**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended October 31, 2016

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: **000-53848**

**RISE RESOURCES INC.**
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **Nevada** | **30-0692325** |
| (State or other jurisdiction of incorporation) | (IRS Employer Identification Number) |

**488 – 1090 West Georgia Street**
**Vancouver, British Columbia, Canada V6E 3V7**
(Address of principal executive offices)(Zip Code)

**(236) 521-0583**
(Registrant's telephone number, including area code)

**N/A**
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Not applicable.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting Company. See the definitions of "large accelerated filer," "accelerated filer" and smaller reporting company" in Rule 12b-2 of the Exchange Act.

| | |
|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ |
| Non-accelerated filer ☐ (Do not check if a smaller reporting company) | Smaller reporting company ☒ |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of December 7, 2016, the registrant had 33,538,341 shares of common stock issued and outstanding.

## PART I - FINANCIAL INFORMATION

### ITEM 1. FINANCIAL STATEMENTS.

The financial statements of Rise Resources Inc. (formerly Patriot Minefinders Inc.) (“we”, “us”, “our”, the “Company”, or the “registrant”), a Nevada corporation, included herein were prepared, without audit, pursuant to rules and regulations of the Securities and Exchange Commission. Because certain information and notes normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America were condensed or omitted pursuant to such rules and regulations, the financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements of the Company in the Company's Form 10-K for the fiscal year ended July 31, 2016.

**RISE RESOURCES INC.**
**(AN EXPLORATION STAGE COMPANY)**
**CONDENSED INTERIM FINANCIAL STATEMENTS**
**PERIOD ENDED OCTOBER 31, 2016**

**RISE RESOURCES INC.**
(An Exploration Stage Company)
BALANCE SHEETS
(Expressed in Canadian Dollars)

AS AT

| | October 31, 2016 (unaudited) | July 31, 2016 |
|---|---|---|
| **ASSETS** | | |
| **Current** | | |
| Cash | $ 10,319 | $ 139,021 |
| Receivables | 23,395 | 20,021 |
| Prepaid expenses | 26,544 | 9,566 |
| | 60,258 | 168,608 |
| Deposit on mineral property (Note 3) | 32,758 | - |
| Mineral property (Note 3) | 563,031 | 563,031 |
| | $ 656,047 | $ 731,639 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)** | | |
| **Current** | | |
| Accounts payable and accrued liabilities | $ 171,485 | $ 183,996 |
| Loan from related parties (Note 6) | 44,389 | 43,214 |
| | 215,874 | 227,210 |
| **Stockholders' equity (deficiency)** | | |
| Capital stock, $0.001 par value, 400,000,000 shares authorized; 33,266,261 (July 31, 2016 – 32,866,261) shares issued and outstanding (Note 7) | 33,267 | 32,867 |
| Additional paid-in-capital (Note 7) | 2,640,890 | 2,475,194 |
| Subscriptions received in advance (Note 7) | 66,800 | - |
| Cumulative translation adjustment | (166,663) | (166,663) |
| Deficit | (2,134,121) | (1,836,969) |
| | 440,173 | 504,429 |
| | $ 656,047 | $ 731,639 |

**Nature and continuance of operations** (Note 1)
**Contingency** (Note 4)
**Subsequent event** (Note 9)

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

**RISE RESOURCES INC.**
(An Exploration Stage Company)
STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)
FOR THE PERIOD ENDED OCTOBER 31

| | 2016 | 2015 |
|---|---|---|
| **EXPENSES** | | |
| Consulting (Note 6) | $ 97,142 | $ 16,691 |
| Filing and regulatory | 10,131 | 5,182 |
| Foreign exchange | 1,955 | 791 |
| Gain on settlement of payables | - | (30,690) |
| General and administrative | 2,358 | 6,334 |
| Professional fees | 29,794 | - |
| Promotion and shareholder communication | 17,445 | - |
| Salaries (Note 6) | 32,231 | - |
| Share-based payments (Note 7) | 106,096 | - |
| **Net income (loss) and comprehensive income (loss)** | $ (297,152) | $ 1,692 |
| **Basic and diluted earnings (loss) per common share** | $ (0.01) | $ 0.00 |
| **Basic and Diluted Weighted average number of common shares outstanding** | 33,261,913 | 15,082,663 |

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

**RISE RESOURCES INC.**
(An Exploration Stage Company)
STATEMENT OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)
FOR THE PERIOD ENDED OCTOBER 31

| | 2016 | 2015 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Loss for the period | $ (297,152) | $ 1,692 |
| Items not involving cash | | |
| Gain on settlement of payables | - | (30,690) |
| Shares issued for compensation | 60,000 | - |
| Share-based payments | 106,096 | - |
| Unrealized foreign exchange | 1,215 | 792 |
| Non-cash working capital item changes: | | |
| Receivables | (3,374) | (957) |
| Prepaid expenses | (16,978) | - |
| Accounts payables and accrued liabilities | (12,551) | 14,330 |
| Net cash (used in) provided by operating activities | (162,744) | (14,833) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Deposit on mineral property | (32,758) | - |
| Net cash provided by investing activities | (32,758) | - |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Subscriptions received in advance | 66,800 | - |
| Net cash provided by financing activities | 66,800 | - |
| **Change in cash for the period** | (128,702) | (14,833) |
| **Cash, beginning of period** | 139,021 | 18,000 |
| **Cash, end of period** | $ 10,319 | $ 3,167 |
| **Interest** | $ - | $ - |
| **Income taxes** | - | - |

During the period ended October 31, 2015 the Company accrued $23,389 in deferred financing fees through accounts payable and accrued liabilities.

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

**RISE RESOURCES INC.**
(An Exploration Stage Company)
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)
(Unaudited)

| | Capital Stock | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Number** | **Amount** | **Additional Paid-in Capital** | **Subscriptions Received in Advance** | **Cumulative Translation Adjustment** | **Deficit** | **Total** |
| **Balance as at July 31, 2015** | 38,297,197 | $ 38,298 | $ 1,157,868 | $ - | (166,663) | $ (1,203,503) | $ (174,000) |
| Shares surrender and cancellation (Note 7) | (13,000,186) | (13,000) | 13,000 | - | - | - | - |
| Loss for the period | - | - | - | - | - | 1,692 | 1,692 |
| **Balance as at October 31, 2015** | 25,297,011 | 25,298 | 1,170,868 | - | (166,663) | (1,201,811) | (172,308) |
| Shares issued for cash | 6,069,250 | 6,069 | 600,856 | - | - | - | 606,925 |
| Shares issued for mineral property | 1,500,000 | 1,500 | 238,500 | - | - | - | 240,000 |
| Warrants issued for mineral property | - | - | 223,031 | - | - | - | 223,031 |
| Share issuance costs | - | - | (127,067) | - | - | - | (127,067) |
| Share-based payments | - | - | 369,006 | - | - | - | 369,006 |
| Loss for the period | - | - | - | - | - | (635,158) | (635,158) |
| **Balance as at July 31, 2016** | 32,866,261 | 32,867 | 2,475,194 | - | (166,663) | (1,836,969) | 504,429 |
| Shares issued for compensation | 400,000 | 400 | 59,600 | - | - | - | 60,000 |
| Subscriptions received in advance | - | - | - | 66,800 | - | - | 66,800 |
| Share-based payments | - | - | 106,096 | - | - | - | 106,096 |
| Loss for the period | - | - | - | - | - | (297,152) | (297,152) |
| **Balance as at October 31, 2016** | 33,266,261 | $ 33,267 | $ 2,640,890 | $ 66,800 | (166,663) | $ (2,134,121) | $ 440,173 |

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

## 1. NATURE AND CONTINUANCE OF OPERATIONS

Atlantic Resources Inc. (the "Company") was incorporated in the State of Nevada on February 9, 2007 and is in the exploration stage. On January 14, 2015, the Company merged its wholly-owned subsidiary, Rise Resources Inc., a Nevada corporation, in and to the Company to effect a name change from Patriot Minefinders Inc. to Rise Resources Inc. Rise Resources Inc. was formed solely for the purpose of effecting the change of name.

On February 16, 2015, the Company increased its authorized capital from 21,000,000 shares to 400,000,000 shares.

On January 29, 2016, the Company completed an initial public offering in Canada and began trading on the Canadian Securities Exchange ("CSE") on February 1, 2016.

The Company is in the early stages of exploration and as is common with any exploration company, it raises financing for its acquisition activities. The accompanying financial statements have been prepared on the going concern basis, which presumes that the Company will continue operations for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of business. The Company has incurred a loss of $297,152 for the period ended October 31, 2016 and has accumulated a deficit of $2,134,121. This raises substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company's ability to raise additional capital and implement its business plan, which is typical for a start-up company. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Management of the Company ("management") is of the opinion that sufficient financing will be obtained from external financing and further share issuances to meet the Company's obligations. At October 31, 2016, the Company had a working capital deficiency of $155,616.

## 2. BASIS OF PREPARATION

### Generally Accepted Accounting Principles

The accompanying unaudited condensed interim financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America ("US GAAP") and the rules and regulations of the Securities and Exchange Commission ("SEC") for financial information with the instructions to Form 10-Q and Regulation S-K. Results are not necessarily indicative of results which may be achieved in the future. The unaudited condensed interim financial statements should be read in conjunction with the Company's Annual Report on Form 10-K, which contains the audited financial statements and notes thereto, together with Management's Discussion and Analysis, for the year ended July 31, 2016. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with US GAAP have been condensed or omitted pursuant to such SEC rules and regulations.

### Recently Adopted and Recently Issued Accounting Standards

In November 2015, the FASB issued ASU No. 2015-17, "Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes". This ASU eliminates the current requirement to present deferred tax assets and liabilities as current and noncurrent amounts in a classified balance sheet and replaces it with a noncurrent classification of deferred tax assets and liabilities. The ASU applies to all entities and is effective for annual periods beginning after December 15, 2017, and interim periods thereafter, with early adoption permitted. The Company is currently evaluating the impact of adoption of this standard.

## 2. BASIS OF PREPARATION (cont'd…)

**Recently Adopted and Recently Issued Accounting Standards** (cont'd…)

In January 2016, the FASB issued ASU No. 2016-01, "Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Liabilities". This ASU amendment addresses aspects of recognition, measurement, presentation and disclosure of financial instruments. It affects investments in equity securities and the presentation of certain fair value changes for financial liabilities measured at fair value, and simplifies the impairment assessment of equity investments without a readily determinable fair value by requiring a qualitative assessment. The ASU applies to all entities and is effective for annual periods beginning after December 15, 2017, and interim periods thereafter, with early adoption permitted. The Company is currently evaluating the impact of adoption of this standard.

Other than the above, the Company has determined that other significant newly issued accounting pronouncements and are either not applicable to the Company's business or that no material effect is expected on the financial statements as a result of future adoption.

**Use of Estimates**

The preparation of condensed interim financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant areas requiring the use of estimates include the valuation allowance applied to deferred income taxes and valuation of stock options and agent warrants. Actual results could differ from those estimates, and would impact future results of operations and cash flows.

## 3. MINERAL PROPERTY OPTION

**Title to Mineral Properties**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain mineral titles as well as the potential for problems arising from the frequently ambiguous conveying history characteristic of many mineral properties. As at October 31, 2016, the Company does not hold titles to any mineral properties.

**Indata, British Columbia**

On May 18, 2015, the Company entered into an option agreement with Eastfield Resources Ltd., ("Eastfield"), pursuant to which Eastfield granted the Company the exclusive and irrevocable right to acquire up to a 75% interest in and to certain claims in the Indata property located in the Omineca Mining Division in British Columbia, Canada. In order to earn the initial 60% interest, the Company is required to pay Eastfield an aggregate of $350,000 ($50,000 paid to date; $30,000 paid in the current year) in cash and incur a minimum of $2,000,000 in aggregate exploration expenditures on the property by April 3, 2019. In order to earn the additional 15% interest, the Company is required to pay Eastfield $100,000 cash within 90 days of earning the 60% interest and incur a further $500,000 in aggregate annual exploration expenditures on the property until such time as the Company is able to complete a feasibility study on the property. As at October 31, 2016, the Company has incurred cumulative exploration expenditures of $4,035 on the Indata property.

## 3. MINERAL PROPERTY OPTION (cont'd…)

**Klondike, British Columbia**

On May 26, 2016, the Company entered into an agreement with Klondike Gold Corp. ("Klondike") regarding the purchase of a portfolio of seven gold and base metal properties in southeast British Columbia. Under the agreement, within 60 days of signing, the Company paid Klondike $50,000 in cash, issued 1,500,000 shares of the Company's common stock valued at $240,000, and issued 1,500,000 warrants valued at $223,031 (discount rate – 0.49%, volatility – 200.64%, expected life – 2 years, dividend yield – 0%), exercisable at $0.227 per share until July 13, 2018. On the one year anniversary of the first closing, the Company will pay Klondike $150,000 in cash, issue 2,000,000 shares of the Company's common stock, and issue 1,000,000 warrants. Klondike will retain a 2% net smelter return royalty ("NSR") and the Company will have the right to purchase 50% of the NSR for $1,000,000 at any time after the first closing. Each of the warrants is exercisable for a period of two years into one share of the Company's common stock at a price that is a 20% premium to the 10-day volume-weighted average price of the stock on the CSE immediately prior to the date of issuance. As at October 31, 2016, the Company has incurred cumulative exploration expenditures of $10,408 on the Klondike properties.

**US Property**

On August 30, 2016, the Company entered into an option agreement with three parties to purchase a 100% interest in and to certain lands and surface rights in the United States. Upon execution of the option agreement, the Company paid the vendors a non-refundable cash deposit in the amount of $32,758 (US$25,000), which has been recorded as a long-term asset at October 31, 2016; an additional cash payment of US$2,000,000 is required to exercise the option. To exercise the option, this payment is due by December 26, 2016.

## 4. CONTINGENCY

During the year ended July 31, 2014, the Company entered into a binding letter of intent ("LOI") with Wundr Software Inc. ("Wundr"). Under the terms of the LOI, the Company would acquire 100% of the issued and outstanding common shares of Wundr. Due to unforeseen circumstances, the Company did not complete the transactions contemplated in the LOI, which the Company announced had expired on January 10, 2014.

On September 17, 2014, the Company learned that it was the subject, along with a number of additional defendants, of a notice of civil claim (the "Claim") filed in the Supreme Court of British Columbia by Wundr, under which Wundr is seeking general damages from the Company as well as damages for conspiracy to cause economic harm. None of the allegations contained in the Claim have been proven in court. Management has determined that the probability of the Claim resulting in an unfavourable outcome and financial loss to the Company is unlikely.

## 5. BAD DEBT EXPENSE

During the year ended July 31, 2016, the Company advanced to Skanderbeg Capital Partners Inc. a total of $7,126, which had been recorded in prepaid expenses to be applied to future rent expense. As the Company moved its premises during the year ended July 31, 2016, management has assessed the recoverability of the amount and recorded an allowance for doubtful accounts of $7,126 for the year ended July 31, 2016.

## 6. RELATED PARTY TRANSACTIONS

Key management personnel consist of the Chief Executive Officer, Chief Financial Officer, and the directors of the Company. The remuneration of the key management personnel is as follows:

a) Salaries of $30,000 (2015 - $Nil) and 400,000 shares of common stock valued at $60,000, recognized as consulting expense, to the CEO of the Company;

## 6. RELATED PARTY TRANSACTIONS (cont'd…)

b) Consulting fees of $19,500 (2015 - $7,500) to the former CEO of the Company; and

c) Share-based payments of $106,096 (2015 - $Nil) to the CEO of the Company.

As at October 31, 2016, the Company has recorded loans from related parties of $44,389 (US$33,099) (July 31, 2016 - $43,214 or US$33,099) representing advances made by a director and a former director and officer. The advances are due on demand without interest.

As at October 31, 2016, included in due to related parties is $31,289 (July 31, 2016 - $25,494) in accounts and advances payable and accrued liabilities to current and former officers and companies controlled by directors and officers of the Company.

Included in general and administration expenses for the period ended October 31, 2016 is rent of $Nil (2015 - $1,725) paid to Skanderbeg Capital Partners Inc., a company that previously advised the Company's management and performed promotional work for the Company.

## 7. CAPITAL STOCK AND ADDITIONAL PAID-IN-CAPITAL

### Issued Capital Stock

On October 28, 2015, pursuant to a share surrender and cancellation agreement, the Company cancelled 13,000,186 shares of common stock surrendered to the Company, originally issued through debt conversion agreements on February 11, 2015 and March 31, 2015.

On January 29, 2016, the Company completed an initial public offering in Canada, issuing an aggregate of 6,050,000 shares of common stock at a price of $0.10 per share for gross proceeds of $605,000. In connection with the offering, the Company paid a cash commission of $48,400 and issued 484,000 agent warrants valued at $42,248 (discount rate – 0.43%, volatility – 215.3%, expected life – 2 years, dividend yield – 0%), exercisable at $0.10 per share for period of 24 months. The Company also paid the agent a corporate finance fee of $25,000 and incurred other share issuance costs of $53,667.

On June 3, 2016, the Company issued 19,250 shares of common stock upon the exercise of agent warrants at a price of $0.10 per share.

On July 18, 2016, the Company issued 1,500,000 shares of common stock at a price of $0.16 per share to Klondike pursuant to the Klondike properties purchase agreement (Note 3).

On August 1, 2016, the Company issued 400,000 shares of common stock at a price of $0.15 per share to the Company's CEO as compensation. The shares were valued at $60,000 on issuance and were recognized as consulting expense.

### Private Placement

On October 6, 2016, the Company announced a non-brokered private placement of up to 17,500,000 units at a price of $0.20 per unit for gross proceeds of up to $3,500,000. Each unit will consist of one share of the Company's common stock and one transferable share purchase warrant exercisable into one share of common stock at a price of $0.40 for a period of two years from the date of issuance. As at October 31, 2016, the Company has received $66,800 in advance subscriptions.

(Expressed in Canadian Dollars)

## 7. CAPITAL STOCK AND ADDITIONAL PAID-IN-CAPITAL (cont'd…)

### Stock Options

During the period ended October 31, 2016, the Company granted 586,600 stock options, exercisable at a price of $0.20 per share for a period of five years, to the Company's CEO.

The following incentive stock options were outstanding at October 31, 2016:

| Number of Shares | | Exercise Price | Expiry Date |
|---|---|---|---|
| 2,700,000 | $ | 0.15 | January 31, 2021 |
| 586,600 | | 0.20 | August 8, 2021 |
| 3,286,600 | | 0.16 | |

### Warrants

The following warrants were outstanding at October 31, 2016:

| Number of Warrants | | Exercise Price | Expiry Date |
|---|---|---|---|
| 464,750 | $ | 0.10 | January 29, 2018 |
| 1,500,000 | | 0.227 | July 13, 2018 |
| 1,964,750 | $ | 0.20 | |

### Share-Based Payments

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less any applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years with vesting determined by the board of directors.

During the period ended October 31, 2016, the Company granted 586,600 (2015 - Nil) stock options with a weighted average fair value of $0.18 (2015 - $Nil). The Company recognized share-based payments expense of $106,096 (2015 - $Nil).

The following weighted average assumptions were used for the Black-Scholes option-pricing model valuation of stock options granted during the period:

| | 2016 | 2015 |
|---|---|---|
| Risk-free interest rate | 0.54% | N/A |
| Expected life of options | 5.00 years | N/A |
| Expected annualized volatility | 148.45% | N/A |
| Dividend | - | N/A |
| Forfeiture rate | - | N/A |

## 8. SEGMENTED INFORMATION

The Company has two reportable segments, being the acquisition of exploration and evaluation assets located in British Columbia, Canada, and the United States.

## 9. SUBSEQUENT EVENT

Subsequent to October 31, 2016, the Company:

- Issued 272,080 shares of common stock upon the exercise of agent warrants at a price of $0.10 per share.

- Entered into an agreement to extend the closing date for the purchase of the US Property until December 26, 2016, in exchange for a non-refundable cash payment of US$25,000, which will be credited against the US$2,000,000 purchase price of the property upon the exercise of the purchase option.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

**SPECIAL NOTE OF CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

CERTAIN STATEMENTS IN THIS REPORT, INCLUDING STATEMENTS IN THE FOLLOWING DISCUSSION, ARE WHAT ARE KNOWN AS "FORWARD LOOKING STATEMENTS", WHICH ARE BASICALLY STATEMENTS ABOUT THE FUTURE. FOR THAT REASON, THESE STATEMENTS INVOLVE RISK AND UNCERTAINTY SINCE NO ONE CAN ACCURATELY PREDICT THE FUTURE. WORDS SUCH AS "PLANS", "INTENDS", "WILL", "HOPES", "SEEKS", "ANTICIPATES", "EXPECTS" AND THE LIKE OFTEN IDENTIFY SUCH FORWARD LOOKING STATEMENTS, BUT ARE NOT THE ONLY INDICATION THAT A STATEMENT IS A FORWARD LOOKING STATEMENT. SUCH FORWARD LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING OUR PLANS AND OBJECTIVES WITH RESPECT TO PRESENT AND FUTURE OPERATIONS, AND STATEMENTS WHICH EXPRESS OR IMPLY THAT SUCH PRESENT AND FUTURE OPERATIONS WILL OR MAY PRODUCE REVENUES, INCOME OR PROFITS. NUMEROUS FACTORS AND FUTURE EVENTS COULD CAUSE US TO CHANGE SUCH PLANS AND OBJECTIVES OR FAIL TO SUCCESSFULLY IMPLEMENT SUCH PLANS OR ACHIEVE SUCH OBJECTIVES, OR CAUSE SUCH PRESENT AND FUTURE OPERATIONS TO FAIL TO PRODUCE REVENUES, INCOME OR PROFITS. THEREFORE, THE FOLLOWING DISCUSSION SHOULD BE CONSIDERED IN LIGHT OF THE DISCUSSION OF RISKS AND OTHER FACTORS CONTAINED IN THIS QUARTERLY REPORT ON FORM 10-Q AND IN OUR OTHER FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION. NO STATEMENTS CONTAINED IN THE FOLLOWING DISCUSSION SHOULD BE CONSTRUED AS A GUARANTEE OR ASSURANCE OF FUTURE PERFORMANCE OR FUTURE RESULTS.

**Description of Business**

The Company is a mineral exploration company and its primary asset is a copper/gold property under option. The Company's common stock is currently traded on the OTC Markets under the symbol "RYES", and listed on the Canadian Securities Exchange (the "CSE") under the symbol "UPP". The Company ceased to be an OTC reporting issuer in Canada on February 2, 2016.

On May 18, 2015, the Company entered into an option agreement (the "Option Agreement") with Eastfield Resources Ltd., a British Columbia company with its common shares listed for trading on the TSX Venture Exchange under the symbol "ETF" ("Eastfield"), pursuant to which Eastfield granted the Company the exclusive and irrevocable option to acquire up to a 75% undivided interest in and to certain mineral claims known as the Indata property located in the Omineca Mining Division in British Columbia, Canada (the "Indata Property"). In order to earn the initial 60% interest, the Company is required to pay Eastfield an aggregate of $350,000 in cash and incur a minimum of $2,000,000 in aggregate exploration expenditures on the Indata Property by April 3, 2019. In order to earn the additional 15% interest, it is required to pay Eastfield $100,000 within 90 days of earning the 60% interest and incur a further $500,000 in aggregate annual exploration expenditures on the Indata Property until such time as the Company is able to complete a feasibility study on the property. Upon the completion of a feasibility study, the additional 15% interest will be deemed to have been earned.

Prior to entering into the Option Agreement, the Company was a development stage company engaged in exploring and evaluating potential strategic transactions in multiple industries, including but not limited to mineral properties and technology.

On May 31, 2016, the Company entered into a property purchase agreement (the "Purchase Agreement") with Klondike Gold Corp., a British Columbia company with its common shares listed for trading on the TSX Venture Exchange under the symbol "KG" ("Klondike"), regarding the purchase of a portfolio of seven gold and base metal properties in southeast British Columbia consisting of 150 mining claims with a total area of 28,000 hectares (collectively, the "Klondike Properties"). Under the Purchase Agreement, on July 13, 2016 (the "First Closing"), the Company paid Klondike $50,000 in cash, issued 1,500,000 shares of the Company's common stock, and issued 1,500,000 warrants exercisable at a price of $0.227 per share until July 13, 2018. On the one year anniversary of the First Closing, the Company is required to pay Klondike $150,000 in cash, issue 2,000,000 shares of the Company's common stock, and issue 1,000,000 warrants. Klondike will retain a 2% net smelter return royalty ("NSR") and the Company will have the right to purchase 50% of the NSR for $1,000,000 at any time after the First Closing. Each of the warrants is exercisable for a period of two years into one share of the Company's common stock at a price that is a 20% premium to the 10-day volume-weighted average price of the stock on the CSE immediately prior to the date of issuance.

On August 30, 2016, the Company entered into an option agreement with three parties to purchase an undivided 100% interest in and to certain mineral lands and surface rights in the United States (the "US Property"). A significant historic gold mine is located on the US Property, which consists solely of private land. Upon the execution of the option agreement, the Company paid the vendors a non-refundable cash deposit in the amount of USD$25,000, and an additional cash payment of US$2,000,000 is required to exercise the option. On November 18, 2016, the Company entered into an agreement with the vendors to extend the closing date for the purchase of the US Property until December 26, 2016, in exchange for an additional non-refundable cash payment of US$25,000, which will be credited against the US$2,000,000 purchase price of the property upon the exercise of the purchase option.

The Company believes it can prepare a mineral resource estimate, exploration plan, and a preliminary mine plan through processing historic data on the US Property within two months of the closing of the purchase.

On October 6, 2016, the Company announced a non-brokered private placement of up to 17,500,000 units at a price of $0.20 per unit for gross proceeds of up to $3,500,000 (the "Private Placement"). Each unit will consist of one share of the Company's common stock and one transferable share purchase warrant exercisable into one share of common stock at a price of $0.40 for a period of two years from the date of issuance. The Company expects to use the proceeds from the Private Placement for the exercise of the option on the US Property, of which there is no guarantee, and for general working capital purposes.

## Plan of Operations

As at October 31, 2016, the Company had a cash balance of $10,319, compared to a cash balance of $139,021 as of July 31, 2016.

The Company's plan of operations for the next 12 months is to carry out the first of a two-phase exploration program on the Indata Property at a total cost of approximately $304,605, as follows:

*Phase I: Line Cutting, Mapping, Geophysical and Geochemical Surveys*

| **Description** | **Amount ($)** |
|---|---:|
| Field supervision / mapping (fees) | 40,800 |
| Field supervision room & board expenses | 19,125 |
| Line cutting (including personnel costs, room & board and vehicle expenses) | 84,600 |
| Field supervision / sampling (fees) | 13,600 |
| Soil sampling (including personnel costs, room & board and vehicle expenses) | 9,180 |
| Soil and rock sample analysis | 20,000 |
| IP and magnetics survey | 68,000 |
| Geophysical surveying costs (including room & board and vehicle expenses) | 24,800 |
| Reporting and drafting | 10,000 |
| Contingency | 14,500 |
| **Total** | **304,605** |

The first phase combines line cutting, soil sampling and geophysics work to provide the information needed to determine drill targets, if any, for the second phase and will achieve the exploration budget for the next 12 months required by the Option Agreement. The Company expects to complete the second phase of the exploration program by November 30, 2017, as follows:

*Phase II: Drilling Program*

| Description | Amount ($) |
|---|---:|
| Drilling costs | 160,000 |
| Site preparation | 10,000 |
| Sample analysis | 10,000 |
| Geologist / supervisor (fees) | 30,000 |
| Field crew (fees) | 12,000 |
| Field crew expenses (including room & board, vehicle expenses and equipment expenses) | 38,000 |
| Data compilation / report preparation | 10,000 |
| Contingency | 13,500 |
| **Total** | **283,500** |

The Company is currently evaluating the seven southeast British Columbia properties that it purchased from Klondike. An exploration program will be compiled based on the findings from this evaluation. The Company is also undertaking a due diligence process on the US Property that it has under option, and evaluating whether to proceed with the purchase of that property.

In addition to the two phase program and future work on the southeast British Columbia properties, the Company anticipates spending approximately $291,500 on general operating expenses, including fees payable in connection with its filing obligations as a reporting issuer in both the United States and Canada, as follows:

| Description | Amount ($) |
|---|---:|
| Consulting fees | 96,000 |
| Employment expenses | 130,000 |
| Professional fees | 22,500 |
| Filing and regulatory expenses | 5,500 |
| Rent | 12,000 |
| Marketing and website development expenses | 4,000 |
| General and administrative expenses | 21,500 |
| **Total** | **291,500** |

The Company does not currently have sufficient funds to carry out the two-phase exploration program or cover its anticipated general operating expenses for the year, so it will require additional funding. The Company anticipates that additional funding will be in the form of equity financing from the sale of its common stock or from loans from one of several directors or officers, or companies controlled by directors or officers. The Company does not have any arrangements in place for any future equity financing or loans, and if the Company is not successful in raising additional financing, the Company anticipates that it will not be able to proceed with its business plan.

The Company anticipates incurring operating losses for the foreseeable future. It bases this expectation, in part, on the fact that very few mineral claims in the exploration stage ultimately develop into producing, profitable mines. The Company's future financial results are also uncertain due to a number of factors, some of which are outside its control. These factors include the following:

- its ability to raise additional funding;
- the market price for any minerals that may be discovered on the Indata Property;
- the results of its proposed exploration program on the Indata Property.

The Company has not attained profitable operations and is dependent upon obtaining financing to pursue its proposed exploration activities. For these reasons the Company's auditors believe that there is substantial doubt that it will be able to continue as a going concern.

## Results of Operations

*For the Periods Ended October 31, 2016 and 2015*

The Company's operating results for the periods ended October 31, 2016 and 2015 are summarized as follows:

| | | For the period ended October 31, 2016 | | For the period ended October 31, 2015 |
|---|---|---|---|---|
| Consulting | $ | 97,142 | $ | 16,691 |
| Filing and regulatory | | 10,131 | | 5,182 |
| Foreign exchange | | 1,955 | | 791 |
| Gain on settlement of payables | | - | | (30,690) |
| General and administrative | | 2,358 | | 6,334 |
| Professional fees | | 29,794 | | - |
| Promotion and shareholder communication | | 17,445 | | - |
| Salaries | | 32,231 | | - |
| Share-based payments | | 106,096 | | - |
| Income (loss) for the period | | (297,152) | | 1,692 |

The Company's operating expenses increased during the period ended October 31, 2016 compared to the prior period primarily as a result of increased costs for consulting, filing and regulatory, professional fees and promotion and shareholder communications, driven by the new listing on the CSE in February 2016 and increases in consulting and expenses related to planning and researching the Company's mineral properties.

## Liquidity and Capital Resources

Working Capital

| | | At October 31, 2016 | | At July 31, 2016 | | Change between July 31, 2016 and October 31, 2016 |
|---|---|---|---|---|---|---|
| Current Assets | $ | 60,258 | $ | 168,608 | $ | (108,350) |
| Current Liabilities | | 215,874 | | 227,210 | | 11,336 |
| Working Capital/(Deficit) | | (155,616) | | (58,602) | | (97,014) |

Cash Flows

| | | For the period ended October 31, 2016 | | For the period ended October 31, 2015 |
|---|---|---|---|---|
| Net Cash used in Operating Activities | $ | (162,744) | $ | (14,833) |
| Net Cash provided by Investing Activities | | (32,758) | | - |
| Net Cash provided by in Financing Activities | | 66,800 | | - |
| Net Decrease in Cash During Period | | (128,702) | | (14,833) |

As of July 31, 2016, the Company had $10,319 in cash, $60,258 in current assets, $656,047 in total assets, $215,874 in current and total liabilities, a working capital deficit of $155,616 and an accumulated deficit of $2,134,121.

During the period ended October 31, 2016, the Company used $162,744 in net cash on operating activities, whereas it used $14,833 in net cash on operating activities during the prior period. The difference in net cash used in operating activities during the two periods was largely due to the increase in the Company's net loss for the most recent year, as adjusted for the accrual of a larger accounts payable, accrued liabilities and due to related parties balance.

During the period ended October 31, 2016, the Company used net cash of $32,758 (2015 - $Nil) from investing activities. In the current year, the Company paid $32,758 (US$25,000) as a deposit on the US Property acquisition.

The Company received net cash of $66,800 from financing activities during the period ended October 31, 2016 (2015 - $Nil) from subscriptions received in advance.

The Company expects to operate at a loss for at least the next 12 months. It has no agreements for additional financing and cannot provide any assurance that additional funding will be available to finance its operations on acceptable terms in order to enable it to carry out its business plan. There are no assurances that the Company will be able to complete further sales of its common stock or any other form of additional financing. If the Company is unable to achieve the financing necessary to continue its plan of operations, then it will not be able to carry out any exploration work on the Indata Property or the other properties in which it owns an interest and its business may fail.

### Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

## ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

## ITEM 4. CONTROLS AND PROCEDURES.

### Disclosure Controls and Procedures

The Securities and Exchange Commission (the "SEC") defines the term "disclosure controls and procedures" to mean controls and other procedures of an issuer that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company maintains such a system of controls and procedures in an effort to ensure that all information which it is required to disclose in the reports it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified under the SEC's rules and forms and that information required to be disclosed is accumulated and communicated to its principal executive and principal financial officers to allow timely decisions regarding disclosure.

As of the end of the period covered by this Report, the Company carried out an evaluation, under the supervision and with the participation of its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of its disclosure controls and procedures. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that its internal control over financial reporting was not effective as of October 31, 2016 because the following material weakness in internal control over financial reporting existed as of that date:

(i) lack of segregation of incompatible duties due to insufficient personnel.

A material weakness is a deficiency or a combination of control deficiencies in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis.

**Changes in Internal Control over Financial Reporting**

There were no changes in internal control over financial reporting during the period ended October 31, 2016 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II - OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS.

On September 17, 2014, the Company learned that it was the subject, along with a number of additional defendants, of a notice of civil claim (the "Claim") filed in the Supreme Court of British Columbia by Wundr Software Inc. ("Wundr"), an eBook software developer. Wundr and the Company were formerly parties to a binding letter of intent that was announced on November 12, 2013 (the "Wundr LOI"), pursuant to which the Company proposed to acquire 100% of the outstanding shares of Wundr. On January 10, 2014, the Company reported that the Wundr LOI had expired.

Among other things, the Claim alleges that the Company committed the tort of intentional interference with economic or contractual relations by virtue of its role in an alleged scheme to establish a competing business to Wundr, and that the Company, through its agents, breached the terms of the Wundr LOI by appropriating certain confidential information and intellectual property of Wundr for the purpose of establishing a competing business. The Claim also alleges that the Company is vicariously liable for the actions of its agents.

Wundr is seeking general damages from the Company as well as damages for conspiracy to cause economic harm. None of the allegations contained in the Claim have been proven in court, the Company believes that they are without merit, and it therefore intends to vigorously defend its position against Wundr.

Other than as described above, the Company is not aware of any material pending legal proceedings to which it is a party or of which its property is the subject. The Company also knows of no proceedings to which any of its directors, officers or affiliates, or any registered or beneficial holders of more than 5% of any class of the Company's securities, or any associate of any such director, officer, affiliate or security holder are an adverse party or have a material interest adverse to the Company.

### ITEM 1A. RISK FACTORS.

Not required.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On August 1, 2016, the Company issued 400,000 shares of common stock to its Chief Executive Officer, Benjamin Mossman, at a deemed price of $0.15 per share as a signing bonus pursuant to Mr. Mossman's executive employment agreement. On August 9, 2016, and pursuant to the same agreement, the Company issued Mr. Mossman options to purchase 586,600 shares of the Company's common stock exercisable at a price of $0.20 per share until August 8, 2021.

The Company issued the foregoing shares and granted the foregoing options in reliance on the exemption from registration provided by Rule 903 of Regulation S under the Securities Act of 1933, as amended ("Regulation S"). The Company's reliance on Rule 903 of Regulation S was based on the fact that the shares and options were issued/granted in "offshore transactions", as defined in Rule 902(h) of Regulation S. The Company did not engage in any directed selling efforts in the United States in connection with the issuance/grant, and Mr. Mossman is not a U.S. person and did not acquire the shares/options for the account or benefit of any U.S. person.

Other than as described above, during the period ended October 31, 2016 the Company did not issue any equity securities that were not registered under the Securities Act of 1933, as amended.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

### ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

**ITEM 5. OTHER INFORMATION.**

None.

**ITEM 6. EXHIBITS.**

(a) The following exhibits are filed herewith:

| | |
|---|---|
| 31.1 | Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2 | Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1 | Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2 | Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS | XBRL Instance File |
| 101.SCH | XBRL Taxonomy Schema Linkbase Document |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

By: /s/ Benjamin Mossman
Benjamin Mossman, Chief Executive Officer
Date: December 7, 2016