FAR RESOURCES LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian dollars)

DECEMBER 31, 2014

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended December 31, 2014.

FAR RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian dollars)
AS AT

		December 31, 2014		March 31, 2014 (Audited)
ASSETS				
Current assets				
Cash and cash equivalents	$	4,731	$	19,116
GST receivable		1,509		2,861
Prepaids		-		2,000
Total current assets		6,240		23,977
Non-current assets				
Exploration and evaluation assets (Note 4)		258,138		156,138
Total assets	$	264,378	$	180,115
LIABILITIES AND EQUITY (DEFICIT)				
Current liabilities				
Accounts payable and accrued liabilities (Note 5)	$	205,015	$	145,181
Short-term loan payable (Note 6)		175,500		37,000
Total liabilities		380,515		182,181
Deficit				
Capital stock (Note 7)		1,470,934		1,392,134
Reserves (Note 7)		195,560		246,226
Deficit		(1,782,631)		(1,640,426)
Total deficit		(116,137)		(2,066)
Total liabilities and equity	$	264,378	$	180,115

Nature and continuance of operations (Note 1)

Approved and authorized on behalf of the Board on February 27, 2015:

"Leon F. Anderson" Director
Leon F. Anderson

"Keith C. Anderson" Director
Keith C. Anderson

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

FAR RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Nine Months Ended December 31, 2014	Nine Months Ended December 31, 2013
EXPENSES				
Consulting	$ 1,500	$ (7,000)	$ 500	$ 14,000
Investor relations	1,631	18,505	2,631	29,505
Management fees (Note 8)	18,500	22,500	60,500	61,500
Office	5,018	5,042	6,619	16,009
Professional fees (Note 8)	12,750	23,254	40,950	66,520
Rent	3,000	3,000	9,000	13,500
Share-based payments (Notes 7)	-	24,987	8,134	47,741
Transfer agent and filing fees	3,954	3,475	13,799	14,566
Travel	-	2,803	72	6,442
Loss for the period	$ (46,353)	$ (96,566)	$ (142,205)	$ (269,783)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding	19,027,650	18,725,023	18,774,488	18,621,750

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

FAR RESOURCES LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian dollars)
FOR THE NINE MONTH PERIOD ENDED DECEMBER 30

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (142,205)	$ (269,783)
Items not involving cash:		
Share-based payments	8,134	47,741
Changes in non-cash working capital items:		
Decrease in GST receivable	1,352	20,598
Decrease in prepaids	2,000	22,165
Increase in accounts payable and accrued liabilities	59,834	29,346
Net cash used in operating activities	(70,885)	(149,933)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation acquisition costs (Note 4)	(85,000)	(27,500)
Exploration and evaluation expenditures (Note 4)	(2,500)	(17,037)
Option payments received (Note 4)	5,500	-
Net cash used in investing activities	(82,000)	(44,537)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term loans (Note 6)	138,500	-
Net cash provided by financing activities	138,500	-
Change in cash and cash equivalents for the period	(14,385)	(194,470)
Cash and cash equivalents, beginning of period	19,116	243,563
Cash and cash equivalents, end of period	$ 4,731	$ 49,093
Cash and cash equivalents consist of:		
Cash on hand	$ 4,731	$ 37,593
Term deposit	-	11,500
	$ 4,731	$ 49,093
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for taxes	$ -	$ -

Supplemental disclosures with respect to cash flow (Note 9)

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

FAR RESOURCES LTD.
STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
(Expressed in Canadian dollars)

	Capital Stock				
	Shares	Amount	Reserves	Deficit	Total Equity
Balance, April 1, 2013	18,606,667	$ 1,315,334	$ 297,882	$ (1,099,484)	$ 513,732
Shares issued for:					
Acquisition of exploration and evaluation assets	200,000	18,000	-	-	18,000
Release of founder shares from escrow	-	58,800	(58,800)	-	-
Fair value reversal of options cancelled	-	-	(3,011)	3,011	-
Share-based payments	-	-	47,741	-	47,741
Agent`s warrants expired	-	-	(37,586)	37,586	-
Loss for the period	-	-	-	(269,783)	(269,783)
Balance, December 31, 2013	18,806,667	$ 1,392,134	$ 246,226	$ (1,328,670)	$ 309,690
Balance, April 1, 2014	18,806,667	$ 1,392,134	$ 246,226	$ (1,640,426)	$ (2,066)
Shares issued for:					
Acquisition of exploration and evaluation assets	500,000	20,000	-	-	20,000
Release of founder shares from escrow	-	58,800	(58,800)	-	-
Share-based payments	-	-	8,134	-	8,134
Loss for the period	-	-	-	(142,205)	(142,205)
Balance, December 31, 2014	19,306,667	$ 1,470,934	$ 195,560	$ (1,782,631)	$ (116,137)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Far Resources Ltd. (the "Company") is incorporated under the laws of the Province of British Columbia. The Company's head office is located at 2255 William Street, Vancouver, BC, V5L 2S5. The Company's registered and records office is located at Suite 650 – 1188 West Georgia Street, Vancouver, BC, V6E 4A2.

The Company is a mineral exploration company focused on acquiring, exploring and developing resource properties.

Going concern of operations

These condensed interim financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at December 31, 2014 the Company has had significant losses. In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares and short term loans. The Company continues to seek capital through various means including the issuance of equity and/or debt. These circumstances cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee (IFRICs). Accordingly, they do not include all of the information required for full annual financial statements by International Financial Reporting Standards ("IFRS") for complete financial statements for year-end reporting purposes. These condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2014, which have been prepared in accordance with IFRS.

The accounting policies applied by the Company in these financial statements are the same as those applied by the Company in its most recent annual consolidated financial statements for the year ended March 31, 2014.

Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss and available-for-sale which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. All dollar amounts presented are in Canadian dollars unless otherwise specified.

3. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates and judgments

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

<u>Significant accounting judgments</u>

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

i) Determination of categories of financial assets and financial liabilities; and

ii) Assessment of any indicators of impairment of the carrying value of the Company's exploration and evaluation assets.

<u>Critical accounting estimates</u>

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) *Deferred income taxes* **-** The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

ii) *Share-based payments* – The fair value of share-based payment is determined using a Black-Scholes Option pricing model. Such option pricing models require the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

<u>New accounting standards and recent pronouncements</u>

There are no IFRS or IFRIC interpretations that are effective April 1, 2014 that are expected to have a material impact on the Company.

(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSETS

During the nine month period ended December 31, 2014, the following exploration expenses were incurred on the exploration and evaluation assets:

	Winston Property	Tchentlo Lake	Silver Switchback	Total
Acquisition costs				
Balance, March 31, 2014	$ 50,000	$ 28,260	$ -	$ 78,260
Additions – cash	85,000	-	-	85,000
Additions – shares (Note 7)	20,000	-	-	20,000
Balance, December 31, 2014	155,000	28,260	-	183,260
Exploration costs				
Balance, March 31, 2014	-	77,878	-	77,878
Geological and consulting	-	2,500	-	2,500
Recovery from option payments	-	(5,500)	-	(5,500)
Balance, December 31, 2014	-	74,878	-	74,878
Total balance, December 31, 2014	$ 155,000	$ 103,138	$ -	$ 258,138

During the year ended March 31, 2014, the following exploration expenses were incurred on the exploration and evaluation assets:

	Winston Property	Tchentlo Lake	Silver Switchback	Total
Acquisition costs				
Balance, March 31, 2013	$ -	$ 28,260	$ 43,000	$ 71,260
Additions – cash	50,000	-	17,500	67,500
Additions – shares	-	-	18,000	18,000
Balance, March 31, 2014	50,000	28,260	78,500	156,760
Exploration costs				
Balance, March 31, 2013	-	75,908	129,548	205,456
Geological and consulting	-	2,540	33,056	35,596
BC Mining Tax Credit	-	(570)	(1,303)	(1,873)
Balance, March 31, 2014	-	77,878	161,301	239,179
Write-off of exploration and evaluations assets	-	-	(239,801)	(239,801)
Total balance, March 31, 2014	$ 50,000	$ 106,138	$ -	$ 156,138

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Winston Property

During the period ended December 31, 2014, the Company entered into an option agreement with Redline Minerals Inc. ("Redline"), Redline Mining Corporation ("RMC"), and Southwest Land & Exploration Inc. ("SWLE") (collectively, the "Optionors") to acquire up to an 80% interest in and to 105 unpatented and 2 patented mineral claims located in Sierra Country, New Mexico, U.S.A.

The Company has the option to acquire an intial 50% interest upon completion of the following:

a) Cash payments to Redline of $107,500 (paid);
b) Cash payment of $13,750 on or before November 15, 2014 (paid);
c) Share issuance of 300,000 common shares of the Company on January 15, 2015 (subsequently issued);
d) Payment of $240,000 over 3 years for $80,000 per year; ($13,500 paid)
e) Issuance of 2,500,000 common shares of the Company over 4 years for 500,000 shares per year , with the first tranche due on closing (500,000 shares issued) and the remaining shares due on the anniversary dates of the Option Agreement; and
f) Incurring exploration expenditures totaling $1,000,000 over a period of 4 years, of which $200,000 is to be spent in the first and second years, respectively, and $300,000 in each subsequent year.

Upon acquiring the initial 50% interest, the Company will have a further option to acquire up to an additional 30% interest, in increments of 10% per annum, by completing the following:

a) Payment of $240,000 over 3 years for $80,000 per year;
b) Issuance of 1,500,000 common shares of the Company over 3 years for 500,000 shares per year; and
c) Incurring exploration expenditures totaling $1,500,000 over a period of 3 years for $500,000 per year.

Upon exercise of the Initial Option, the Company and the Optionors will enter into a joint venture agreement for further exploration and development of the Property with the Company as the initial operator.

Tchentlo Lake

The Company staked various claims in the Tchentlo Lake Property located approximately 100 kilometres northwest of Fort St. James, British Columbia. The Company holds a 100% interest in the Tchentlo Lake Property comprised of six mineral tenures in two separate claim blocks.

In June 2014, the Company entered into an option agreement with Alchemist Mining Inc. ("Alchemist"), whereby Alchemist may acquire up to 80% undivided interest in the Company's Tchentlo Lake Property (the "Property").

Under the terms of the agreement, Alchemist can earn 51% interest in the Property by:

a) paying $60,500 to the Company over a period of three years ($5,500 paid);

b) issuing 500,000 common shares of Alchemist to the Company over a period of two years; and

c) incurring $280,000 of expenditures in exploration activities on the Property over a period of three years.

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Tchentlo Lake (cont'd…)

Upon acquisition of the undivided 51% interest in the Property, Alchemist can choose to exercise the following options:

i) form a joint venture with the Company, wherein Alchemist holding a 51% Participating Interest and the Company holding a 49% Participating Interest; and

ii) acquire an additional 29% interest in the Property, increasing its interest to 80% (the "Bump-Up Right") by:

  a) paying $75,000 to the Company over a period of five years;

  b) issuing 500,000 common shares of Alchemist to the Company over a period of five years; and

  c) incurring an additional $575,000 in expenditures on the Property over another two year period.

  In the event Alchemist exercises the Bump-Up Right, a joint venture will be formed with Alchemist holding 80% Participating Interest and the Company holding 20% Participating Interest in the Property.

All share issuances pursuant to the agreement will be subject to a four-month and one day statutory hold period.

Silver Switchback

On August 20, 2012, the Company entered into an Option Agreement with an individual and a private company ("the Optionors") to purchase a 100% interest, subject to a 3% net smelter return royalty in the Silver Switchback property located southwest of Smithers in central British Columbia (the "Silver Switchback Property").

Pursuant to the agreement, the Company is required to:

i) pay cash of $255,000 over a period of four years, of which $32,500 has been paid;
ii) issue 1,000,000 common shares of the Company over a period of four years, of which 400,000 shares have been issued; and
iii) incur exploration expenses of $200,000 over a period of two years ($162,604 incurred).

The Company is also responsible for keeping the Silver Switchback Property in good standing and, if terminating the option, will return the Silver Switchback Property to the Optionors with a minimum of 12 months assessment work. The Optionors will retain a 3.0% net smelter return royalty, of which the Company may reduce to 1% at anytime for $2,000,000.

The Company wrote-off all associated costs of $239,801 during the year ended March 31, 2014 as the option agreement was terminated.

(Expressed in Canadian dollars)

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables and accrued liabilities for the Company are broken down as follows:

	December 31, 2014	March 31, 2014
Trade payables	$ 67,918	$ 44,559
Accrued liabilities	5,250	16,500
Due to related parties (Note 8)	131,847	84,122
Total	$ 205,015	$ 145,181

6. SHORT-TERM LOAN PAYABLE

	December 31, 2014	March 31, 2014
Loan payable on demand, with no interest and no fixed term (Note 8)	$ 57,000	$ 37,000
Loan payable on demand, with no interest and no fixed term	118,500	-
	$ 175,500	$ 37,000

7. CAPITAL STOCK AND RESERVES

a) Authorized capital stock:

As at December 31, 2014, the authorized capital stock of the Company was:

i) Unlimited number of common shares without par value.
ii) All issued shares are fully paid.

b) Issued capital stock:

During the nine months ended December 31, 2014, 1,950,000 (2013- 1,950,000) common shares were released from escrow. Accordingly, the Company has reclassed $58,800 (2013- $58,800) from reserves to share capital.

During the nine months ended December 31, 2014, the Company issued 500,000 shares, at a fair value of $20,000 as part of acquisition costs of the Winston Property (Note 4).

During the nine months ended December 31, 2013, the Company issued 200,000 shares at a fair value of $18,000 as part of the acquisition costs of Silver Switchback property.

(Expressed in Canadian dollars)

7. CAPITAL STOCK AND RESERVES (cont'd...)

c) Stock options:

The Company follows the policies of the CSE 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 policies, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of ten years.

Stock option transactions for the period ended December 31, 2014 are summarized as follows:

Expiry Date	Exercise Price	March 31, 2014	Granted	Expired / Cancelled	December 31, 2014	Exercisable
November 30, 2016	0.15	1,100,000	-	-	1,100,000	1,100,000
April 8, 2018	0.15	200,000	-	-	200,000	200,000
October 1, 2018	0.15	250,000	-	-	250,000	250,000
May 22, 2019	0.05	-	188,000	-	188,000	188,000
Total		1,550,000	188,000	-	1,738,000	1,738,000
Weighted average exercise price		$ 0.15	$ 0.05	$ -	$ 0.14	$ 0.14
Weighted average remaining contractual life					2.61 years	

Stock option transactions for the period ended December 31, 2013 are summarized as follows:

Expiry Date	Exercise Price	March 31, 2013	Granted	Expired / Forfeited	December 31, 2013	Exercisable
November 30, 2016	0.15	1,100,000	-	-	1,100,000	1,100,000
February 19, 2018	0.15	200,000	-	(200,000)	-	-
April 8, 2018	0.15	-	200,000	-	200,000	200,000
October 1, 2018	0.15	-	250,000	-	250,000	250,000
Total		1,300,000	200,000	(200,000)	1,550,000	1,550,000
Weighted average exercise price		$ 0.15	$ 0.15	$ (0.15)	$ 0.15	$ 0.15
Weighted average remaining contractual life					3.38 years	

(Expressed in Canadian dollars)

7. CAPITAL STOCK AND RESERVES (cont'd...)

Share-based payments

During the nine month period ended December 31, 2014, the Company granted 188,000 (2013 - 450,000) stock options to a consultant of the Company with a total fair value calculated using the Black-Scholes options pricing model of $8,134 (2013 - $47,741).

Option pricing models require the use of estimates and assumptions including the expected volatility. Changes in underlying assumptions can materially affect the fair value estimates. The following weighted average assumptions were used for the Black-Scholes valuation of options granted during the period:

	December 31, 2014	December 31, 2013
Risk-free interest rate	1.53%	1.24%
Expected life of options	5 years	5 years
Annualized volatility	187.95%	253.04%
Dividends	0.00%	0.00%
Forfeiture rate	0.00%	0.00%

8. RELATED PARTY TRANSACTIONS

Related party transactions are as follows:

Paid or accrued to:	Nature of transaction	Nine Month Period Ended December 31, 2014	Nine Month Period Ended December 31, 2013
Key management personnel:			
Directors	Management	$ 18,000	$ 16,500
CEO	Management	42,500	45,000
A Director	Share-based payment	-	24,987
		$ 60,500	$ 86,487
Related party:			
A firm of which the CFO is a partner	Professional	$ 28,500	$ 86,487

The amounts due to related parties included in accounts payable and accrued liabilities are as follows:

	As at December 31, 2014	As at March 31, 2014
Due to a firm of which the CFO of the Company is a partner	$ 99,697	$ 70,122
Due to directors of the Company	32,150	14,000
	$ 131,847	$ 84,122

During the quarter ended December 31, 2014, the Company received $20,000 (2014- $37,000) of non-interest bearing demand loan with no fixed term from the CEO of the Company.

(Expressed in Canadian dollars)

9. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOW

During the period ended December 31, 2014, significant non-cash transactions included:

a) reclassified fair value of $58,800 from reserves to capital stock as 1,950,000 founder shares were released from escrow.

b) issued 188,000 stock options with a total fair value of $8,134 as part of share-based payment for consulting work;

c) issuance of 500,000 common share with a fair value of $20,000 for acquisition of the Winston property.

During the period ended December 31, 2013, significant non-cash transactions included:

a) reclassified fair value of $58,800 from reserves to capital stock as 1,950,000 founder shares were released from escrow.

b) incurred exploration and evaluation expenditures of $3,213 included in account payable;

c) issuance of 200,000 share with a fair value of $18,000 for acquisition of exploration and evaluation assets;

d) reclassified fair value of $3,011 from reserve to deficit for stock options cancelled;

e) reclassfied fair value of $37,586 from reserves to deficit for 400,000 agents warrants expired.

10. SEGMENTED INFORMATION

The Company primarily operates in one reportable operating segment, being the acquisition and exploration of exploration and evaluation assets. Geographic information is as follows:

	December 31, 2014	March 31, 2014
Exploration and evaluation assets		
Canada	$ 103,138	$ 106,138
United States	155,000	50,000
	$ 258,138	$ 156,138

11. FINANCIAL RISK MANAGEMENT

Financial risk factors

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

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major Canadian financial institutions.

11. FINANCIAL RISK MANAGEMENT (cont'd...)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2014, the Company had a cash balance of $4,731 (March 31, 2014 – $19,116) to settle current liabilities of $380,515 (March 31, 2014 - $182,181). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company plans to raise money from the equity market to settle the liabilities.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash and cash equivalents balances and no interest-bearing debt. The Company's cash and cash equivalents do not have significant exposure to interest. As of December 31, 2014 and March 31, 2014, the Company did not have any investments.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable and accrued liabilities that are denominated in a foreign currency. As at December 31, 2014 and March 31, 2014, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.