



CAZA GOLD CORP.

Second Quarter Report

Condensed Consolidated Interim Financial Statements

(stated in Canadian dollars)

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

**Notice of No Auditor Review of
Unaudited Condensed Consolidated Interim Financial Statements
For the Three and Six Months Ended June 30, 2016**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these unaudited condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the unaudited condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Caza Gold Corp. (the “Company”) for the three and six months ended June 30, 2016 (the “Financial Statements”) have been prepared by and are the responsibility of the Company’s management, and have not been reviewed by the Company’s auditors. The Financial Statements are stated in Canadian dollars, unless otherwise indicated, and are prepared in accordance with International Accounting Standards 34 (“IAS 34”) and International Financial Reporting Standards (“IFRS”).

CAZA GOLD CORP.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Financial Position

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

	Notes	June 30, 2016	December 31, 2015
ASSETS			
Current Assets			
Cash		\$ 437,091	\$ 364,756
Receivables and prepaids	10	36,506	39,932
Total Current Assets		473,597	404,688
Non-Current Assets			
Mineral property interests	6 and 10	10,146,985	9,668,501
Equipment	7	27,098	56,351
Total Non-Current Assets		10,174,083	9,724,852
Total Assets		\$ 10,647,680	\$ 10,129,540
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities	10	\$ 677,038	\$ 599,015
Long Term Liabilities			
Promissory note payable	8	661,486	-
Total Liabilities		1,338,524	599,015
Shareholders' Equity			
Share capital	9(b)	21,850,104	21,851,953
Reserve for share-based payments		1,335,185	1,407,299
Deficit		(13,876,133)	(13,728,727)
Total Shareholders' Equity		9,309,156	9,530,525
Total Liabilities and Shareholders' Equity		\$ 10,647,680	\$ 10,129,540

Refer to the accompanying notes to the condensed consolidated interim financial statements.

CAZA GOLD CORP.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Comprehensive (Loss) Income

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

	Notes	Three Months ended June 30,		Six Months ended June 30,	
		2016	2015	2016	2015
Expenses:					
Accounting and audit		\$ 8,268	\$ 6,977	\$ 25,770	\$ 16,345
Amortization		2,248	3,586	5,156	3,729
Employee and director remuneration	10	53,699	59,517	104,485	113,492
Legal	10	3,718	14,786	4,719	23,556
Office and sundry	10, 11	13,551	28,815	33,452	44,630
Property investigation	10, 11	8,030	605	11,485	14,736
Regulatory		21,415	29,086	25,844	33,385
Shareholder relations		2,270	2,471	2,270	3,354
Share-based payments	9(c) and 10	23,418	14,057	48,402	36,117
Loss before the undernoted		(136,617)	(159,900)	(261,583)	(289,344)
Foreign exchange gain (loss)		(3,970)	(39,149)	3,340	186,138
Interest income		-	1,855	232	3,693
Interest and finance charges	8	(8,593)	-	(8,593)	-
Gain on debt settlement		-	24,950	-	24,950
Recovery of receivables and value-added tax		-	2,857	-	2,857
Loss on disposition of equipment	7	-	-	(1,318)	-
Net loss and comprehensive loss for the period		\$ (149,180)	\$ (169,387)	\$ (267,922)	\$ (71,706)
Basic and diluted loss per share		\$ -	\$ -	\$ -	\$ -
Weighted average number of common shares outstanding		141,302,005	139,801,297	141,302,005	139,275,373

Refer to the accompanying notes to the condensed consolidated interim financial statements.

CAZA GOLD CORP.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Shareholders' Equity

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

	Notes	Share Capital		Reserve for Share-Based Payments	Deficit	Total
		Number of Shares	Amount			
Balance, December 31, 2014		138,743,605	\$ 21,782,282	\$ 1,497,285	\$ (13,454,029)	\$ 9,825,538
Shares-for-debt settlement	9(b)	2,558,400	69,671	-	-	69,671
Share-based payments		-	-	146,356	-	146,356
Expiry of stock options		-	-	(236,342)	236,342	-
Net loss for the year		-	-	-	(511,040)	(511,040)
Balance, December 31, 2015		141,302,005	21,851,953	1,407,299	(13,728,727)	9,530,525
Share issue expenses		-	(1,849)	-	-	(1,849)
Share-based payments		-	-	48,402	-	48,402
Expiry of stock options		-	-	(120,516)	120,516	-
Net loss for the period		-	-	-	(267,922)	(267,922)
Balance, June 30, 2016		141,302,005	\$ 21,850,104	\$ 1,335,185	\$ (13,876,133)	\$ 9,309,156
Balance, December 31, 2014		138,743,605	\$ 21,782,282	\$ 1,497,285	\$ (13,454,029)	\$ 9,825,538
Shares-for-debt settlement		1,250,000	36,203	-	-	36,203
Share-based payments		-	-	36,117	-	36,117
Expiry of stock options		-	-	(18,981)	18,981	-
Net income for the period		-	-	-	(71,706)	(71,706)
Balance, June 30, 2015		139,993,605	\$ 21,818,485	\$ 1,514,421	\$ (13,506,754)	\$ 9,826,152

Refer to the accompanying notes to the condensed consolidated interim financial statements.

CAZA GOLD CORP.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

	Three Months ended June 30,		Six Months ended June 30,	
	2016	2015	2016	2015
Cash provided from (used by):				
Operations:				
Loss for the period	\$ (149,180)	\$ (169,387)	\$ (267,922)	\$ (71,706)
Items not involving cash:				
Amortization	2,248	3,586	5,156	3,729
Foreign exchange loss (gain)	13,617	49,467	16,362	(232,722)
Accrued interest on promissory note	8,593	-	8,593	-
Share-based payments	23,418	14,057	48,402	36,117
Gain on debt settlement	-	(24,950)	-	(24,950)
Loss on disposition of equipment	-	-	1,318	-
	(101,304)	(127,227)	(188,091)	(289,532)
Changes in non-cash working capital items:				
Receivables and prepaids	6,839	(5,983)	3,426	(49,558)
Accounts payable and accrued liabilities	1,631	62,401	32,078	252,982
Cash used by operating activities	(92,834)	(70,809)	(152,587)	(86,108)
Financing:				
Proceeds from promissory note, net of transaction costs	652,893	-	652,893	-
Share issue expenses	-	954	(1,849)	-
Cash provided from financing activities	652,893	954	651,044	-
Investing:				
Mineral property interests, net of recoveries	(242,077)	(611,799)	(432,539)	(1,169,498)
Acquisition of equipment	-	-	-	(26,765)
Proceeds from disposition of equipment	-	-	22,779	-
Cash used by investing activities	(242,077)	(611,799)	(409,760)	(1,196,263)
Foreign exchange (loss) gain on cash held in foreign currency	(13,617)	(49,467)	(16,362)	232,722
Increase (decrease) in cash	304,365	(731,121)	72,335	(1,049,649)
Cash, beginning of period	132,726	2,769,000	364,756	3,087,528
Cash, end of period	\$ 437,091	\$ 2,037,879	\$ 437,091	\$ 2,037,879

Refer to the accompanying notes to the condensed consolidated interim financial statements.

CAZA GOLD CORP.

(An Exploration Stage Company)

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

		Three Months ended June 30,		Six Months ended June 30,	
	Notes	2016	2015	2016	2015
Non-cash financing and investing activities:					
Accrual for mineral property interests		\$ (13,169)	\$ (37,284)	\$ 179,368	\$ 195,758
Issuance of common shares:					
Debt settlement	9(b)	-	36,203	-	36,203
Fair values from the expiration of:					
Stock options		120,516	10,529	120,516	18,981
Interest paid		-	-	-	-
Income taxes paid		-	-	-	-

Refer to the accompanying notes to the condensed consolidated interim financial statements.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

1. Nature of Operations and Going Concern

Caza Gold Corp. (the “Company”) was incorporated on November 15, 2007 under the laws of British Columbia, Canada. The address of the Company’s registered office is #1040 – 999 West Hastings Street, Vancouver, BC, Canada, V6C 2W2 and its principal place of business is #301 – 700 West Pender Street, Vancouver, BC, Canada, V6C 1G8.

The Company is in the mineral exploration business and has not yet determined whether its properties contain reserves. The recoverability of amounts capitalized for mineral property interests is dependent upon the ability of the Company to arrange appropriate financing as needed, the discovery of reserves, the development of its properties, confirmation and maintenance of the Company’s interest in the underlying properties, the receipt of necessary permitting and upon future profitable production or proceeds from the disposition thereof.

The Company has no operating revenues, has incurred significant net losses of approximately \$267,900 for the six months ended June 30, 2016 (June 30, 2015 – \$71,700), and has a deficit of approximately \$13.9 million as at June 30, 2016 (December 31, 2015 - \$13.7 million). Furthermore, the Company has a working capital deficiency of approximately \$203,400 (December 31, 2015 – \$194,300). These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent on the ability of the Company to raise debt or equity financings, and the attainment of profitable operations. Management would need to raise the necessary capital to meet its planned business objectives. There can be no assurance that management’s plans will be successful. These matters indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Basis of Presentation

(a) Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and the interpretations of the International Financial Reporting Standards Interpretations Committee. These unaudited condensed consolidated interim financial statements do not include all of the information and disclosures required for full and complete annual financial statements, and accordingly should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2015. The Company has consistently applied the same accounting policies for all periods as presented. Certain comparative figures of the prior periods’ may have been reclassified to conform to the presentation adopted in the current period.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

2. Basis of Presentation (continued)

(b) Approval of consolidated financial statements:

These condensed consolidated interim financial statements were approved by the Company's Board of Directors on August 29, 2016.

(c) Basis of presentation:

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value, as disclosed in Note 5. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(d) Functional currency and presentation currency:

The functional and presentation currencies of the Company are the Canadian dollar. Amounts recorded in a foreign currency are translated into Canadian dollars as follows:

- monetary assets and liabilities at the exchange rate at the condensed consolidated interim statement of financial position date;
- non-monetary assets and liabilities at historical exchange rates, unless such items are carried at fair value, in which case they are translated at the exchange rate in effect on the condensed consolidated interim statement of financial position date; and
- revenue and expense items at the rate of exchange in effect on the transaction date.

Exchange gains and losses are recorded in profit or loss in the period in which they occur.

(e) Critical accounting estimates:

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements along with the reported amounts of revenues, if any, and expenses during the period. Actual results may differ from these estimates and, as such, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of management estimates relate to determining the recoverability of mineral property interests; the determination of accrued liabilities; accrued site remediation; the variables used in the determination of the fair values of derivative assets, stock options granted, and warrants issued as finders' fees and from conversion of convertible loans; and the recoverability of deferred tax assets. While management believes the estimates are reasonable, actual results could differ from those estimates and could impact future financial performance and cash flows.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

2. Basis of Presentation (continued)

(e) Critical accounting estimates: (continued)

The Company applies judgment in assessing whether material uncertainties exist that would cast significant doubt as to whether the Company could continue as a going concern.

The Company applies judgment in assessing the functional currency of each entity consolidated in these condensed consolidated interim financial statements. The functional currency of the Company and its subsidiaries is determined using the currency of the primary economic environment in which that entity operates.

At the end of each reporting period, the Company assesses each of its mineral resource properties to determine whether any indication of impairment exists. Judgment is required in determining whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore; expected renewals of exploration rights; whether substantive expenditures on further exploration and evaluation of resource properties are budgeted or planned; and results of exploration and evaluation activities on the exploration and evaluation assets. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

2. Basis of Presentation (continued)

(f) New accounting standards and recent pronouncements:

The standards listed below include only those which the Company reasonably expects may be applicable to the Company at a future date. The Company is currently assessing the impact of the standard on the condensed consolidated interim financial statements.

The following standard will become effective in future periods:

IFRS 9 Financial Instruments:

IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives*. The final version of this new standard supersedes the requirements of earlier versions of IFRS 9. However, for annual periods beginning before January 1, 2018, an entity may elect to apply those earlier versions instead of applying the final version of this new standard if its initial application date is before February 1, 2015. The main features introduced by this new standard compared with predecessor IFRS are as follows:

- *Classification and measurement of financial assets:*

Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: "amortized cost", "fair value through other comprehensive income", or "fair value through profit or loss" (default). Equity instruments are classified and measured as "fair value through profit or loss" unless upon initial recognition elected to be classified as "fair value through other comprehensive income".

- *Classification and measurement of financial liabilities:*

When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity's own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.

- *Impairment of financial assets:*

An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at "amortized cost" or "fair value through other comprehensive income", lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes twelve-month expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition and lifetime expected credit losses otherwise.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

2. Basis of Presentation (continued)

(f) New accounting standards and recent pronouncements: (continued)

IFRS 9 *Financial Instruments*: (continued)

- *Hedge accounting*:

Hedge accounting remains a choice, however, is now available for a broader range of hedging strategies. Voluntary termination of a hedging relationship is no longer permitted. Effectiveness testing now needs to be performed prospectively only. Entities may elect to continue to applying IAS 39 hedge accounting on adoption of IFRS 9 (until the IASB has completed its separate project on the accounting for open portfolios and macro hedging).

Applicable to the Company's annual periods beginning January 1, 2018.

IFRS 16 *Leases*:

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is twelve months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 *Leases*.

Applicable to the Company's annual period beginning January 1, 2019.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

(a) Basis of consolidation:

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries, Minera Caza S.A. de C.V., Minera Canarc de Mexico S.A. de C.V. and Nicaza S.A.

All significant intercompany transactions and balances have been eliminated.

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or had rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

(b) Financial instruments:

(i) Financial assets:

The Company classifies its financial assets in the following categories: fair value through profit or loss (“FVTPL”), loans and receivables, held-to-maturity (“HTM”) and available-for-sale (“AFS”). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Financial assets at FVTPL

Financial assets at FVTPL include derivative financial asset, and are initially recognized at fair value with changes in fair value recorded through profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity dates. Loans and receivables are carried at amortized cost less any impairment.

Held to maturity

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company’s management has the positive intention and ability to hold to maturity. HTM investments are initially recognized on their trade-date at fair value, and subsequently measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

3. Significant Accounting Policies (continued)

(b) Financial instruments: (continued)

(i) Financial assets: (continued)

Available-for-sale financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets are recognized as other comprehensive income and classified as a component of equity. AFS financial assets include investments in equities of other entities.

Management assesses the carrying value of AFS financial assets at each reporting date and any impairment charges are recognized in profit or loss. When financial assets classified as AFS are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit or loss.

(ii) Financial liabilities:

The Company classifies its financial liabilities in the following categories: FVTPL and other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include derivative financial liabilities, and are initially recognized at fair value with changes in fair value recorded through profit or loss.

Derivatives are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit or loss.

Other financial liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method. Other financial liabilities are classified as current or non-current based on their maturity date.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

3. Significant Accounting Policies (continued)

(b) Financial instruments: (continued)

(iii) Fair value hierarchy:

The Company categorizes financial instruments measured at fair value at one of three levels according to the reliability of the inputs used to estimate fair values. The fair value of financial assets and financial liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Financial assets and liabilities in Level 2 are valued using inputs other than quoted prices for which all significant inputs are based on observable market data. Level 3 valuations are based on inputs that are not based on observable market data.

(iv) Impairment of financial assets:

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. An evaluation is made as to whether a decline in fair value is “significant” or “prolonged” based on indicators such as significant adverse changes in the market, economic or legal environment.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(v) Derecognition of financial assets and liabilities:

Financial assets are derecognized when the investments mature or are sold, and substantially all the risks and rewards of ownership have been transferred. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Gains and losses on derecognition are recognized in profit or loss.

4. Management of Capital

The Company is an exploration stage company and its activities involve a high degree of risk. The Company has not yet determined whether its mineral property interests contain reserves and currently has not earned any revenues from its mineral property interests and does not generate cash flows from operations. The Company’s primary sources of funds are from debt capital and the issuance of share capital.

The Company defines its capital as debt and share capital. Capital requirements are driven by the Company’s exploration activities on its mineral property interests. To effectively manage the Company’s capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses on all exploration projects and overhead to manage its costs, commitments and exploration activities.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

4. Management of Capital (continued)

The Company has in the past invested its excess capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns of unused capital.

Management reviews the capital availability and needs on a regular basis to ensure the above-noted objectives are met. There have been no changes to the Company's approach to capital management during the period.

Although the Company has raised funds in the past from the issuance of debt instruments and share capital, it is uncertain whether it would be able to continue this financing in the future. The Company will continue to rely on debt and equity financings to meet its commitments as they become due, to continue exploration work on its mineral property interests, and to meet its administrative overhead costs for the coming periods.

As at June 30, 2016, the Company was not subject to any externally imposed capital requirements.

5. Financial Instruments and Management of Financial Risk

The Company has classified its cash as FVTPL; receivables as loans and receivables; and accounts payable and accrued liabilities and promissory note payable as other financial liabilities.

The fair values of the Company's receivables, accounts payable and accrued liabilities, and promissory note payable approximate their carrying values due to the short terms to maturity. Cash is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks, including credit risk, liquidity risk, and market risk which includes foreign currency risk, interest rate risk and other price risk. The types of risk exposure and the way in which such exposure is managed are as follows.

(a) Credit risk:

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality Canadian financial institutions. Non-contractual taxes receivables from government agencies are not considered financial instruments.

Management has reviewed the items comprising the accounts receivable balance, and determined that all accounts are collectible; accordingly, there has been no allowance for doubtful accounts recorded.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

5. Financial Instruments and Management of Financial Risk (continued)

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due.

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and its ability to raise debt and equity financings. As at June 30, 2016, the Company had a working capital deficiency of \$203,400 (December 31, 2015 – \$194,300). The Company will require significant additional funding to meet its short-term liabilities and administrative overhead costs, and to maintain its mineral property interests in 2016.

The following schedule provides the contractual obligations related to the promissory note payable (Note 8) as at June 30, 2016:

	Payments due by Period (CAD\$)					Payments due by Period (US\$)				
	Total	Less than 1 year	1-3 years	3-5 years	After 5 years	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Promissory note:										
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -
Interest ⁽¹⁾	-	-	-	-	-	100,000	50,000	50,000	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ 50,000	\$ 550,000	\$ -	\$ -

⁽¹⁾ The Company has the option to include unpaid interest to the principal of the promissory note. The interest due and payable on June 30, 2016 was accrued and included in the principal.

Accounts payable and accrued liabilities are due in less than 90 days.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

5. Financial Instruments and Management of Financial Risk (continued)

(c) Market risk:

The significant market risk exposures to which the Company is exposed are foreign currency risk, interest rate risk and other price risk.

(i) Foreign currency risk:

The Company has certain cash, accounts payable and promissory note payable stated in United States dollars, Nicaraguan cordobas and Mexican pesos, mineral property interests which are in Nicaragua and were previously in Mexico, and a portion of its operations are in Nicaragua and were previously in Mexico, resulting in expenditures subject to foreign currency fluctuations. Fluctuations in the United States dollar, Nicaraguan Cordoba and Mexican peso would impact the losses of the Company and the values of its assets and liabilities as the Company's functional and presentation currencies are the Canadian dollar. The Canadian dollar fluctuates and floats with the United States dollar, Nicaraguan Cordoba and Mexican peso.

At June 30, 2016, the Company was exposed to currency risk for its Canadian dollar equivalent of financial assets and liabilities denominated in currencies other than Canadian dollars as follows:

	Stated in Canadian Dollars			
	Held in			Total
	United States Dollars	Mexican Pesos	Nicaraguan Cordoba	
Cash	\$ 418,942	\$ -	\$ 666	\$ 419,608
Receivables and prepaids	-	-	-	-
Accounts payable and accrued liabilities	(205,378)	(277,012)	(8,083)	(490,473)
Promissory note payable	(661,486)	-	-	(661,486)
Net financial assets (liabilities), June 30, 2016	\$ (447,922)	\$ (277,012)	\$ (7,417)	\$ (732,351)

Based upon the above net exposure as at June 30, 2016 and assuming all other variables remain constant, a 15% depreciation or appreciation of the Canadian dollar relative to the United States dollar, Nicaraguan Cordoba and the Mexican peso could result in a decrease/increase of approximately \$109,850 in the Company's net losses.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

5. Financial Instruments and Management of Financial Risk (continued)

(c) Market risk: (continued)

(ii) Interest rate risk:

In respect of financial assets, the Company's policy is to invest excess cash at floating rates of interest in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return. Fluctuations in interest rates impact on the value of cash equivalents. Interest rate risk is not significant to the Company as it has no cash equivalents at period-end. The Company's debt obligations owed for demand loans and convertible promissory notes, if any, bear fixed interest rates.

(iii) Other price risk:

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Company currently does not have any financial instruments which fluctuate with market prices.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

6. Mineral Property Interests

	Six months ended June 30, 2016		
	Nicaragua		Total
	Los Andes	Other	
Acquisition Costs:			
Balance, December 31, 2015	\$ 1,691,486	\$ 49,936	\$ 1,741,422
Acquisition or staking	-	-	-
Balance, June 30, 2016	1,691,486	49,936	1,741,422
Deferred Exploration Expenditures:			
Balance, December 31, 2015	6,947,150	979,929	7,927,079
Aerial, photo and mapping	66	3,828	3,894
Camp and field supplies	40	441	481
Community and social	26,070	30,755	56,825
Equipment and systems	170	-	170
Geology	10,053	51,510	61,563
Salaries and local labour	100,445	143,327	243,772
Sundry	13,845	1,821	15,666
Surface/concession taxes	4,837	62,658	67,495
Transportation and travel	(863)	29,481	28,618
Balance, June 30, 2016	7,101,813	1,303,750	8,405,563
Mineral Property Interests:			
December 31, 2015	\$ 8,638,636	\$ 1,029,865	\$ 9,668,501
June 30, 2016	\$ 8,793,299	\$ 1,353,686	\$ 10,146,985

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

6. Mineral Property Interests (continued)

	Year ended December 31, 2015		
	Nicaragua		Total
	Los Andes	Other	
Acquisition Costs:			
Balance, December 31, 2014	\$ 1,720,319	\$ 479	\$ 1,720,798
Acquisition or staking	(28,833)	49,457	20,624
Balance, December 31, 2015	1,691,486	49,936	1,741,422
Deferred Exploration Expenditures:			
Balance, December 31, 2014	5,405,352	93,379	5,498,731
Advances	394	-	394
Aerial, photo and mapping	7,613	17,483	25,096
Assays and surveys	31,243	12,904	44,147
Camp and field supplies	6,213	3,933	10,146
Community and social	150,348	93,960	244,308
Drilling	184,740	191,322	376,062
Equipment and systems	356	187	543
Geology	212,197	144,794	356,991
Geophysics	129,632	-	129,632
Salaries and local labour	628,625	206,935	835,560
Sundry	57,280	9,560	66,840
Surface taxes	20,962	139,838	160,800
Transportation and travel	112,195	65,634	177,829
Balance, December 31, 2015	6,947,150	979,929	7,927,079
Mineral Property Interests:			
December 31, 2014	\$ 7,125,671	\$ 93,858	\$ 7,219,529
December 31, 2015	\$ 8,638,636	\$ 1,029,865	\$ 9,668,501

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

6. Mineral Property Interests (continued)

(a) Los Andes property (Nicaragua):

In December 2014, the Company entered into a Purchase Agreement with Inversiones Ecologicas S.A. (“Inecosa”), which shares a certain common officer with the Company, to acquire a 100% interest in the Los Andes property. The Company issued 7.06 million common shares to Inecosa at a fair value of \$0.04 per share and paid US\$300,000 “in trust” to shareholders of Inecosa pending successful transfer of title of the Los Andes property to the Company. In November 2015, Inecosa completed the transfer of title of the Los Andes property as well as other concessions to the Company, and funds held in trust for the shareholders of Inecosa were accordingly paid to them. Inecosa retains a 2% NSR, and the Company has the right to reduce the NSR to 1% by paying US\$1 million and to acquire the remaining 1% NSR by paying an additional US\$2 million.

(b) Title to mineral property interests:

The Company has investigated rights of ownership of all of its mineral properties/concessions and, to the best of its knowledge, all agreements relating to such ownership rights are in good standing. However, all properties/concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

(c) Realization of assets:

The Company’s investment in and expenditures on its mineral property interests comprise a significant portion of the Company’s assets. Realization of the Company’s investment in these assets is dependent on establishing legal ownership of the properties, on the attainment of successful commercial production or from the proceeds of their disposal. The recoverability of the amounts shown for mineral property interests is dependent upon the existence of reserves, the ability of the Company to obtain necessary financing to complete the development of the properties, and upon future profitable production or proceeds from the disposition thereof.

(d) Environmental matters:

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former mineral property interests that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation of the Company’s operation may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

7. Equipment

	Vehicles	Field Equipment	Office Equipment	Total
Cost:				
Balance, December 31, 2014	\$ -	\$ 5,515	\$ 20,370	\$ 25,885
Add: Acquisitions	57,497	-	5,842	63,339
Less: Write-offs	-	(5,515)	(12,450)	(17,965)
Balance, December 31, 2015	57,497	-	13,762	71,259
Less: Disposition	(28,991)	-	-	(28,991)
Balance, June 30, 2016	28,506	-	13,762	42,268
Accumulated amortization:				
Balance, December 31, 2014	\$ -	\$ 4,636	\$ 17,602	\$ 22,238
Add: Amortization	6,959	304	3,218	10,481
Less: Write offs	-	(4,940)	(12,871)	(17,811)
Balance, December 31, 2015	6,959	-	7,949	14,908
Add: Amortization	3,515	-	1,641	5,156
Less: Disposition	(4,894)	-	-	(4,894)
Balance, June 30, 2016	5,580	-	9,590	15,170
Net book value:				
Balance, December 31, 2015	\$ 50,538	\$ -	\$ 5,813	\$ 56,351
Balance, June 30, 2016	\$ 22,926	\$ -	\$ 4,172	\$ 27,098

8. Loans

In May 2016, the Company closed a loan agreement with Polygon Mining Opportunity Master Fund (“Polygon”) pursuant to which Polygon advanced a loan in the principal amount of US\$500,000 to the Company, as evidenced by a promissory note. The loan has a maturity date of May 13, 2018 and is payable on demand upon the Company consummating an equity or loan financing with net proceeds of at least US\$2.5 million. The loan bears interest at the rate of 10% per annum payable quarterly beginning on June 30, 2016. Interest payments may, at the option of the Company, be added to the principal amount of the loan. As security for the payment of the Company’s obligations and for the fulfilment and satisfaction of all covenants and agreements made under the loan agreement, the Company also entered into a general security agreement with Polygon pursuant to which the Company granted Polygon a security interest in all personal property of the Company, including the issued and outstanding shares of the Company’s wholly-owned Nicaraguan subsidiary, Nicaza S.A, which holds certain mineral exploration properties located in Nicaragua, including the Los Andes project.

Polygon is a control person and related party of the Company (as defined by securities legislation) and owned 77.5% of the Company’s issued and outstanding share capital at that time.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

8. Loans (continued)

	<u>Promissory Note</u>
Balance, December 31, 2015	\$ -
Add:	
Proceeds from loans	652,800
Interest or accretion	8,593
Foreign currency translation	93
Less:	
Issue costs	-
Balance, June 30, 2016	<u>\$ 661,486</u>

9. Share Capital

(a) Authorized:

The authorized share capital of the Company is comprised of an unlimited number of common shares without par value.

(b) Issued:

On April 14, 2015, the Company issued 1.25 million common shares at a fair value of \$0.03 per share which were issuable to a senior officer pursuant an employment agreement. Then on November 17, 2015, the Company issued 1.31 million common shares at a fair value of \$0.03 per share to the same senior officer for his remuneration.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

9. Share Capital (continued)

(c) Stock option plan:

The Company has a stock option plan that allows it to grant stock options to its directors, officers, employees and consultants, provided that the aggregate number of stock options granted shall not at any time exceed 10% of the total number of issued and outstanding common shares of the Company. The exercise price of each stock option shall be based on the market price of the Company's shares as traded on the TSX Venture Exchange at the time of grant. Stock options have a maximum term of ten years and terminate 30 days following the termination of the optionee's employment, except in the case of death, in which case they terminate one year after the event. Vesting of stock options is made at the discretion of the Board at the time the stock options are granted.

The continuity of stock options for the six months ended June 30, 2016 is as follows:

	June 30, 2016	
	Number of Shares	Weighted average exercise price
Outstanding balance, beginning of period	5,925,002	\$0.15
Expired	(175,001)	\$1.12
Outstanding balance, end of period	5,750,001	\$0.12
Exercise price range	\$0.08 - \$0.78	

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

9. Share Capital (continued)

(c) Stock option plan: (continued)

The following table summarizes information about stock options outstanding and exercisable at June 30, 2016:

Exercise Prices	Options Outstanding			Options Exercisable		
	Number Outstanding at June 30, 2016	Weighted Average Remaining Contractual Life (Number of Years)	Weighted Average Exercise Prices	Number Exercisable at June 30, 2016	Weighted Average Remaining Contractual Life (Number of Years)	Weighted Average Exercise Prices
\$0.78	155,001	0.83	\$0.78	155,001	0.83	\$0.78
\$0.15	1,680,000	2.73	\$0.15	1,680,000	2.73	\$0.15
\$0.08	500,000	3.23	\$0.08	400,000	3.23	\$0.08
\$0.08	3,415,000	4.01	\$0.08	1,366,000	4.01	\$0.08
	5,750,001	3.48	\$0.12	3,601,001	3.19	\$0.14

During the six months ended June 30, 2016, the Company recognized share-based payments of \$48,402 (June 30, 2015 - \$36,117) based on the fair value of stock options that were earned by the provision of services during the period. Share-based payments are segregated between directors and officers, employees and consultants as follows:

	June 30,	
	2016	2015
Directors (excludes directors who are officers)	\$ 4,769	\$ 4,786
Officers (includes directors who are officers)	34,163	27,795
Employees	1,565	1,915
Consultants	7,905	1,621
	\$ 48,402	\$ 36,117

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

9. Share Capital (continued)

(c) Stock option plan: (continued)

The weighted average fair value of stock options granted and the weighted average assumptions used to calculate share-based payments for stock option grants are estimated using the Black-Scholes option pricing model as follows:

	June 30,	
	2016	2015
Number of stock options granted	-	-
Fair value of stock options granted	n/a	n/a
Market price of shares on grant date	n/a	n/a
Pre-vest forfeiture rate	n/a	n/a
Risk-free interest rate	n/a	n/a
Expected dividend yield	n/a	n/a
Expected stock price volatility	n/a	n/a
Expected option life in years	n/a	n/a

Expected stock price volatility is based on the historical price volatility of the Company's common shares.

On July 3, 2015, the Company granted stock options to purchase up to 3.4 million common shares at an exercise price of \$0.08 until July 3, 2020. These stock options are subject to vesting provisions in which 20% of the stock options vest immediately on the grant date and 20% vest every six months thereafter.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

9. Share Capital (continued)

(d) Warrants:

At June 30, 2016, the Company had outstanding warrants as follows:

Exercise Prices	Expiry Dates	Outstanding at December 31, 2015	Issued	Exercised	Expired	Outstanding at June 30, 2016
\$0.24	December 13, 2016	20,833,333	-	-	-	20,833,333
\$0.30	August 7, 2016 ⁽¹⁾	800,000	-	-	-	800,000
\$0.05	December 30, 2019 ⁽²⁾	88,160,000	-	-	-	88,160,000
		109,793,333	-	-	-	109,793,333

(1) Fair value of \$40,449 was calculated using the Black-Scholes option pricing model with the following assumptions: volatility 139%, risk-free rate 1.123%, expected life 2.4 years, and expected dividend yield 0%. These warrants expired unexercised.

(2) On December 30, 2014, the Company closed a private placement with Polygon for 88.16 million units at \$0.05 per unit for gross proceeds of \$4.4 million. Each unit was comprised of one common share and one share purchase warrant. Of the \$0.05 unit price, \$0.04 was allotted to common shares representing the fair value of the common shares on that date and \$0.01 was allotted to warrants, resulting in a corresponding increase in the reserve for share-based payments.

(e) Common shares reserved for issuance at June 30, 2016:

	Number of Shares
Stock options (Note 9(c))	5,750,001
Warrants (Note 9(d))	109,793,333
Common shares reserved for issuance	115,543,334

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

10. Related Party Transactions

Key management includes directors (executive and non-executive) and senior management. The compensation paid or payable to key management for employee services is disclosed in the table below.

Except as disclosed elsewhere in the consolidated financial statements, the Company had the following transactions with related parties:

	Six months ended June 30,		Net balance receivable (payable)	
	2016	2015	June 30, 2016	December 31, 2015
Key management compensation:				
Executive salaries and remuneration ^{(1), (5)}	\$ 235,748	\$ 297,188	\$ (159,080)	\$ (73,998)
Directors fees ⁽²⁾	24,000	20,330	(136,525)	(116,525)
Share-based payments	38,932	32,581	-	-
	<u>\$ 298,680</u>	<u>\$ 350,099</u>	<u>\$ (295,605)</u>	<u>\$ (190,523)</u>
Legal fees incurred to a law firm in which a director of the Company is a partner ⁽³⁾	<u>\$ 18,450</u>	<u>\$ 35,827</u>	<u>\$ (10,000)</u>	<u>\$ (11,503)</u>
Net office, sundry, rent and salary allocations recovered from (incurred to) company(s) sharing certain common director(s) ⁽⁴⁾	<u>\$ 1,047</u>	<u>\$ 284</u>	<u>\$ 8,571</u>	<u>\$ 7,481</u>

(1) Includes key management compensation which is included in mineral property interests and property investigation, as applicable.

(2) A portion of Directors fees are accrued.

(3) Includes legal fees which are included in finance charges and share issuance expenses, as applicable.

(4) The company is Aztec Metals Corp. which shares a common director.

(5) Pursuant to an employment agreement, a portion of a senior officer's remuneration is payable in common shares of the Company.

The above related party transactions are incurred in the normal course of business.

CAZA GOLD CORP.

(An Exploration Stage Company)

Notes to the Condensed Consolidated Interim Financial Statements

Three and Six Months ended June 30, 2016

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

10. Related Party Transactions (continued)

Transactions with Inecosa are provided in Note 6(a), with Polygon in Note 8, and shares-for-debt settlement with a senior officer in Note 9(b).

11. Office and Sundry and Property Investigation

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Office and Sundry:				
Insurance	\$ 1,405	\$ 5,500	\$ 7,790	\$ 8,961
Office and sundry	4,167	8,595	9,736	15,049
Rent	5,809	8,328	11,754	12,174
Telecommunications	2,170	3,602	4,172	5,656
Travel	-	2,790	-	2,790
	<u>\$ 13,551</u>	<u>\$ 28,815</u>	<u>\$ 33,452</u>	<u>\$ 44,630</u>
Property Investigation:				
Mapping and surveys	\$ -	\$ (52)	\$ -	\$ 9,938
Geology	-	1,259	-	1,259
Sundry	(854)	-	-	3,539
Salaries	9,914	-	9,914	-
Transportation and travel	(1,030)	(602)	1,571	-
	<u>\$ 8,030</u>	<u>\$ 605</u>	<u>\$ 11,485</u>	<u>\$ 14,736</u>

12. Segment Disclosures

The Company has one operating segment, being mineral exploration, with assets located in Canada and Nicaragua, as follows:

	June 30, 2016			December 31, 2015		
	Canada	Nicaragua	Total	Canada	Nicaragua	Total
Mineral property interests	\$ -	\$ 10,146,985	\$ 10,146,985	\$ -	\$ 9,668,501	\$ 9,668,501
Equipment	1,131	25,967	27,098	1,331	55,020	56,351

HEAD OFFICE

#301 – 700 West Pender Street
Vancouver, BC, Canada, V6C 1G8

Telephone: (604) 685-9750
Facsimile: (604) 685-9744

DIRECTORS

Michael Humphries
Brian Arkell
Michael Adams
James Defer
Stewart Lockwood
Philip Yee

OFFICERS

Brian Arkell ~ Chief Executive Officer and President
Marco Montecinos ~ Vice-President, Exploration
Philip Yee ~ Chief Financial Officer
Stewart Lockwood ~ Secretary

**REGISTRAR AND
TRANSFER AGENT**

Computershare Investor Services Inc.
3rd Floor, 510 Burrard Street
Vancouver, BC, Canada, V6C 3B9

AUDITORS

Smythe LLP
7th Floor, 355 Burrard Street
Vancouver, BC, Canada, V6C 2G8

SOLICITORS

McCullough O'Connor Irwin LLP
#2600 – 1066 West Hastings Street
Vancouver, BC, Canada, V6E 3X1