CANADIANOREBODIES

Condensed Interim Financial Statements

For the Three Months Ended

April 30, 2017

(expressed in Canadian dollars)

Responsibility for Financial Statements

The auditors of Canadian Orebodies Inc. have not performed a review of the unaudited condensed interim financial statements for the three months ended April 30, 2017.

Canadian Orebodies Inc.
Condensed Interim Statements of Financial Position
(unaudited)

As at	April 30, 2017	January 31, 2017
Assets		
Current assets		
Cash and cash equivalents *(note 5)*	$ 4,613,312	$ 4,939,989
Short term investments *(note 6)*	500,000	500,000
Marketable securities *(note 6)*	39,379	71,405
Accounts receivable	46,600	40,585
Prepaid expenses	75,229	35,956
Exploration advances	25,000	42,800
Total Assets	$ 5,299,520	$ 5,630,735
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 123,708	$ 94,516
Shareholders' Equity		
Share capital *(note 8)*	27,361,552	26,677,763
Contributed surplus *(note 9)*	5,695,250	5,144,925
Warrants *(note 10)*	687,949	648,701
Accumulated other comprehensive income (loss)	15,891	6,400
Accumulated deficit	(28,584,830)	(26,941,570)
	5,175,812	5,536,219
Total Equity and Liabilities	$ 5,299,520	$ 5,630,735

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

Canadian Orebodies Inc.
Condensed Interim Statements of Operations and Comprehensive Loss
(unaudited)

Three months ended April 30,	2017	2016
Expenses		
Exploration expenditures *(note 7)*	$ 1,057,604	$ 17,315
Share based compensation *(note 9 and 12)*	550,325	-
Shareholder information	103,625	1,005
Management and administrative services *(note 12)*	95,088	90,683
Office and administration	21,863	16,332
Professional and consulting fees	7,535	6,538
Travel	1,194	-
Interest income	(11,676)	(1,013)
Gain on sale of marketable securities	(32,298)	(2,000)
Recovery on sale of mineral properties *(note 7)*	(150,000)	(242,000)
Net income (loss) for the period	(1,643,260)	113,140
Other comprehensive income (loss)		
Items that will subsequently be reclassified to profit or loss:		
Unrealized gain on available-for-sale marketable securities arising during the period	9,491	10,000
Items reclassified to profit or loss:		
Realized (gain)	-	(2,000)
	9,491	8,000
Total comprehensive income (loss) for the period	$ (1,633,769)	$ 121,140
Basic and diluted net income (loss) per share *(note 11)*	$ (0.036)	$ 0.005

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

Canadian Orebodies Inc.
Condensed Interim Statements of Cash Flows
(unaudited)

Three months ended April 30,	2017	2016
Operating Activities		
Net income (loss)	$ (1,643,260)	$ 113,140
Items not affecting cash and cash equivalents from operating activities:		
Interest income	(11,676)	(1,013)
Share based compensation	550,325	-
Gain on sale of marketable securities	(32,298)	(2,000)
Shares and warrants issued for mineral properties	721,525	10,000
Changes in non-cash working capital items		
Accounts receivable	(6,015)	1,309
Prepaids and deposits	(39,273)	(7,636)
Exploration advances	17,800	-
Accounts payable and accrued liabilities	29,192	51,209
	(413,680)	165,009
Financing Activities		
Exercise of warrants	1,512	-
Investing Activities		
Sale of marketable securities	73,815	4,000
Interest income	11,676	1,013
	85,491	5,013
Net change in cash and cash equivalents	(326,677)	170,022
Cash and cash equivalents, beginning of period	4,939,989	702,875
Cash and cash equivalents, end of period	$ 4,613,312	$ 872,897
Supplementary cash flow information		
Shares and warrants issued for mineral properties	$ 721,525	$ 10,000

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

Canadian Orebodies Inc.
Condensed Interim Statements of Changes in Equity
(unaudited)

	Share Capital		Reserves				
	Number of shares	Amount	Contributed surplus	Warrants	Accumulated other comprehensive (loss) income	Accumulated Deficit	Total
Balance, January 31, 2016	**21,240,531**	**$ 21,662,816**	**$ 4,898,210**	**$ -**	**$ -**	**$(25,866,947)**	**$ 694,079**
Issued for mineral properties	125,000	10,000	-	-	-	-	10,000
Comprehensive income for the period	-	-	-	-	8,000	113,140	121,140
Balance, April 30, 2016	**21,365,531**	**$ 21,672,816**	**$ 4,898,210**	**$ -**	**$ 8,000**	**$(25,753,807)**	**$ 825,219**
Private placements	23,989,500	5,176,933	-	-	-	-	5,176,933
Value of private placements attributed to warrants	-	-	-	580,546	-	-	580,546
Cost of issue of private placements	-	(221,986)	-	68,155	-	-	(153,831)
Issued for mineral properties	203,125	50,000	-	-	-	-	50,000
Share-based compensation	-	-	246,715	-	-	-	246,715
Comprehensive loss for the period	-	-	-	-	(1,600)	(1,187,763)	(1,189,363)
Balance, January 31, 2017	**45,558,156**	**$ 26,677,763**	**$ 5,144,925**	**$ 648,701**	**$ 6,400**	**$(26,941,570)**	**$ 5,536,219**
Issued for mineral properties *(note 7)*	1,450,000	681,500	-	40,025	-	-	721,525
Exercise of warrants	6,300	1,512	-	-	-	-	1,512
Fair value of warrants exercised	-	777	-	(777)	-	-	-
Share-based compensation	-	-	550,325	-	-	-	550,325
Comprehensive loss for the period	-	-	-	-	9,491	(1,643,260)	(1,633,769)
Balance, April 30, 2017	**47,014,456**	**$ 27,361,552**	**$ 5,695,250**	**$ 687,949**	**$ 15,891**	**$(28,584,830)**	**$ 5,175,812**

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

1. Nature of Operations

Canadian Orebodies Inc. (the "Company") was incorporated pursuant to the provision of the Business Corporations Act (of Alberta) on January 28, 2008 ("Inception Date"). On July 21, 2008, the Company was authorized to continue its operations from the jurisdiction of Alberta to Ontario. Its principal business activity is the exploration of mineral properties. The address of the Company's registered office is 141 Adelaide Street West, Suite 301, Toronto, Ontario M5H 3L5. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amount expended on mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of such properties.

2. Basis of Presentation and Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the IASB. Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS. These condensed interim financial statements should be read in conjuction with the Company's audited annual financial statements for the year ended January 31, 2017.

These condensed interim financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The condensed interim financial statements were approved by the Board of Directors on June 29, 2017.

3. Significant Accounting Policies

The financial framework and accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those as disclosed in the most recently completed audited annual financial statements for the year ended January 31, 2017.

(a) Changes in accounting policies

The Company did not adopt any new accounting policies during the three months ended April 30, 2017.

(b) Future changes in accounting standards not yet adopted

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. The Company intends to adopt those standards when they become effective.

3. Significant Accounting Policies - continued

IFRS 9 - Financial Instruments

IFRS 9, Financial Instruments ("IFRS 9") was issued in its final form by the IASB in July 2014 and will replace *IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39")*. IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 - Leases

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019.

4. Critical Accounting Estimates and Significant Judgements

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods.

The preparation of these financial statements required the following critical accounting estimates and significant judgments:

(i) the calculation of the fair value of warrants and stock options requires the use of estimates of inputs in the Black-Scholes option pricing model (notes 9 and 10).

5. Cash and Cash Equivalents

Cash and cash equivalents include money market instruments which are readily convertible into cash or have maturities at the date of purchase of less than ninety days. The breakdown of cash and cash equivalents was:

	April 30, 2017	January 31, 2017
Cash	$ 137,174	$ 75,515
Money market instruments	4,476,138	4,864,474
	$ 4,613,312	**$ 4,939,989**

6. Short Term Investments and Marketable Securities

Short term investments include investment grade guaranteed investment certificates ("GIC") which mature in less than one year, but greater than three months. As at April 30, 2017, the Company held GICs issued by a Canadian Chartered bank in the amount of $500,000 (January 31, 2017 - $500,000).

During the three months ended April 30, 2017, the Company sold a portion of its equity securities for gross proceeds of $73,815 and a realized gain of $ 32,298. The following is a summary of the Company's marketable securities:

	April 30, 2017	January 31, 2017
Equity securities	$ 39,379	$ 71,405

7. Mineral Properties and Exploration Expenditures

The total cumulative expenditures, net of recoveries, on each active property in the Company's mineral property portfolio are as follows:

	Hemlo North Limb	Wire Lake	Belcher Islands Iron	Lithium & Rare Metals	Total
January 31, 2017	**$ 487,050**	**$ 187,952**	**$ 14,201,094**	**$ 882,034**	**$ 15,758,130**
Expenditures	116,035	941,569	-	-	1,057,604
Recoveries	-	-	-	(150,000)	(150,000)
Disposals	-	-	-	(731,534)	(731,534)
April 30, 2017	**$ 603,085**	**$ 1,129,521**	**$ 14,201,094**	**$ 500**	**$ 15,934,200**

** Disposal indicates the Company no longer holds an interest in the respective property, excluding royalty interests, and as such the cumulative expenditure has been eliminated.*

7. Mineral Properties and Exploration Expenditures - continued

Hemlo North Limb Project

On May 24, 2016, the Company purchased a 100% interest in 135 claim units comprising 2,160 hectares approximately 40 kilometers northeast of Marathon, Ontario. As consideration, the Company paid a total of $25,000 in cash and issued 125,000 common shares valued at $25,000. In addition, the vendors retain a 1% Net Smelter Return ("NSR") royalty on the purchased claims.

In addition to the purchased claims, the Company staked 278 claim units totaling 4,448 hectares.

Wire Lake Project

Wire Lake Property

On October 7, 2016, the Company entered into an option agreement with All-Terrain Track Sales & Services Ltd. ("ATTSS") to acquire a 100% interest in 251 claim units comprising 4,047 hectares approximately 15 kilometers northeast of Marathon, Ontario. On signing, the Company paid $40,000 in cash and issued 78,125 common shares valued at $25,000. The option agreement calls for the Company to make additional cash payments to ATTSS totaling $550,000 over the ollowing five anniversary dates of the option agreement as detailed below:

- (i) 2017 - $100,000;
- (ii) 2018 - $100,000;
- (iii) 2019 - $100,000;
- (iv) 2020 - $150,000; and
- (v) 2021 - $100,000.

ATTSS may elect to receive payment in common shares of the Company in lieu of cash at their discretion. Upon completion of the option agreement, the Company will grant ATTSS a 2% NSR royalty, one-half of which may be bought back for a lump sum payment of $1,000,000.

In addition to the optioned claims, the Company staked 455 claim units totaling 7,280 hectares.

Black Raven Property

On April 23, 2017, the Company entered into an acquisition agreement (the "Acquisition Agreement") with StrikePoint Gold Inc. ("StrikePoint") to acquire a 100% interest in 415 claim units (the "Black Raven Property") totaling 6,640 hectares located adjacent to the Company's Wire Lake Property. Pursuant to the Acquisition Agreement, the Company paid $15,000 cash on signing, and issued 1,250,000 common shares valued at $587,500. Additionally, the Company issued 250,000 share purchase warrants, valued at $40,025, entitling StrikePoint to acquire up to 250,000 common shares at a price of $0.63 per share for a period of 12 months.

In conjunction with the Acquisition Agreement, on April 23, 2017 the Company executed a termination and assumption agreement (the "Termination and Assumption Agreement") with the underlying optionors of the Black Raven Property in order to terminate the underlying option agreement, discharge a future milestone payment and assume the underlying royalty obligations. The Termination and Assumption Agreement called for the Company to issue 200,000 common

7. Mineral Properties and Exploration Expenditures - continued

shares on signing to the Optionors, valued at $94,000, and assume a 2.5% NSR royalty. The royalty agreement provides that 1.5% of the NSR royalty may be bought back by the Company at any time upon payment of $1,500,000, or in increments of 0.5% NSR royalty for $500,000 each.

Belcher Islands Iron Project

On February 14, 2011 the Company entered into a non-arm's length Purchase Agreement (the "Agreement") to acquire up to a 100% legal and beneficial interest in the Inuit Owned Lands Mineral Exploration Agreement (the "NTI Agreement") with Nunavut Tunngavik Incorporated ("NTI") which covers the Haig Inlet Iron Project with an area of approximately 1,226 hectares, located on the Belcher Islands, Nunavut, Canada (the "Property"). The Company now holds a 100% interest in the NTI Agreement and the vendors retain a 3% gross overriding royalty, of which one-third can be purchased by the Company for a maximum of $3,000,000. In addition to the lands acquired under the Agreement, the Company staked 29 claims covering 21,816 hectares of Municipal Land.

Lithium & Rare Metals

Falcon Lake & Zig Zag Properties

On November 20, 2009, the Company entered into an option agreement to acquire a 100% interest in various mining claims known as the Falcon Lake and Barbara Lake Properties. On March 3, 2010, the Company signed a property acquisition agreement with Ultra Lithium Inc. ("Ultra") and the underlying property owners (the "Owners") to acquire an 80% interest in the Zig Zag Property located approximately 60 kilometers northeast of Armstrong, Ontario. On October 15, 2013, the Company acquired Ultra's remaining 20% interest in the Zig Zag Property.

On March 4, 2016, and as amended on December 6, 2016, the Company signed an option agreement (the "Crescent Lake Option") to sell its 100% interest in the Zig Zag and Falcon Lake properties to Sunrise International Resources Ltd., a subsidiary of Argnonaut Resources NL, for payments totaling approximately $490,000 as follows:

(i) $20,000 cash on signing (received);
(ii) $50,000 cash on exercise of the option (received);
(iii) $150,000 cash on or before July 8, 2016 (received);
(iv) $50,000 cash on or before December 8, 2016 (received);
(v) AUD$70,000 in Argonaut Resources NL shares within 15 business days of December 6, 2016 (received); and
(vi) $150,000 cash on or before February 28, 2017 (received).

The Company can also receive the following milestone payments, subject to certain conditions:

(i) $400,000 in cash or shares payable on the announcement of a maiden resource estimate; and
(ii) $1,000,000 in cash or shares payable on a decision to mine.

7. Mineral Properties and Exploration Expenditures - continued

Royalty Interests

Greenbush Property

The Company has a 2% NSR royalty on the Greenbush property, which consists of 47 claim units covering 752 hectares in Greenbush Lake Township and is 100% owned by Sunrise Canada Inc., a subsidiary of Argonaut Resources NL.

Hawkins Property

The Company has a 0.5% NSR royalty on the Hawkins property, which consists of 96 claim units covering 1,536 hectares located in the Hawkins and Walls Townships, approximately 200 kilometers east of Timmins. The Hawkins property is 100% owned by Pavey Ark Minerals Inc., and currently under option to Sunvest Minerals Corp.

8. Share Capital

Authorized share capital

On April 23, 2017, the Company issued 1,450,000 common shares valued at $681,500 pursuant to the Black Raven Property acquisition (note 7).

At April 30, 2017, the authorized share capital consisted of an unlimited number of common shares and the issued share capital amounted to 47,014,456 common shares for $27,361,552. The common shares do not have a par value. All issued shares are fully paid.

Exercise of Warrants

During the three months ended April 30, 2017, a total of 6,300 share purchase warrants with an exercise price of $0.24 were exercised for gross proceeds of $1,512. The fair value attributed to these warrants was $777.

9. Share Options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

9. Share Options - continued

The Company records a charge to the statements of operations and comprehensive loss using the Black-Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on a number of estimates, including the risk free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

The following table reflects the continuity of share options for the three months ended April 30, 2017:

	Options	Weighted avg. exercise price
Balance, January 31, 2017	1,662,500	$ 0.20
Granted	2,510,000	0.27
Balance, April 30, 2017	**4,172,500**	**$ 0.24**

On February 3, 2017, the Company granted to Directors, Officers and consultants of the Company 2,310,000 share options vesting immediately, and exercisable at $0.25 per share for a period of five years from the date of issuance. The value ascribed to the 2,310,000 share options granted was estimated at $474,705 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: stock price - $0.24; expected dividend yield - 0%; weighted expected volatility - 130%; risk-free interest rate - 1.11% and an expected life of 5 years.

On April 11, 2017, the Company granted to Directors, Officers and consultants of the Company 200,000 share options vesting immediately, and exercisable at $0.47 per share for a period of five years from the date of issuance. The value ascribed to the 200,000 share options granted was estimated at $75,620 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: stock price - $0.47; expected dividend yield - 0%; weighted expected volatility - 117%; risk-free interest rate - 1.12% and an expected life of 5 years.

The following table reflects the actual share options issued, exercisable, and outstanding as at April 30, 2017.

Expiry date	Options	Exercise price
June 1, 2021	1,662,500	$ 0.20
February 3, 2022	2,310,000	0.25
April 11, 2022	200,000	0.47
	4,172,500	**$ 0.24**

10. Warrants

The following table reflects the continuity of warrants for the three months ended April 30, 2017:

	Number of warrants	Allocated value
Balance, January 31, 2017	12,609,869	$ 648,701
Issued	250,000	40,025
Exercised	(6,300)	(777)
Balance, April 30, 2017	**12,853,569**	**$ 687,949**

The exercise price and expiry date of the warrants outstanding as at April 30, 2017 are as follows:

Expiry Date	Type	Warrants	Exercise Price
February 12, 2018	Finders' warrants	287,250	$ 0.24
February 12, 2018	Warrants	5,010,833	0.56
February 18, 2018	Finders' warrants	321,570	0.24
February 18, 2018	Warrants	6,983,916	0.56
April 23, 2018	Warrants	250,000	0.63
		12,853,569	**$ 0.55**

11. Loss Per Common Share

The following table sets forth the computation of basic and diluted income (loss) per share for the three months ended April 30, 2017 and 2016:

	2017	2016
Income (loss) attributable to common shareholders	$ (1,643,260)	$ 113,140
Weighted-average common shares outstanding - basic and diluted	45,672,343	21,321,087
Basic and diluted income (loss) per common share	**$ (0.036)**	**$ 0.005**

Diluted income (loss) per share does not include the effect of share options and warrants outstanding if their effect is anti-dilutive.

12. Related Party Transactions and Balances

(a) Director and executive management compensation

Directors and executive management's compensation for the three months ended April 30, 2017 and 2016 consisted of the following:

	2017	2016
Cash compensation	$ 94,231	$ 31,733
Deferred compensation	-	58,950
Employment benefits	858	-
Fair value of stock options	436,688	-
	$ 531,777	**$ 90,683**

Directors and executive management received the following stock options during the three months ended April 30, 2017:

Expiry date	Number of options	Exercise price	Stock price at grant	Risk-free interest rate	Expected life	Volatility factor	Fair value
February 3, 2022	2,125,000	$ 0.25	$ 0.24	1.11 %	5.0	130 %	$ 0.206

(b) Director and executive management transactions

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

		Transaction value 3 mo. ended Apr. 30,		Balance outstanding as at Apr. 30,	
Account	**Note**	**2017**	**2016**	**2017**	**2016**
Accounts payable and accrued liabilties	(i)	$ -	$ 58,950	$ -	$ 58,950

(i) The Company's management elected to voluntarily defer a portion of their monthly cash compensation during the three months ended April 30, 2016.

13. Capital Risk Management

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

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts 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 period ended April 30, 2017. The Company is not subject to externally imposed capital requirements.

Financial risk factors

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

(a) Credit risk

The Company's credit risk is primarily attributable to accounts receivable which consist primarily of Harmonized Sales Tax receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

(b) Liquidity risk

The Company is currently in the exploration stage and has not commenced commercial operations. As at the date of issue of these financial statements, the Company had an accumulated deficit of $28,584,830. As at April 30, 2017, the Company was not yet generating operating cash flows, but had working capital of $5,175,812. Within this amount, it had a cash balance of $4,613,312 (January 31, 2017: $4,939,989) to settle current liabilities of $123,708 (January 31, 2017: $ 94,516).

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company may be required to obtain additional capital to continue its progress toward recovering the amount expended on its mineral properties, and although success in this regard is not assured, management is of the opinion that additional capital can be raised as required for the foreseeable future.

13. Capital Risk Management - continued

(c) Market risk

(i) Interest rate risk

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

(ii) Price risk

The Company is indirectly exposed to price risk with respect to the price of both precious and base metals. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

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. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

(d) Fair Value

The fair values of the Company's cash and cash equivalents, accounts receivable and accounts payable approximate their carrying values because of the short term-nature of these instruments.

(e) Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period. The Company's investments in public companies are sensitive to a plus or minus 50% change in Canadian equity prices which would affect comprehensive income (loss) by approximately $19,690.