

The purchase includes proprietary equipment, trademarks, contract staff (support staff, geophysicist and business development), client list, contacts, and current business partnerships in the US with Lidar/UAV manufacturers. Michael Burns, President and CEO of Pioneer will continue to manage the business.

Upon closing of the transaction Mr. Burns will join Alta Vista's Board of Directors.

Michael Burns, President & CEO of Pioneer Exploration Consultants commented, “The management of Alta Vista Ventures forward thinking business plan is the perfect fit for our fast growing UAV business. The shareholders of Pioneer look forward to being strong, long-term supporters of Alta Vista. I look forward to this exciting opportunity to join the growing management team of Alta Vista and to leading the organic growth of Alta Vista’s UAV business.”

On July 29, 2016, the Company announced that acquisition target Aeromao Inc. (see news releases dated July 11 and 22, 2016) has introduced a significant upgrade to the Aeromapper 300 and Aeromapper Talon fixed wing Unmanned Aerial Vehicles (UAV). This upgrade is one of the most important advances to the Aeromapper line of products since its introduction to the market in 2012.

“Once again, the Aeromapper line of UAVs increases the gap between all its competitors. There's just no match out there”, stated Mauricio Ortiz, President of Aeromao.

This upgrade allows operators of the Aeromapper UAVs to achieve an even higher level of accuracy for the aerial images captured during flight while minimizing or completely eliminating the hassle of ground control, which is typically required when using a UAV not equipped with a Global Navigation Satellite System (GNSS) with accurate kinematic geo-referencing capabilities and when high accuracy of the final data is required.

Aeromao’s GNSS Post Processing Kinematic (PPK) system provides very accurate positioning information on every camera exposure. This minimizes or even eliminates the need for Ground Control Points, which can be time consuming and is an added expense, and allows the user to easily achieve accuracies of up to 3 cm.

Using this GNSS PPK system customers will save time and money on every survey using the Aeromappers. Of the few manufacturers of UAVs around the world that offer a similar GNSS PPK system on their offerings, only Aeromao’s Aeromappers have all of these these advantages as a single complete package, which places them in a very unique position on the market.

Exploration Activities

The Company has a wholly owned subsidiary in Mexico named Minera Alta Visa S.A. de C.V. (‘MAV’). MAV has eight projects in its portfolio: Urique, San Pedro, Cuiteco, Carol, La Verde, Dos Naciones, Orofino, and Apache. The Carol property is currently under option, but requirements have not been met by the option holder.

All of these exploration properties have been written down after consideration of the prevalent poor market conditions.

Bi-annual taxes have not been paid on the properties as the Company does not intend to keep the properties in good standing. No work was performed on the properties during the quarter.

Medical Marijuana Sector Activities

On November 10, 2015, the Company announced that it has signed a formal agreement to purchase Thor Pharma Ltd. Thor Pharma is based in Burlington Ontario and has an MMPR (Marijuana for Medical Purposes Regulations) application with Heath Canada.

On November 27, 2015, the Company announced that it has signed a Letter of Intent to purchase a 100% undivided interest in RedeCan Pharm, one of Canada’s 19 MMPR (Marijuana for Medical Purposes Regulations) cultivation and sales licenses.

On March 2, 2016, the Company reported that the March 1st, 2016 deadline for the signing of the definitive agreement for the acquisition of RedeCan Pharm (see news release dated January 29, 2016) had passed, however the parties remain in communication.

On March 7, 2016, the Company reported that the Letter of Intent with Redecan Pharm (see news release dated November 27, 2015 and January 29, 2016) had been terminated due to the Company failing to provide sufficient funding to RedeCan in the agreed upon timeframe.

On July 22, 2016, the Company announced that in conjunction with the initiation of this Change of Business, it had terminated the agreement for the purchase of Thor Pharma (see news release dated November 10, 2015) so that it can concentrate all of its efforts on the UAV sector.

Corporate Events

On May 30, 2016, the Company announced the closing of the private placement announced on April 7, 2016 and issued 4,570,000 Units (each, a "Unit") at a price of $0.05 per Unit (see news releases dated April 7 and May 19, 2016). The financing had net proceeds of $112,500 as $116,000 of the financing was paid for by way of debt settlement with various directors, officers and consultants.

Debt was settled in the following amounts to two companies related to officers and directors of the Company: Shaxon Enterprises Ltd. (Don Shaxon, President and Jason Springett, Director) for a total of $60,000; and, Schindler and Company (Jennifer Schindler, CFO) for a total of $10,000.

All securities issued pursuant to this placement are subject to a hold period until September 21, 2016 (four months and one day after closing) under applicable Canadian securities laws. Each Unit consists of one previously unissued common share and one transferable purchase warrant (a "Warrant) of the Company. Each Warrant issued entitles the holder, on exercise, to purchase one additional common share of the Company (a "Warrant Share") until May 20, 2017. The Warrants will be exercisable at a price of $0.075 per share.

On July 6, 2016, the Company announced that Jason Springett replaced Don Shaxon as President of Alta Vista Ventures.

On July 18, 2016, the Company announced that Richard Groome has joined the Company as Director of Corporate Finance and Global Business Development.

Mr. Groome is an entrepreneur who started two successful securities firms in the 80's and 90's. Mr. Groome has the reputation of being one of the preeminent financiers of small and medium sized emerging growth companies. He has actively managed or participated in over 400 financings representing some $4 billion of small cap deals and is very well versed in start-up and early stage ventures.

Prior to the founding of Notre Dame Capital, Mr. Groome was a co-founder of Marleau Lemire Inc., which became the number one firm in Canada in small, mid cap financing during the late 1980's. He followed up that success with the creation of Groome Capital Inc, where he developed Canada's leading underwriter of IPO's, Private Placements and Secondary offerings on the internet between 1998 and 2000. Groome Capital was subsequently sold to Desjardins Group in 2001, Canada's seventh largest financial institution at the time. Mr. Groome was also a director of the CDNX Exchange, the predecessor of the TSX Venture exchange in addition to serving on the Board of Directors of numerous public and private companies over the last 30 years.

"The plan for Alta Vista is indeed ambitious and very exciting. I am very happy to be involved on the ground floor of this unique situation in the Unmanned Aerial Vehicle industry. It is very clear the industry is currently experiencing substantial growth and new uses are being discovered all the time", said Mr. Groome.

Mr. Groome has been granted 500,000 stock options at $0.10.

On July 22, 2016**,** announced that it has initiated a Change of Business with the Canadian Securities Exchange (the 'Exchange').

The Company currently has three Letters of Intent (LOI) for the purchase of three established businesses in the Unmanned Aerial Vehicle (UAV) sector (see below for a summary or news releases dated July 6, 11, and 19, 2016, for specific details). None of these transactions qualify as a Reverse Take Over.

The closing of these transactions will be subject several factors of which the key ones are: the Company successfully completing its due diligence, completing a financing, and signing of three separate definitive agreements. Each transaction will be subject to Exchange approval.

The Company's move into the UAV sector represents a Fundamental Change pursuant to the Exchange's Policy 8. In the coming weeks the Company will be filing with the Exchange a new listing statement (Form 2A) that will be made public on the Exchange's website. At that time the Company will solicit shareholder approval for the Fundamental Change. Should the Company receive shareholder approval the formal Change of Business will be subject to Exchange approval.

As part of the Change of Business, the Company will be changing its name and requesting from the Exchange a new trading symbol.

On July 28, 2016, the Company announced that it has agreed with certain consultants, directors and officers to settle outstanding indebtedness in the amount of $195,457.40 by the issuance of 3,909,148 units at a price of $0.05 per unit. Each unit consists of one share and one warrant. Each warrant entitles the holder to acquire one additional share at a price of $0.10 per share for a period of one year from the date of issuance. The shares forming part of the units and any shares acquired on exercise of the warrants will be subject to a hold period of four months plus one day from the date of issuance. The debt settlement arrangement is subject to acceptance by the Canadian Securities Exchange.

In addition the Company agreed with certain consultants to a write down of a total of $197,231.53 of indebtedness.

The Company also announced that it has been notified by its wholly owned Mexican subsidiary, Minera Alta Vista S.A. de C.V. ('MAV'), that MAV has been successful in obtaining a judgement from the Tribunal Federal De Justicia Fiscal Y Administrativa to the effect that 1,200,000 pesos (approximately $83,852) of outstanding employee taxes due have been declared null and void. MAV had been challenging these taxes as having been improperly applied for approximately a year and the Company had been required to carry that amount on its books during that period of time.

These agreements and successful judgement combine to remove $476,540.93 of outstanding indebtedness from the Company's financial statements.

On August 4, 2016, the Company announced that Mr. Mike McMillan has joined the Company as Head of Business Development. Mr. McMillan is a well-respected entrepreneur in the Unmanned Aerial Vehicle (UAV) sector and brings to Alta Vista a combined 15 years of experience in the mapping and UAV sectors.

Mr. McMillan has been involved in all aspects of the UAV sector – from surveying and mapping to the design and manufacturing of UAV's. He has helped create, distribute, and sell successful brands with over one million dollars in retail sales.

Mr. McMillan has worked with clients in the environmental, construction, engineering, utilities, and public safety markets. He has been contracted by the Ontario Provincial Police, the RCMP, Special Investigations Unit, The Office of the Fire Marshal, and many of the local municipal public safety organizations as well as customers in the construction and engineering market such as Ellis Don, PCL, 407 Partners, Hatch, Amec, Acuren, etc. In addition, Mr. McMillan has years of experience working with federal, provincial, and municipal organizations including City of Toronto, Halton Region, Ministry of Transportation, MetroLinx, Go Transit and many more.

Mr. McMillan is also active in the development of new technologies and is currently involved in testing solutions for the Department of Fisheries and Oceans, Trout Unlimited, and Ducks Unlimited and looking to expand on these unique solutions into the mining sector.

"I am very excited about the potential for what Alta Vista is putting together. With the completion of the acquisitions that Alta Vista is contemplating, I believe that I will be able to help the company grow in all sector's and help build Alta Vista's various divisions that it will be creating", stated Mr. McMillan.

On August 5, 2016, the Company announced that is has issued 3,909,148 Units as per its debt settlement announced on July 28, 2016.

All securities issued pursuant to this settlement are subject to a hold period until December 3, 2016 (four months and one day after closing) under applicable Canadian securities laws. Each Unit consists of one previously unissued common share and one purchase warrant (a "Warrant) of the Company. Each Warrant issued entitles the holder, on exercise, to purchase one additional common share of the Company (a "Warrant Share") until August 1, 2017. The Warrants are exercisable at a price of $0.10 per share.

The Company also wishes to announce that it has granted 2,350,000 incentive stock options at a price of $0.10 with a 3 year term to certain directors, officers, and consultants of the Company.

On August 22, 2016, reported that all resolutions were passed at its Annual General Meeting held on August 19, 2016. The Board of Directors and management would like to thank all shareholders for their continued support and confidence.

The Board of Directors and Officers for the upcoming year will consist of:

George Smitherman	- CEO, Director and Audit Committee Chair
Jason Springett	- President, Director and Audit Committee Member
Don Shaxon	- Director and Audit Committee Member
Jennifer Schindler	- CFO

On August 23, 2016, the Company announced a non-brokered private placement of up to 12,000,000 units at a price of $0.05 per unit (a "Unit") to raise a total of up to $600,000. Each Unit will consist of one previously unissued common share and one transferable purchase warrant (a "Warrant) of the Company. Each Warrant will entitle the holder, on exercise, to purchase one additional common share of the Company (a "Warrant Share") for a period of 12 (twelve) months from the date of issue of the Warrant. The Warrants will be exercisable at a price of $0.10 per share.

Alta Vista intends to use the proceeds of the private placement for the closing of the definitive agreements as set out in Letters of Intent (see news releases dated July 6, 11 and 19, 2016) and corporate purposes.

On September 8, 2016, the Company announced that it is increasing the previously announced financing (see news release dated August 23, 2016) from up to $600,000 to up to $800,000.

The financing will now be up to 16,000,000 units at a price of $0.05 per unit (a "Unit") to raise a total of up to $800,000. Each Unit will consist of one previously unissued common share and one transferable purchase warrant (a "Warrant) of the Company. Each Warrant will entitle the holder, on exercise, to purchase one additional common share of the Company (a "Warrant Share") for a period of 12 (twelve) months from the date of issue of the Warrant. The Warrants will be exercisable at a price of $0.10 per share.

Alta Vista intends to use the proceeds of the private placement for the closing of the definitive agreements as set out in Letters of Intent (see news releases dated July 6, 11 and 19, 2016) and corporate purposes.

The Company intends to pay finders fees on a portion of the financing.

Also on September 8, 2016, the Company announced that it had expanded its marketing and digital development capabilities with the addition of Neil Wills as Marketing & IT Director. Neil is a senior level marketing and development professional with over 15 years of agency experience. His work includes creative direction, design, and digital development for top tiered brands such as Canadian Tire, RBC, Dairy Queen, Loblaws, Sobeys, Home Depot, Suzuki, Staples, Rexall, Pharmasave and Grand & Toy. Neil has received multiple design awards for outstanding work in both traditional and digital design, and has helped his impressive client list bolster their visual brands and online presence with strategic UI/UX development of large data driven apps, web platforms, and print media.

As part of its new rebranding initiative, the Company announces the launch of our new online presence at www.altavistaventures.ca.

"We are very pleased with the new look for the Company and feel that it better reflects the opportunities that Alta Vista is pursuing in the UAV sector", stated Jason Springett, president of Alta Vista Ventures, "Neil's determination and passion will help bring Alta Vista Ventures into new and exciting digital spaces."

On September 23, 2016, the Company reported that it intends to extend the expiry date of 1,782,000 warrants that were to expire on October 21, 2016 to October 21, 2017 and 3,581,000 warrants that were to expire on November 4, 2016 to November 4, 2017 with no change to the exercise price of $0.075.

The extension of these warrants is subject to approval by the Canadian Securities Exchange.

On September 28, 2016, the Company announced that it has received subscription agreements for a total of $486,000 or for 9,720,000 units (each, a "Unit") at a price of $0.05 per Unit and has closed tranche one of its ongoing financing, subject to filings and approval of the Canadian Securities Exchange.

Each Unit consists of one previously unissued common share and one purchase warrant (a "Warrant) of the Company. Each Warrant will entitle the holder, on exercise, to purchase one additional common share of the Company for a period of 12 (twelve) months from the date of issue of the Warrant. The Warrants will be exercisable at a price of $0.10 per share.

A finders' fee of 10% will be paid on a portion of the funds received.

Alta Vista will use the proceeds of the private placement to advance the formal agreement for the acquisition of High Eye Aerial Imaging and the UAV division of Pioneer Exploration Consultants (see news releases dated July 6 and 19, 2016), finders' fees, and corporate purposes.

"The amount closed in this first tranche is sufficient to make the initial payments for the purchase of both High Eye and the UAV division of Pioneer", stated Jason Springett, president of Alta Vista Ventures. "Upon closing the rest of the financing, our intent is to complete the purchase of the 100% interest in Pioneer well ahead of schedule".

On September 28, 2016, the Company announced that Mr. Donald Shaxon replaced Mr. George Smitherman as CEO of the company. Mr. Smitherman has been a valuable member of the board, and will remain a director of the company moving forward.

Results of Operations

Alta Vista Ventures Ltd. (the "Company") has acquired interests in mineral properties in Mexico and over the years has spent significant funds exploring these properties. During the nine months ended July 31, 2016, the Company entered into a letter of intent ("LOI"), subsequently terminated, to acquire Thor Pharma Ltd. ("Thor Pharma") in order to acquire facilities for the production and sale of medical marijuana upon the issuance of a licence by Health Canada. The Company also entered into an LOI, subsequently cancelled, to acquire RedeCan Pharm, a company holding a Marihuana for Medicinal Purposes Regulations ("MMPR") cultivation and sales licence. As a result, the Company no longer intends to use its resources on its mineral exploration properties and wrote them down to $nil in the year ended October 31, 2015. As at July 31, 2016, the Company still has title to these mineral properties.

The Company is in the process of completing a Change in Business to the Technology Sector, subject to CSE approval, as a result of three separate letters of intent that were entered into during the quarter.

The Company is not a party to any material legal proceedings, however the Tribunal Federal De Justicia Fiscal Y Administrativa has contested the judgement previously announced (see news release dated July 28, 2016) – the Company does not know, nor can predict, the length of time that will be required for this process. Except for its Mexican subsidiary, the Company is not in default under any material debt or other contractual obligations. No significant revenue generating contracts or cash commitments were entered into or undertaken by the Company during the period other than as set out herein or in the condensed consolidated interim financial statements of the Company.

Selected Annual Information

The following selected financial information is taken from the Annual Consolidated Financial Statements and should be read in conjunction with those statements.

	OCT. 31, 2015 (IFRS) $	OCT. 31, 2014 (IFRS) $	Oct. 31, 2013 (IFRS) $
Total revenue	Nil	Nil	Nil
Loss for the year	(508,087)	(623,443)	(1,287,789)
Basic and diluted loss per share	(0.05)	(0.08)	(0.31)
Total assets	43,152	119,294	246,420
Total long-term financial liabilities	Nil	Nil	Nil

Summary of Quarterly Results

The table below sets out the quarterly results of the Company for the 8 most recent quarters.

	Jul 31, 2016	Apr 30, 2016	Jan. 31, 2016	Oct. 31, 2015	Jul. 31, 2015	Apr. 30, 2015	Jan. 31, 2015	Oct. 31, 2014
Revenue	$0	$0	$0	$0	$0	$0	$0	$0
Loss (income) for the period	$941,974	$350,408	$890,895	$243,099	$81,233	$59,405	$124,350	$196,623
Basic and diluted loss (income) per share	$0.04	$0.01	$0.05	$0.02	$0.01	$0.01	$0.01	$0.02

Significant variances in the Company's operational results for the quarter ended July 31, 2016 compared with July 31, 2015 were as follows:

i. Accounting, audit and legal expenses increased by $48,833 to $76,002 from $27,169 in 2015 due to the legal work done in Mexico to defend the Company from improperly assessed taxes during the current quarter. This lawsuit was settled in the Company's favour.

ii. Consultants' fees increased by $71,500 to $85,000 from $13,500 in 2015 as a result of consultants retained as part of a restructuring of management.

iii. Exploration costs decreased by $9,054 to $11,255 from $20,309 in 2015 due to the Company's change in focus from exploration to entering the MMPR and UAV markets.

iv. Share-based compensation increased by $34,000 to $34,000 from $nil in 2015 due to stock options being issued during the quarter and increased volatility in share price leading to a higher per-option value.

v. Travel decreased by $4,346 to $nil from $4,346 in 2015 due to a reduced need for Canadian and Mexican travel during the current quarter.

Significant variances in the Company's financial position for the quarter ended July 31, 2016 compared with July 31, 2015, were as follows:

i. Amounts receivable increased by $24,681 to $47,256 from $21,022 in 2015 due to increased refundable sales tax (GST/HST) on expenses incurred in Canada.

ii. Marketable securities decreased by $11,058 to $1,381 from $23,438 in 2015 due to the sale of some securities and a decline in market value of the remaining securities.

iii. Oil and gas interest decreased by $9,000 to $nil from $9,000 due to an impairment recorded to write the oil and gas interests down to their estimated value.

iv. Property, plant and equipment decreased by $3,704 to $4,498 from $8,202 in 2015 due to amortization of the Company's equipment and the disposition of depreciable assets in the year.

v. Mineral property interests decreased by $46,002 to $nil from $46,002 in 2015 due to all mineral interests being written off in the fourth quarter of 2015.

vi. Accounts payable and accrued liabilities decreased by $295,995 to $287,038 from $583,033 in 2015 due primarily to various related parties agreeing to settle amounts owing to them for shares in the Company.

vii. Due to directors decreased by $67,500 to $5,000 from $72,500 in 2015 due to various directors agreeing to settle amounts owing to them for shares in the Company.

viii. Share capital increased by $2,143,698 to $16,592,518 from $14,448,820 in 2015 due to shares issued for private placements, for debts, for consulting services, and for the exercise of warrants and stock options.

ix. Obligation to issue shares increased by $195,457 to $195,457 from $nil in 2015 due to a debt settlement for which all agreements were signed and binding as at July 31, 2016, but for which the shares were not issued until August 2, 2016.

Significant variances in the Company's cash flows for the quarter ended July 31, 2016 compared to the quarter ended July 31, 2015, were as follows:

i. Cash used in operating activities increased by $87,659 to $19,678 from $107,337 in 2015 due primarily to expenses incurred to attempt to enter the MMPR and UAV markets during the current quarter, and increased related consulting fees.

ii. Cash provided by investing activities increased by $130 to $130 from $nil in 2015 primarily due to the sale of minor equipment in the current quarter.

iii. Cash provided by financing activities increased by $82,090 to $100,090 from $18,000 in 2015 due to the completion of a private placement as well as the exercise of warrants and stock options in the current quarter.

Related Party Transactions

a) Management transactions

Management transactions with related parties during the nine months ended July 31, 2016 and 2015 were as follows:

	2016			2015		
	Short-term employee benefits	**Share-based payments**	**Total**	**Short-term employee benefits**	**Share-based payments**	**Total**
Shaxon Enterprises Ltd. (i)	$ 75,000	$ -	$ 75,000	$ -	$ -	$ -
Ian Foreman (ii)	$ 12,000	$ -	$ 12,000	$ 49,500	$ -	$ 49,500
Timeline Filing Services Ltd.(iii)	$ 11,300	$ -	$ 11,300	$ 4,271	$ -	$ 4,271
Schindler & Company (iv)	$ 21,552	$ -	$ 21,552	$ 16,642	$ -	$ 16,642

(i) Shaxon Enterprises Ltd. is a private enterprise controlled by the Company's CEO, Donald Shaxon. Donald Shaxon became a related party on March 2, 2016, and accordingly amounts described above are from this date.

(ii) Ian Foreman was the Company's President until March 2, 2016, and accordingly, amounts described above are up until this date.

(iii) Timeline Filing Services Ltd. is a private enterprise controlled by the Company's Corporate Secretary, Laara Shaffer.

(iv) Schindler & Company is a private enterprise controlled by the Company's CFO, Jennifer Schindler.

b) Directors' transactions

During the nine months ended July 31, 2016, share based compensation recognized, related to directors (excluding share-based compensation disclosed in (a) above), was $nil (July 31, 2015 - $nil).

Liquidity and Capital Resources

As at July 31, 2016 the Company had a working capital deficit of $231,095 as compared to a working capital deficit of $691,162 as at October 31, 2015. The Company will require continued financing or outside participation, to undertake additional exploration and subsequent development of its mineral properties.

As at July 31, 2016, the Company had cash of $1,806 (October 31, 2015 - $2,534).

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to pursue the exploration and development of its mineral property interests, and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk.

The Company’s capital consists of shareholders’ equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares or debt or acquire or dispose of assets.

To effectively manage its resources and minimize risk, the Company maintains the majority of its capital at the parent company level and funds activities in its operating subsidiaries through a cash call process. The Company prepares annual expenditure budgets that are updated as necessary depending on factors including success of programs and general industry conditions. The budget and any revisions to it are approved by the Board of Directors.

In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company’s investment policy is to invest any excess cash in liquid short-term interest-bearing instruments callable at any time.

There have been no changes to the Company’s approach to capital management during the quarter ended August 31, 2016.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets and liabilities were categorized as follows:

		July 31, 2016		October 31, 2015
Financial assets:				
Fair value through profit and loss				
Cash and cash equivalents	$	1,806	$	2,534
Loans and receivables				
Amounts receivable*		4,020		4,954
Available for sale				
Marketable securities		1,381		9,675
Total financial assets	$	7,207	$	17,163
Financial liabilities:				
Other financial liabilities				
Accounts payable and accrued liabilities	$	287,038	$	726,621
Due to directors		5,000		-
Total financial liabilities	$	292,038	$	726,621

*Excluding sales tax receivable

The fair values of the Company's amounts receivables, accounts payable and accrued liabilities and exploration advances approximate their carrying values due to the short-term nature of these instruments. Where marketable securities are publically traded their value is measured at market value, unless they are restricted from trading, where they will be measured at cost. The Company's Investment in oil and gas interest is valued at cost, as it does not have a quoted market price in an active market and the fair value cannot be reliably determined.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and market risk.

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk with respect to its cash and cash equivalents and amounts receivable.

The Company deposits substantially all of its cash at a Canadian chartered bank.. The Company's amounts receivable consist primarily of Goods and Services Tax receivable from the Canadian government and Value Added Tax receivable from the Mexican government. Management considers the risk of non-performance related to cash and cash equivalents and amounts receivable to be minimal.

(b) Liquidity Risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

At July 31, 2016 the Company had cash in the amount of $ 1,806 (October 31, 2015- $2,534) and accounts payable and accrued liabilities of $287,038 (October 31, 2015 - $726,621). Trade payables are due within twelve months of the financial position date.

The Company ensures, as far as reasonably possible, that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash.

(c) Market Risk

Market risk consists of interest rate risk, foreign currency risk, and other price risk. These are discussed below:

Interest rate risk

Interest rate risk consists of two components:

i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate cash flow risk because of their short-term nature and maturity.

The Company is exposed from time to time to interest rate price risk as a result of holding fixed rate cash equivalent investments of varying maturities. The risk that the Company will realize a loss as a result of a decline in the fair value of these investments is limited as these investments are highly liquid securities with short-term maturities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

The Company is exposed to foreign currency risk with respect to cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities, as a portion of these amounts are denominated in Mexican Pesos ("MXN") and US Dollars ("USD") as follows:

	July 31, 2016		October 31, 2015	
	MXN	**USD**	MXN	USD
Cash	**$ 622**	**$**	$ -	$ 51
Amounts receivable	**159,049**	**-**	120,144	-
Accounts payable and accrued liabilities	**(2,989,328)**	**-**	(2,271,314)	-
Rate to convert $1 CAD	**0.0695**	**n/a**	0.084	1.127

Based on the Company's net exposure, a 9% change (October 31, 2015 – 9%) in the Canadian/Mexican Peso exchange rate, and a 16% change (October 31, 2015 – 16%) in the Canadian/US exchange rate (based on prior year fluctuations in the relative exchange rates) would not have a material impact on earnings.

<u>*Other price risk*</u>

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk.

The Company is exposed to other price risk related to the fluctuation in the market price of its marketable securities. Although considered available for sale, these investments do not represent core assets of the Company nor are they considered material. However, the Company closely monitors the market values of these investments in order to determine the most appropriate course of action.

(c) Classification of Financial Instruments

IFRS 7 'Financial Instruments: Disclosure' establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash and cash equivalents and marketable securities are classified at level one of the fair value hierarchy. The Company had no level 2 or 3 financial assets at July 31, 2016 or October 31, 2015. As the carrying values of the Company's remaining financial instruments approximate their fair values, disclosure is not made of their level in the fair value hierarchy.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements

Proposed Transactions

There are currently no proposed transactions.

Risks

All of the properties in which the Company has an interest are in the exploration stage only and the business of the Company is subject to the following risks:

Exploration and Mining Risks

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Company has not discovered a metals or diamond deposit of commercial grade on any of its properties. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, cave-ins, landslides and the inability of the Company to obtain suitable machinery, equipment or labor are all risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required in order to establish ore reserves through drilling and staged bulk sampling, to develop optimum metallurgical processes to extract the metals or diamonds from the ore and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial mining operations or that funds required for development can be obtained on a timely basis. The economics of developing mining properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in the prices of ore which can be obtained on the metal markets, costs of processing equipment and such other factors as aboriginal land claims and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. There is no certainty that the expenditures to be made by the Company in the exploration and development of the interests described herein will result in discoveries of commercial quantities of ore.

Political Risks

The management and directors of The Company feel that Mexico is a politically stable area of the world that still has significant potential for discoveries.

Mexico is located immediately south of the United States of America and is 1,972,550 square kilometres in size (approximately twice the size of British Columbia). Elections held in July 2000 marked the first time since the 1910 Mexican Revolution that the opposition defeated the party in government, the Institutional Revolutionary Party (PRI). Vicente Fox of the National Action Party (PAN) was sworn in on 1 December 2000 as the first chief executive elected in free and fair elections. Recently Felipe Calderon was sworn in as the new president of Mexico and will be in power for the coming 6 years. Mexico has a free market economy that recently entered the trillion-dollar class. It contains a mixture of modern and outmoded industry and agriculture, increasingly dominated by the private sector. Recent administrations have expanded competition in seaports, railroads, telecommunications, electricity generation, natural gas distribution, and airports. Per capita income is one-fourth that of the US; income distribution remains highly unequal. Trade with the US and Canada has tripled since the implementation of NAFTA in 1994. Mexico has 12 free trade agreements with over 40 countries including, Guatemala, Honduras, El Salvador, the European Free Trade Area, and Japan, putting more than 90% of trade under free trade agreements.

Market Risks

The marketability of metals or diamonds recovered from deposits, which may be acquired or discovered by the Company, will be affected by numerous factors many of which are beyond the control of the Company. These factors include market fluctuations in the price of metals or diamonds, the capacity of the market, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of metals or minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in the Company not receiving an adequate return for shareholders.

Uninsurable Risks
Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations, rock bursts, cave-ins, fires, flooding, or other conditions may occur from time to time. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Company's financial position.

No Assurance of Title or Boundaries, or of Access

While the Company has registered its mining claims with the appropriate mining authorities and has filed all pertinent information to industry standards, this should not be construed as a guarantee of title. In addition, the Company's properties consist of recorded mineral claims, none of which have been legally surveyed, and therefore, the precise boundaries and locations of such claims may be in doubt and may be challenged. The Company’s properties may also be subject to prior unregistered agreements or transfers or native land claims and the Company title may be affected by these and other undetected defects.

Government Regulation

The Company's operations are subject to government legislation, policies and controls relating to prospecting, land use, trade, environmental protection, taxation, rates of exchange, return of capital and labor relations.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of the Company's operations. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the Company.

Environmental Regulation

The Company's operations may be subject to environmental regulations enacted by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition on the Company of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that has lead to stricter standards and enforcement and greater fines and penalties for non-compliance. The cost of compliance with government regulations may reduce the profitability of the Company's operations.

Competition

The exploration and mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition and exploration of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified management and employees.

Management

The success of the Company depends to a large extent on its ability to retain the services of its senior management and members of its board of directors. The loss of their services may have a material adverse effect on the Company.

The Company has no compensatory plans or arrangements in effect with any of its senior officers or members of its board of directors with respect to the resignation, retirement, or other termination of their services, or with respect to a change in their responsibilities following a change in the control of the Company.

Financing Risks

The Company has no source of operating cash flow, limited financial resources, and has no assurance that additional financing will be available to it for further exploration and development of its properties or to enable it to fulfill its obligations under any applicable agreements. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's properties and the possible loss of title to such properties. If such additional financing is raised, it will likely be through the issuance of additional equity securities of the Company, which may have a substantial dilutive effect on shareholders acquiring securities of the Company.

Permits and Licenses

The Company's operations may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations on the Company's properties.

Risks Related to Nature of Ownership of Common Shares

Dilution

Shareholders may suffer immediate and/or future dilution with respect to future private and or public offerings of common shares currently being contemplated in order to secure needed capital to facilitate Company growth.

Market Volatility

The trading price of the common shares may be subject to wide fluctuations in response due to variations in operating results, and other events and factors. In addition, the stock market may experience price and volume fluctuations, which may adversely affect the market price of the common shares of the Company

Critical Accounting Estimates

The preparation of the condensed consolidated interim financial statements using accounting policies consistent with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. The preparation of the condensed consolidated interim financial statements also requires management to exercise judgment in the process of applying the accounting policies.

Critical accounting estimates

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

Useful life of property, plant and equipment

Property, plant and equipment are amortized over the estimated useful life of the assets. Changes in the estimated useful lives could significantly increase or decrease the amount of amortization recorded during the year and the carrying value of property, plant and equipment. Total carrying value of property, plant and equipment at July 31, 2016 was $4,498 (October 31, 2015 - $6,193).

Share-based compensation
Management is required to make certain estimates when determining the fair value of share option awards and the number of awards that are expected to vest. These estimates affect the amount recognized as share-based compensation in the Company's consolidated statement of operations and comprehensive loss. For the quarter ended July 31, 2016, the Company recognized share-based compensation of $34,000 (2015 - $nil).

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

Impairment of assets
When there are indications that an asset may be impaired, the Company is required to estimate the asset's recoverable amount. Recoverable amount is the greater of value in use and fair value less costs to sell. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Determining the value in use requires the Company to estimate expected future cash flows associated with the assets and a suitable discount rate in order to calculate present value. Based on these criteria, Management has determined that a write-down of the Company's investment in RedeCan Pham was required during the quarter ended January 31, 2016 in the amount of $519,862 (January 31, 2015: $nil), and that a write-down of the Company's investment in Thor Pharma was required during the quarter ended July 31, 2016 in the amount of $925,000 (July 31, 2015: $nil).

Impairment of marketable securities
At each reporting date, the Company conducts a review to determine whether there are indications of impairment on its marketable securities. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost. Factors include the financial health and short-term business outlook of the investee, industry and sector performance, and operational and financing cash flows. If the decline in fair value below cost is considered significant or prolonged,, the Company recognizes an impairment, being the transfer of the accumulated fair value adjustments recognized in other comprehensive income on the impaired marketable securities, and recorded a write-down of $3,397 (July 31, 2015: ($7,600) (unrealized gain)).

Income taxes
The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the condensed consolidated interim financial statements.

Unit offerings
Proceeds received on the issuance of units, consisting of common shares and warrant components, are allocated using the residual method whereby proceeds are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants. Management's judgment is used in the method used to establish the fair value of the components.

Going concern
The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

New accounting standards and interpretations not yet adopted

At the date of authorization of these condensed consolidated interim financial statements, the IASB has issued a number of new and revised standards and interpretations, which are not yet effective as at October 31, 2015. Management is assessing the effects of the future standards on its condensed consolidated interim financial statements. All of the new and revised standards described below may be early-adopted.

IFRS 9 *Financial Instruments* (2014)

This is a finalized version of **IFRS 9,** which contains accounting requirements for financial instruments, replacing IAS 39 *Financial Instruments: Recognition and Measurement*. The standard contains requirements in the following areas:

- **Classification and measurement**. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of **IFRS 9** introduces a "fair value through other comprehensive income" category for certain debt instruments. Financial liabilities are classified in a similar manner to under **IAS 39**; however, there are differences in the requirements applying to the measurement of an entity's own credit risk.
- **Impairment**. The 2014 version of **IFRS 9** introduces an "expected credit loss" model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.
- **Hedge accounting**. Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- **De-recognition**. The requirements for the de-recognition of financial assets and liabilities are carried forward from **IAS 39**.

Applicable to the Company's annual period beginning on November 1, 2018.

Disclosure of Outstanding Share Data

As at September 29, 2016, the Company had the following common shares, stock options and warrants outstanding:

Common shares	46,203,755
Stock options (vested and unvested)	7,240,000
Warrants	24,012,148
Fully diluted shares outstanding	77,455,903

The Company's ongoing exploration is dependent on raising additional capital to develop its properties and the Company is continually assessing overall market conditions to ensure this need is fulfilled to the benefit of the Company and its shareholders.