TARTISAN RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars, unless otherwise stated)

(UNAUDITED)

SIX MONTHS ENDED SEPTEMBER 30, 2016 AND 2015

TARTISAN RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)
(UNUADITED)

SIX MONTHS ENDED SEPTEMBER 30, 2016 AND 2015

I N D E X

TARTISAN RESOURCES CORP.

Management's Responsibility For Financial Reporting

The accompanying unaudited interim condensed consolidated financial statements of Tartisan Resources Corporation (the "Company")) and other information contained in the Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors of the Company. The accompanying unaudited interim condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Management acknowledges responsibility for the preparation and presentation of the unaudited interim condensed consolidated financial statements including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 3 to the financial statements.

Management has established processes, which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as at and for the periods presented by the financial statements and (ii) the financial statements fairly present in all materials respects the financial condition and results of operations of the Company, as at and for the periods presented by the financial statements.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the financial statements together with other information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the financial statements together with other information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the audited financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations and for maintaining proper standards of conduct for its activities.

(Signed) "D. Mark Appleby"	*(Signed) "Daniel Fuoco"*
President and Chief Executive Officer	Chief Financial Officer

Toronto, Ontario
November 29, 2016

NOTICE TO READER

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim condensed consolidated financial statements of the Company for the six months ended September 30, 2016 and 2015 have not been reviewed by the Company's auditors.

TARTISAN RESOURCES CORP.

(Expressed in Canadian dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2016	March 31, 2016
ASSETS		
CURRENT		
Cash	$ 16,485	$ 4,668
Accounts receivable	9,766	2,543
Prepaid expenses and other	12,188	3,074
	38,439	10,285
MINERAL PROPERTIES (note 7)	2,046	3,148
MACHINERY AND EQUIPMENT (note 5)	4,385	4,985
	$ 44,870	$ 18,418
LIABILITIES		
CURRENT		
Accounts payable & accrued liabilities (notes 9&14)	$ 190,483	$ 213,550
Deposit payable (note 16)	65,000	-
Due to related parties (note 6)	12,386	2,497
Notes payable (note 4)	72,086	77,086
	339,955	293,133
SHAREHOLDERS' DEFICIENCY		
SHARE CAPITAL (note 8 (a))	4,080,568	3,922,019
UNITS AND SHARES TO BE ISSUED (note 8 (a))	8,750	8,750
RESERVE FOR WARRANTS (note 8 (b) &(c))	141,044	39,844
RESERVE FOR SHARE-BASED PAYMENTS (note 8 (d))	162,771	-
CONTRIBUTED SURPLUS (note 8 (a))	710,764	706,764
FOREIGN CURRENCY TRANSLATION RESERVE	60,931	12,119
DEFICIT	(5,459,915)	(4,964,211)
	(295,086)	(274,715)
	$ 44,870	$ 18,418

NATURE OF OPERATIONS AND GOING CONCERN CONSIDERATIONS (note 1)
EVENTS AFTER THE REPORTING DATE (note 16)
COMMITMENTS (notes 4 & 15)

Approved by the Board:

(Signed) "*D. Mark Appleby*", Director

(Signed) "*Douglas Flett*", Director

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

TARTISAN RESOURCES CORP.
(An Exploration Stage Enterprise)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)
(UNAUDITED)

	For the three months ended		For the six months ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
EXPENSES				
Management and consulting fees (note 9)	$ 43,245	$ 18,854	$ 87,943	$ 58,726
Depreciation	241	240	481	481
Directors fees (note 9)	4,500	-	15,000	6,000
Explorations costs (note 3)	1,200	-	33,591	-
Foreign exchange loss	5,984	6,567	10,950	6,118
Gain on settlement of debt	-	(5,000)	(13,436)	(5,000)
Interest and bank charges	313	344	706	502
Interest on notes payable (note 4)	3,640	2,138	4,218	4,170
Marketing and promotion	10,000	-	108,500	-
Office, general and administration	35,262	15,095	61,951	28,522
Professional fees	836	4,868	23,029	4,925
Share-based payments (note 8 (d))	-	-	162,771	12,500
Net loss for the period	105,221	43,106	495,704	116,944
Other comprehensive loss				
Items that may be reclassified to profit/ loss:				
Exchange difference on translation of foreign operations	(11,944)	(9,704)	(48,812)	(1,214)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	$ 93,227	$ 33,402	$ 446,892	$ 115,730
Loss per common share				
Basic and diluted loss per share	$ 0.002	$ 0.001	$ 0.008	$ 0.003
Weighted-average number of common shares outstanding				
Basic and diluted	58,896,069	43,189,927	57,400,285	43,187,454

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

TARTISAN RESOURCES CORP.

(Expressed in Canadian dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2016

	Share capital		Reserve for						
	Shares	Amount	Units and shares to be issued	Share-based payments	Warrants	Currency translation	Contributed surplus	Accumulated deficit	Total
Balance, April 1, 2016	49,074,982	$ 3,922, 019	$ 8,750	$ -	$ 39,844	$ 12,119	$ 706,764	($ 4,964,211)	($ 274,715)
Common shares issued in private placement (note 8(a))	5,000,000	125,000	-	-	-	-	-	-	125,000
Fair value ascribed to warrants issued in private placement (note 8(a))	-	(54,749)	-	-	54,749	-	-	-	-
Common shares issued in private placement (note 8(a))	4,000,000	100,000	-	-	-	-	-	-	100,000
Fair value ascribed to warrants issued in private placement (note 8(a))	-	(42,271)	-	-	42,271	-	-	-	-
Grant of stock options (note 8(d)	-	-	-	162,771	-	-	-	-	162,771
Shares issued - settlement of debt(note 8(a))	495,000	24,750	-	-	-	-	-	-	24,750
Shares issued in exchange for marketing and promotion services (note 8(a))	200,000	10,000	-	-	-	-	-	-	10,000
Shares issued in exchange for marketing and promotion services (note 8(a))	200,000	10,000	-	-	-	-	-	-	10,000
Share issue costs	-	(14,180)							(14,180)
Issuance of warrants - Finder fees	-	-	-	-	8,180	-	-	-	8,180
Expiry of warrants	-	-	-	-	(4,000)	-	4,000	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	48,812	-	-	48,812
Net loss for the period	-	-	-	-	-	-	-	(495,704)	(495,704)
Balance, September 30, 2016	58,969,982	$ 4,080, 568	$ 8,750	$162,771	$ 141,044	$ 60,931	$ 710,764	($ 5,459,915)	($ 295,086)

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

TARTISAN RESOURCES CORP.

(Expressed in Canadian dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY

SIX MONTHS ENDED SEPTEMBER 30, 2015

	Share capital		Reserve for						
	Shares	Amount	Units and shares to be issued	Share-based payments	Warrants	Currency translation	Contributed surplus	Accumulated deficit	Total
Balance, April 1, 2015	43,184,982	$ 3,827,813	$ 8,750	$ 179,247	$ 11,500	($ 29,024)	$ 501,455	($ 4,648,117)	($ 148,376)
Modification of stock options	-	-	-	12,500	-	-	-	-	12,500
Shares issued on partial settlement of note payable	250,000	6,250	-	-	-	-	-	-	6,250
Shares issued on settlement of debt	200,000	5,000	-	-	-	-	-	-	5,000
Expiry of warrants	-	-	-	-	(7,500)	-	7,500	-	-
Expiry of stock options	-	-	-	(191,747)	-	-	191,747	-	-
Gain on settlement of due to related parties	-	-	-	-	-	-	6,062	-	6,062
Exchange difference on translation of foreign operations	-	-	-	-	-	1,214	-	-	1,214
Net loss for the period	-	-	-	-	-	-	-	(116,944)	(116,944)
Balance, September 30, 2015	43,634,982	$ 3,839,063	$ 8,750	$ -	$ 4,000	($ 27,810)	$ 706,764	($ 4,765,061)	($ 234,294)

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

TARTISAN RESOURCES CORP.

(Expressed in Canadian dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the six months ended September 30, 2016	September 30, 2015
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Net loss for the periods	($ 495,704)	($ 116,944)
Add items not affecting cash:		
Depreciation	481	481
Foreign exchange	30,773	7,436
Gain on settlement of debt	(13,436)	(5,000)
Share-based payments	162,771	12,500
Net changes in non-cash working capital balances:		
(Increase) decrease in accounts receivable	(7,223)	(14)
(Increase) decrease in prepaid expenses and other	(9,114)	3,452
Increase (decrease) in accounts payable and accrued liabilities	9,631	(26,988)
Increase in deposit payable	65,000	-
Cash used in operations	(256,821)	(125,077)
CASH PROVIDED BY INVESTING ACTIVITIES:		
Proceeds from farm-out of interest in mineral properties	-	120,000
Cash provided by investing	-	120,000
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES:		
Issue of common shares as part of private placements	158,549	-
Issue of warrants as part of private placements	105,200	-
Increase in amounts due to related parties	9,889	5,847
Decrease in notes payable	(5,000)	-
Cash provided by financing	268,638	5,847
NET INCREASE IN CASH POSITION	11,817	770
CASH POSITION AT BEGINNING OF THE PERIOD	4,668	348
CASH POSITION AT END OF THE PERIOD	$ 16,485	$ 1,118

Supplemental disclosure of non-cash transactions:

	2016	2015
Revaluation of fair value of modified share-based payments	$ -	$ -
Fair value of expired stock options reclassified to contributed surplus	$ -	$ -
Shares issued for settlement of debt to related parties	$ 24,750	$ -
Shares issued for marketing and promotion services	$ 20,000	$ -
Fair value ascribed to warrants issued on private placements	$ 97,020	$ -
Finders warrants issued on private placements	$ 8,180	$ -
Fair value of shares issued on settlement of debt	$ -	$ 5,000
Fair value of shares issued on partial settlement of note payable		$ 6,250

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

1. NATURE OF OPERATIONS AND GOING CONCERN CONSIDERATIONS:

Tartisan Resources Corp. (“Tartisan” or the “Company”) was incorporated on March 18, 2008 under the Business Corporations Act (Ontario). The Company’s registered office is at 44Victoria Street, Suite 1060, Toronto, Ontario, M5C 1Y2. The Company is listed on the Canadian Securities Exchange, trading under the symbol “TTC”.

The Company is in the business of acquiring, exploring for and developing mineral properties in Peru. Substantially all of the efforts of the Company are devoted to these business activities. To date the Company has not earned significant revenue and is considered to be in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a “going concern”, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The business of mining and exploring for minerals involves a high degree of risk and there is no guarantee that the Company’s exploration programs will yield positive results or that the Company will be able to obtain the necessary financing to carry out the exploration and development of its mineral property interests.

The Company incurred a net loss of $495,704 for the six months ended September 30, 2016 (six months ended September 30, 2015 - $116,944) and has an accumulated deficit of $5,459,915 as at September 30, 2016 (September 30, 2015 - $4,765,061) and expects to incur further losses in the development of its business, all of which casts significant doubt upon the Company’s ability to continue as a going concern. The Company will require additional financing in order to conduct its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

2. BASIS OF PRESENTATION:

Statement of Compliance

These unaudited condensed interim consolidated financial statements for the six months ended September 30, 2016 have been prepared in accordance and compliance with International Financial Reporting Standards (collectively "IFRS") as issued by the International Accounting Standards Board(“IASB”) and interpretations of the IFRS Interpretations Committee(“IFRIC”) applicable to the preparation of interim financial statements, including IAS 34 "Interim Financial Reporting".

2. BASIS OF PRESENTATION (continued):

Statement of Compliance(continued)

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared on the basis of IFRS standards effective on September 30, 2016.

The accounting policies set out below and in Note3 have been applied consistently to all periods presented in these consolidated financial statements.

These unaudited condensed interim consolidated financial statements were approved by the Board of Directors for issue on November 29, 2016.

Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are stated at fair value.

Functional Currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company. The functional currency of the Peruvian subsidiary is the Peruvian Nuevo Sol.

Use of Estimates and Judgment

The preparation of consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates.

Significant estimates and judgments used in the preparation of these consolidated financial statements include, but are not limited to, the recoverability of mineral properties, warrant and stock option valuations, title to mineral property interests, recognition of deferred income taxes, management’s going concern assessment, the amounts recorded for related party transactions, the recording of liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of income and expenditures during the reporting period and the determination of functional currency. Actual results could differ from management’s best estimates.

3. SIGNIFICANT ACCOUNTING POLICIES:

PRINCIPLES OF CONSOLIDATION

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Minera TartisanPerú S.A.C. (“Minera”), which is incorporated in Perú. All significant inter-company transactions have been eliminated upon consolidation.

MINERAL PROPERTIES AND EXPLORATION EXPENDITURES

Costs attributable to property acquisitions are capitalized as mineral properties. Exploration expenditures on the property can only be capitalized once mineral reserves have been established.

3. SIGNIFICANT ACCOUNTING POLICIES: (continued)

These costs together with the costs of mineral properties will be charged to operations on a unit-of-production method based on estimated recoverable reserves. If the mineral properties are abandoned, or when impairment in value has been determined, the capitalized costs will be charged to operations.

The Company applies for early recovery of Impuesto General A Las Vuentas ("IGV") on certain exploration expenditures it incurs in Perú. IGV is a value added tax charged on all goods and services. The IGV expenditures are partially refundable if recovery is applied for early. Based on management's best estimate the portion refundable is included in accounts receivable and the amount not refundable to the Company is expensed to exploration or capitalized to mineral properties if the Company has established mineral reserves in accordance with the Company's accounting policy. In addition, any amount not refunded to the Company can be used to offset amounts due to the Peruvian Revenue Service by the Company resulting from IGV charged to clients on future sales. Moreover, if the Company recovers amounts that have been deferred, the amount received will be applied to reduce mineral properties or taken as a credit against current exploration expenses depending on the prior treatment.

The aggregate recoverable against IGV collected on potential future revenues earned by the Peruvian subsidiary is $102,578 accumulated as at September 30, 2016 (March 31, 2016 - $102,578).

The Company reviews its mineral properties to determine if events or changes in circumstances have transpired which indicate that the carrying value of its assets may not be recoverable. The recoverability of costs incurred on the mineral properties is dependent upon numerous factors including exploration results, environmental risks, commodity risks, political risks, and the Company's ability to attain profitable production. It is reasonably possible, based on existing knowledge, that change in future conditions in the near-term could require a change in the determination of the need for, and amount of, any write down.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess accounted for as a gain on disposal.

INCOME TAXES

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; any differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

MACHINERY AND EQUIPMENT

Machinery and equipment are carried at cost less accumulated depreciation and impairment losses. Initially, an item of machinery and equipment is measured at its cost, which comprises its purchase price and any directly attributable costs of bringing the asset to working condition. Subsequent expenditures are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance, will flow to the Company. All other subsequent expenditures are recognized as an expense in the period in which they are incurred.

Where an item of machinery and equipment comprises significant components with different useful lives, the components are accounted for as separate items of machinery and equipment and depreciated separately.

Expenditures incurred to replace a component of an item of machinery and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized and day-to-day maintenance costs are expensed. Expenses which are directly attributable to major capital projects and site preparation are capitalized until the asset is brought to a working condition for its intended use. These costs include dismantling and site restoration costs to the extent these are recognized as a provision.

Depreciation is recognized in profit and loss and is provided on a declining balance basis using the following rates:

Machinery and equipment………………………..20%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

IMPAIRMENT OF LONG-LIVED ASSETS

The carrying amounts of the Company's long-lived assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. In addition, capitalized mineral properties costs are assessed for impairment upon demonstrating the technical feasibility and commercial viability of the project.

Impairment is determined for an individual asset unless the asset does not generate cash inflows that are independent of those generated from other assets or group of assets, in which case, the individual assets are grouped together into cash generating units ("CGU") for impairment purposes.

Impairment exists when the carrying amount of the asset, or group of assets, exceeds its recoverable amount. The impairment loss is the amount by which the carrying value exceeds the recoverable amount and such loss is recognized in the statement of comprehensive loss. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use.

A previously recognized impairment loss is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized such that the recoverable amount has increased.

RECLAMATION OBLIGATIONS

A legal or constructive obligation to incur restoration, rehabilitation, and environmental costs may arise when environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. The Company's exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive. The present value of management's best estimate of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is amortized over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at June 30, 2016, the Company has not incurred any reclamation obligations (March 31, 2016 – $nil).

LOSS PER SHARE

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive. Options and warrants outstanding had no effect at year end.

TRANSLATION OF FOREIGN CURRENCIES

(i) Functional currency:

The consolidated statements are presented in Canadian dollars. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The functional currency of the Company is the Canadian dollar and the functional currency of the Company's Peruvian subsidiary in Peru is the Peruvian Nuevo Sol.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

TRANSLATION OF FOREIGN CURRENCIES (continued)

(ii) Transactions and balances:

Transactions in foreign currencies are initially recorded in the functional currency at the rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot rate of exchange in effect at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. All exchange differences are recorded in the foreign exchange gain or loss in the consolidated statement of comprehensive loss under foreign exchange gain (loss).

(iii) Translation of foreign operations:

The results and financial position of Minera, Tartisan's wholly-owned subsidiary which has a different functional currency from the functional currency of the Company, are therefore translated into the functional currency as follows:

1. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

2. Share capital is translated using the exchange rate at the date of the transaction;

3. Revenue and expenses for each statement of comprehensive loss are translated at average exchange rates during the period; and

4. All resulting exchange differences are recognized as a separate component of equity and as an exchange difference on translation of foreign operations in other comprehensive income (loss) in the consolidated statement of comprehensive loss.

The Company treats specific inter-company loan balances, which are not intended to be repaid in the foreseeable future, as part of its net investment in foreign operations which is recorded as an exchange difference on translation of foreign operations in other comprehensive income (loss) in the consolidated statement of comprehensive loss. When a foreign entity is sold, such exchange differences are recognized in the statement of comprehensive loss as part of the gain or loss on sale.

WARRANTS

Proceeds from unit placements are allocated between shares and warrants issued according to the residual value method. The fair value of the shares is determined based on the quoted market price per share at the time of issuance with the residual value being allocated to the warrants. For agent and finders warrants issued in the year, in the absence of a reliable measurement of the services received, the warrants have been measured at the fair value of agent and finders warrants issued. On the expiry of warrants, the fair value previously allocated to warrants is reclassified to contributed surplus.

FINANCIAL INSTRUMENTS

Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivables or at fair value through profit or loss ("FVTPL").

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

FINANCIAL INSTRUMENTS (continued)

Financial assets

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through the consolidated statement of comprehensive loss. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost. The Company's accounts receivable, excluding HST/GST receivable, are classified as loans and receivables. Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value arising when there is objective evidence of impairment. At September30, 2016, the Company has not classified any financial assets as available-for-sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities (excluding HST payable), notes payable and due to related parties are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held-for-trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the consolidated statement of comprehensive loss. At June 30, 2016, the Company has not classified any financial liabilities as FVTPL.

Impairment of financial assets

The Company assesses at each date of the consolidated statement of financial position whether a financial asset is impaired.

a) Assets carried at amortized cost

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

FINANCIAL INSTRUMENTS (continued)

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in the consolidated statement of comprehensive loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in the consolidated statement of comprehensive loss.

In relation to accounts receivable, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

b) Available-for-sale

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from equity to profit or loss.

Fair value classification -

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

The Company's cash is considered Level 1 in the hierarchy. No other assets or liabilities are recorded at fair value.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

PROVISIONS
General

Provisions are recognized when (a), the Company has a present obligation (legal or constructive) as a result of a past event, and (b), it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the consolidated statement of comprehensive loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

SHARE-BASED PAYMENTS

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire mineral properties or shares and warrants issued against services received are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services. The fair value of agents' and finders' warrants is measured at the date that the Company receives the services.

The Company offers a share option plan for its directors, officers, employees and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. Fair value of each tranche is measured using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by increasing reserve for share-based payments based on the number of awards expected to vest. Any consideration paid on exercise of share options is credited to share capital. The reserve for share-based payments resulting from share-based compensation is transferred to share capital when the options are exercised.

RECENT STANDARDS ISSUED AND NOT YET EFFECTIVE

The following pronouncements were issued by the IASB or the IFRIC. Those pronouncements that are not applicable or do not have a significant impact to the Company have been excluded below.

The following have not yet been adopted and are being evaluated to determine the resultant impact the Company:

IFRS 9 *Financial Instruments* was issued in final form in July 2014 by the IASB and will replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1,2018. Earlier application is permitted.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

RECENT STANDARDS ISSUED AND NOT YET EFFECTIVE (continued)

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures were amended by the IASB in September 2014 to eliminate an inconsistency between IFRS 10 and IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. Subsequent to the amendments, a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not) and a partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendment is effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.

IAS 1 Presentation of Financial Statements was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The amendments are effective for annual periods beginning on or after January 1, 2016.Earlier application is permitted

4. NOTES PAYABLE:

	September 30, 2016	March31, 2016
Gateway Solutions S.A.C. (a)	$ 47,086	$ 47,086
Other individuals (b), (c) and (d)	25,000	30,000
	$ 72,086	$ 77,086

a) The Company entered into an arrangement with Gateway Solutions S.A.C. in fiscal 2013. whereby, Gateway Solutions S.A.C. provided a loan to the Company in the amount of USD$34,922, bearing interest at a rate of 12% per annum. In addition, 25,000 common shares have been agreed to be issued as part of a financing fee with a deemed value of $0.15 per share for an aggregate deemed value of $3,750. The foregoing shares have been classified as shares to be issued in the consolidated statement of financial position as of June30, 2016 and March 31, 2016 and expensed as a financing fee in the consolidated statement of comprehensive loss in the year ended March 31, 2013. The shares are to be issued to a significant shareholder of Gateway Solutions S.A.C. The Company also guarantees that it will contract Gateway Solutions S.A.C. to manage and operate all of its future Peruvian exploration projects; including any drilling to be performed. The amounts are due on demand. As of September 30, 2016, accounts payable and accrued liabilities include $9,546 (March 31, 2016 - $6,799) of accrued interest with respect to the foregoing note payable.

b) The Company issued a promissory note in the principal amount of $25,000 to an unrelated individual, bearing interest at a rate of 1% per month and is due on demand. As of September 30, 2016, accounts payable and accrued liabilities include $Nil (March 31, 2016 - $4) of accrued interest with respect to the foregoing note payable. During the year ended March 31, 2016, the Company concluded an arrangement in principle with the above mentioned note holder. Pursuant to the terms of the arrangement, the Company intends on settling the principal balance of the note payable of $25,000 with cash of $12,500 and $12,500 in common shares of the Company, plus accrued interest to the final date of repayment to be settled in cash. Therefore, the Company is committed to deliver as many of the Company's common shares as are equal in value of $12,500 at the time of repayment.

(Expressed in Canadian dollars)

4. NOTES PAYABLE (continued):

c) The Company issued a promissory note in the principal amount of $35,000 to an unrelated individual, bearing interest at a rate of 1% per month and was due on August 11, 2013. The promissory note has been guaranteed by an officer of the Company. During 2014, a financing fee of $5,000 was charged to the Company bringing the aggregate note payable balance to $40,000.

On April 23, 2014, the foregoing note holder filed a statement of claim against the Company and its Chief Executive Officer. The individual was seeking repayment of the note payable in the amount of $42,400, punitive damages in the amount of $50,000 plus costs. In addition, the individual was seeking an order to restrict the Company of disposing of or dealing with any of the Company's assets without the individual's consent until a final determination of the action was made. The Company was of the opinion that the claim was without merit and vigorously contested the claim. The Company filed a statement of defence on May 29, 2014. A settlement of $52,500 was reached during the year ended March 31, 2015, and the note was been discharged.

d) The Company issued a promissory note in the principal amount of $6,250 to a director of the Company, bearing interest at a rate of 4% per month and is due January 22, 2015, or at its option to credit the holder with $8,000 after the closing of the next private placement. During 2015, the Company issued 1,540,000 common shares with a fair value of $30,800, in aggregate, for partial settlement of the foregoing note payable plus accrued interest for an aggregate settlement amount of $4,250. Accordingly, an increase in contributed surplus in the amount of $46,200 was recognized in the consolidated statement changes in equity for the year ended March 31, 2015. The note payable balance of $5,000 was repaid in full on May 3, 2016.

5. MACHINERY AND EQUIPMENT:

		Machinery and Equipment
Cost		
As at April 1, 2015	$	14,179
Additions (disposals)		-
Effect of foreign exchange		(650)
As at March 31, 2016	$	13,529
Additions (disposals)		-
Effect of foreign exchange		(119)
As at September 30, 2016	$	13,410
Accumulated depreciation		
As at April 1, 2015	$	7,581
Effect of foreign exchange		963
As at March 31, 2016	$	8,544
Depreciation expense		481
As at September 30, 2016	$	9,025
Net book value		
As at March 31, 2016	$	4,985
As at September 30, 2016	$	4,385

6. DUE TO RELATED PARTIES:

The amounts due to related parties are interest free with no specified terms of repayment. The amounts are due to certain officers and directors of the Company.

TARTISAN RESOURCES CORP.
(Expressed in Canadian dollars)
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED SEPTEMBER 30, 2016 AND 2015

7. MINERAL PROPERTIES AND COMMITMENTS:

The Company, through its wholly-owned Peruvian subsidiary, Minera, as at September 30, 2016 has a 100% interest in 8 (March 31, 2016 - 8) mining concessions and 3 mining claims in Peru.

During 2013, the Company made its final option payment of US$100,000 towards the La Victoria property in Peru. This payment secured for the Company a 100% unencumbered interest in two key mining concessions that form part of the property. The mineral rights for the entire property area are now owned 100% by Tartisan with no residual ownership royalties.

Accumulated mineral property costs have been incurred as follows:

Balance, April 1, 2015	$ 129,238
Proceeds on Farm-out of mineral properties	(120,000)
Effect of foreign exchange	(6,090)
Balance, March 31, 2016	3,148
Proceeds on farm-out of mineral properties	-
Effect of foreign exchange	(1,102)
Balance, September 30, 2016	$ 2,046

LAVICTORIA PROPERTY

La Victoria Property (the “Property”) is located in the department of Ancash, in Perú. The Property consists of 8 (March 31, 2016 - 8) mineral concessions. The Company made US dollar cash payments of $202,101, in aggregate, to acquire La Victoria's core mineral concessions. On July 3, 2014, the Company entered into a farm-out arrangement; whereby, the Company granted Eloro Resources Ltd. (“Eloro”) with an option, as amended on November 25, 2014, June 4, 2015 and June 24, 2015, to earn a 60% interest in the La Victoria Property. In order for Eloro to earn its interest in the Property, Eloro must make the following option payments and incur exploration expenditures, as follows:

To earn a 60% interest:

Date	Option Payments	Exploration Expenditures
On closing (received)	$ 50,000	$ -
July 3, 2015 (received)	50,000	-
June 5, 2015 (received)	75,000	-
September 1, 2015 (received)	45,000	-
January 3, 2016 (extended from July 3, 2015)	-	43,578
January 3, 2017 (extended from July 3, 2016)	50,000	350,000
January 3, 2018 (extended from July 3, 2017)	-	400,000
January 3, 2019 (extended from July 3, 2018)	-	500,000
	$ 270,000	$ $1,293,578

7. MINERAL PROPERTIES AND COMMITMENTS: (continued)

LA VICTORIA PROPERTY (continued)

If either party acquires an interest in any property within 5 kilometers of La Victoria, the acquirer must offer the other part the opportunity to participate in the acquisition up to its participating interest. Until Eloro earns a 60% interest, Eloro will be deemed to have a 60% interest and the Company will be deemed to have a 40% participating interest. In the event that the agreement is terminated before Eloro earns its 60% interest, Eloro shall transfer its interest in any additional properties within the area of interest to the Company.

Upon Eloro earning its 60% interest, a joint venture will deemed to be formed to explore and develop the La Victoria property and the parties will use their best efforts to enter into a joint venture agreement. If a party does not fund its proportionate share of the approved work plan and budget and the other party funds at least 80%, their interest will be diluted and when their interest is diluted to less than 10%, the party's interest shall be reduced to a 2% net smelter royalty on all production. The other party will have the option to reduce the royalty from 2% to 1.5% by making a payment of$1,000,000. Each party shall have the right of first refusal on the sale of the other party's interest.

Under Peruvian law, the concessions acquired from the government remain in good standing as long as the annual registration payments ($3.00 per hectare) are received by June of each year. One grace year is added in the event of a delinquent payment.

In addition, concession holders must reach an annual production of a least US $100 per hectare in gross sales within six years from January 1st of the year following the date the title was granted. If there is no production on the claim within that period, the concession holder must pay a penalty of US $6 per hectare under the general regime, US $1 for small scale miners, and US $0.50 for artisan miners, during the 7th through the 11th years following the granting of the concession. From the 12th year onwards the penalty is equal to US $20 per hectare under the general regime, US $5 per hectare for small scale miners and US $3 for artisan miners. The concession holder is exempt from the penalty if exploration expenditures incurred during the previous year were ten times the amount of the applicable penalty.

Failure to pay the licence fees or the penalty for two consecutive years will result in the forfeiture of the concession.

The Company's mineral concessions are in good standing through to September 30, 2016. Tax and concession payments amount to approximately $33,591 per annum (March 31, 2016 - $33,217 per annum).

As at September 30, 2016, the Company had the following commitments:

- During 2012, the Company contracted a company to perform geophysical work on its Victoria Property for US$44,870, in aggregate. During 2012, US$28,134 of the overall balance was paid and expensed to exploration costs in the consolidated statement of comprehensive loss. The remaining balance of US$16,736 has been included in accounts payable and accrued liabilities as of September 30, 2016 and March 31, 2016.

The Company, on November 2, 2015, substantially acquired a mineral concession, which is now pending final usual and customary administrative activities and authorizations before full enforceable title will be granted to the Company.

8. SHARE CAPITAL:

a) **Common shares**:

Authorized:

Unlimited number of common shares

(i) Issued for cash

Period ended September 30, 2016

On April 22, 2016, the Company completed a private placement and issued 5,000,000 units at $0.025 per unit for aggregate gross proceeds of $125,000. Each unit consisted of one common share and one common share purchase warrant exercisable into one common share at an exercise price of $0.07 expiring through April 22, 2018. The fair value of the warrants granted was $54,749 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 209.85%; (iii) risk free rate of 0.59%; and (iv) with an expected life of 2 years.

On April 27, 2016, the Company completed a private placement financing and issued 4,000,000 units at $0.025 per unit for aggregate gross proceeds of $100,000. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.07 per share, expiring through April 27, 2018. The fair value of the warrants granted was $42,271 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 223.77%; (iii) risk free rate of 0.59%; and (iv) with an expected life of 2 years.

Year ended March 31, 2016

In March 2016, the Company completed a private placement and issued 2,000,000 units at $0.025 per unit for aggregate gross proceeds of $50,000. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.07. Each full warrant is exercisable into one common share at an exercise price of $0.07 expiring through March 17, 2018. The fair value of the warrants granted was $39,844 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 262.33%; (iii) risk free rate of 0.25%; and (iv) with an expected life of 2 years.

(ii) Issued for settlement of amounts due to related parties and debt, and share cancellation

Period ended September 30, 2016

Effective June 7, 2016, the Company issued 495,000 common shares for the amount of $24,750 on settlement of certain debt to related parties. The common shares were issued at a price of $0.05 per common share.

Year ended March 31, 2016

The Company issued 200,000 common shares with a fair value of $5,000 for settlement of debt amounting to $10,000. Accordingly, a gain on settlement of $5,000 has been recognized in the statement of comprehensive loss for the year ended March 31, 2016.

Effective March 29, 2016, the Company issued 3,440,000 common shares with a fair value of $68,800 on settlement of certain amounts due to related parties amounting to $172,000. Accordingly, a gain on settlement of $103,200 was recorded in the statement of comprehensive loss for the year ended March 31, 2016.

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued):

a) Common shares (continued):

(iii) Issued for services

Period ended September 30, 2016

On May 3, 2016, the Company completed a private placement financing and issued 200,000 common shares at $0.05 per common share for aggregate gross proceeds of $10,000. The common shares were exchanged for online advertising, marketing and branding services to increase the brand awareness of the Company in the investment community.

On August 3, 2016, the Company issued a further 200,000 common shares at $0.05 per each common share for aggregate gross proceeds of $10,000 in exchange for online advertising, marketing and branding services.

b) **Warrants:**

Period ended September 30, 2016

On April 22, 2016, the Company completed a private placement for aggregate proceeds of $125,000 at $0.025 per unit and issued 5,000,000 common share purchase warrant exercisable at $0.07per share for a period of 2 years expiring through April 22, 2018.

On April 27, 2016, the Company completed a private placement for aggregate proceeds of $100,000 at $0.025 per unit and issued 4,000,000 common share purchase warrant exercisable at $0.07per share for a period of 2 years expiring through April 27, 2018.

On April 28, 2016, the Company issued 240,000 Agent's and Finders' Warrants exercisable at $0.07 per common share for a period of 2 years expiring on April 28, 2018. The value of the warrants was $8,180 calculated using the Black Scholes pricing model.

Period ended March 31, 2016

In March 2016, the Company completed a private placement and issued 2,000,000 units at $0.025 per unit for aggregate gross proceeds of $50,000. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.07. Each full warrant is exercisable into one common share at an exercise price of $0.07 expiring through March 17, 2018. The fair value of the warrants granted was $39,844 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 262.33%; (iii) risk free rate of 0.25%; and (iv) with an expected life of 2 years.

As of September 30, 2016, the following share purchase warrants were outstanding exercisable:

Expiry Date	Number of Warrants	Exercise price
		$0.07
March 17, 2018	2,000,000	$0.07
April 22, 2018	5,000,000	$0.07
April 27, 2018	4,000,000	$0.07
April 28,2018	240,000	$0.07
Total	11,240,000	

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued):

A summary of the status of the warrants as of September 30, 2016 and March 31, 2016 and changes during the periods are presented below:

	Number of warrants	Weighted average exercise price ($)
Balance, April 1, 2015	2,150,000	$ 0.14
Issued pursuant to private placements (note 8 (a))	2,000,000	0.07
Exercised	-	-
Expired	(1,750,000)	(0.15)
Balance, March 31, 2016	2,400,000	$ 0.08
Issued pursuant to private placement (note 8 (a))	5,000,000	0.07
Issued pursuant to private placement (note 8 (a))	4,000,000	0.07
Issued pursuant to private placement (note 8 (b))	240,000	0.07
Exercised in the period	-	-
Expired in the period	(400,000)	(0.10)
Balance, September 30, 2016	11,240,000	$ 0.07

c) **Agent's and Finders' Warrants**:

As of September 30, 2016, there were 240,000 Agent's and Finders' Warrants outstanding and exercisable at $0.07 per common shares expiring on April 28, 2018. The value of the warrants was $8,180 calculated using the Black Scholes pricing model.

d) **Stock Options Plan**:

On December 21, 2010, the Company's stock option plan (the "Option Plan") was approved by the Board of Directors. Pursuant to the terms of the Option Plan, the Board may designate directors, officers, employees and consultants of the Company eligible to receive options to acquire such numbers of common shares as the Board may determine, each option so granted being for a term specified by the Board up to a maximum of five years from the date of grant. The maximum number of common shares reserved for issuance for options granted under the Option Plan at any time is 10% of the issued and outstanding common shares in the capital of the Company.

A summary of the status of the stock options as of September 30, 2016 and March 31, 2016 and changes during the periods are presented below:

	Number of options	Weighted average exercise price
Balance, April 1, 2015	2,500,000	*$ 0.25
Granted	-	-
Forfeited or cancelled	(2,500,000)	(0.15)
Balance, March 31, 2016	-	$ -
Granted	3,900,000	0.07
Forfeited or cancelled	-	-
Balance, September 30, 2016	3,900,000	$ 0.07

(Expressed in Canadian dollars)

8. SHARE CAPITAL (continued):

* During the year ended March 31, 2016, the Company amended the exercise price of the then outstanding stock options of 2,500,000, in aggregate, to $0.15 from $0.25. The modification increased the fair value of the original stock options granted by $12,500. The incremental fair value of $12,500, measured at the modification date, was recognized as a share-based payment expense in the statement of comprehensive loss for the year ended March 31, 2016.

On June 7, 2016, the Board of Directors granted a total of 3,900,000 stock options to certain directors and officers exercisable into common shares at a price of $0.07 per share expiring June 7, 2021and were fully vested upon issuance. The fair value of the stock options granted to certain directors and officers was valued at $162,771 and was calculated using the Black Scholes option pricing model with the following assumptions: (i) dividend yield of 0%; (ii) expected volatility of 208.15%; (iii) risk free rate of 0.59%; and (iv) expected life of 3 years and a forfeiture rate of 0%.

As of September 30, 2016, there were 3,900,000 stock options outstanding and exercisable. See note 15 for commitments to grant stock options.

e) **Units and shares to be issued**:

Period ended September 30, 2016

As of April 1, 2013, 195,000 units at $0.10-$0.15 per unit were issuable for cash proceeds received of $24,250. Each unit consists of one common share and one-half of one common share purchase warrant. Each full warrant is exercisable into one common share at an exercise price of $0.20-$0.25 expiring through to April 9, 2014. During 2014, 145,000 of the foregoing units were issued. Therefore, as of September 30, 2016 and March 31, 2016 there were 50,000 units remaining to be issued for cash proceeds received of $5,000.

In addition, as of September 30, 2016 and March 31, 2016, pursuant to an arrangement with Gateway Solutions S.A.C., the Company was committed to issue 25,000 common shares with a deemed value of $0.15 per share aggregating $3,750.

9. RELATED PARTY TRANSACTIONS:

The following related party transactions occurred and were reflected in the consolidated financial statements during the periods ended September 30, 2016 and 2015 as follows:

	2016	2015
Key management compensation:		
Management and consulting fees expense:		
Consulting fees were charged by the Chief Financial Officer for financial management services	$ 18,000	$ -
Consulting fees were charged by a former Chief Financial Officer for financial management services	$ -	$ 9,000
Corporate administrative fees were charged by a former Chief Executive Officer and a company controlled by the individual	$ 18,000	$ 9,000
Corporate management fees were charged by a company controlled by the Chief Executive Officer	$ 30,000	$ 15,000

(Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS: (continued)

Director's fees expense:

Directors fees were charged by certain directors	$ 15,000	$ 6,000

See notes 4, 6, 7 and 8 (a) (ii) for additional related party information.

As of September 30, 2016, accounts payable and accrued liabilities include $37,010 (2015 - $18,000) due to certain of these related parties.

10. CAPITAL DISCLOSURES:

The Company considers its capital to include components of shareholders' deficiency, which is comprised of share capital, units and shares to be issued, reserve for warrants, reserve for share-based payments, contributed surplus, foreign currency translation reserve, and deficit, which as at September 30, 2016 totalled $295,086 (March 31, 2016 - shareholders' deficiency of $274,715)

The Company's objectives in managing capital are: to maintain adequate levels of funding to support its expenditures arising from the Company's investments; to safeguard the Company's ability to continue as a going concern in order to pursue investments and new projects of merit; and to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions.

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

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will continue to assess its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the fiscal periods ended September 30, 2016 and 2015. Neither the Company nor its subsidiary are subject to externally imposed capital requirements.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT:

Fair value

The Company has determined the estimated fair value of its financial instruments based on estimates and assumptions. The actual results may differ from those estimates and the use of different assumptions or methodologies may have a material effect on the estimated fair value amounts.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities, due to related parties and notes payable are comparable to their carrying values due to the relatively short period to maturity of these instruments.

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

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued):

Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash. The Company’s cash is held with a Canadian Chartered bank in Perú and Canada. Management believes that the credit risk and the risk of loss with respect to cash are remote because cash deposits are placed with a major bank with strong investment-grade ratings by a primary ratings agency.

The Company’s credit risk with respect to accounts receivable is not considered significant.

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 September 30, 2016, the Company had cash of $16,485 (March 31, 2016 - $4,668) to settle current liabilities of $339,955 (March 31, 2016 - $293,133). All of the Company’s financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms. The ability of the Company to continue to pursue its exploration activities and continue as a going concern is dependent on its ability to secure additional equity or other financing. Accounts payable and accrued liabilities, due to related parties and notes payable are due within twelve months of the date of the consolidated statement of financial position.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company is exposed to interest rate risk as the notes payable have fixed interest rates. Accordingly, the Company’s notes payable are subject to interest rate risk.

Foreign currency risk

Foreign currency exchange rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company uses the Canadian dollar as its functional currency for these consolidated financial statements. The Company operates in Peru, giving rise to exposure to market risks from changes in foreign exchange rates for Peruvian Nuevo Sol and US dollars. The Company currently does not use derivative instruments to hedge its exposure to those risks.

Business Risk

There are numerous business risks involved in the mineral exploration industry. The Company’s current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether. The success of the operations and activities are dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of outside contractors, experts and other advisors.

The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company’s operations and financial performance.

TARTISAN RESOURCES CORP.
(Expressed in Canadian dollars)
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED SEPTEMBER 30, 2016 AND 2015

12. SEGMENTED INFORMATION:

The Company operates in a single reportable operating segment, the exploration and development of mineral properties. Segmented geographic information is as follows:

The following table allocates total assets by segment:

As at	September 30, 2016	March 31, 2016
Current		
Canada	$ 30,666	$ 1,651
Perú	7,773	8,634
	38,439	10,285
Non Current		
Canada	-	-
Perú	6,431	8,133
Total assets	$ 44,870	$ 18,418

The following table allocates net loss by segment:

	Six months ended Sept. 30, 2016	Six months ended Sept. 30, 2015
Canada	$ 420,106	$ 90,571
Perú	75,598	26,373
Net loss	$ 495,704	$ 116,944

13. EXPLORATION COSTS:

Exploration costs have been incurred as follows:

	For the periods ended Sept. 30, 2016	March 31, 2016
Geology, technical reports and consulting, laboratory work, sample analysis and general exploration work	$ -	$ 5,281
Taxes and concession payments	33,591	31,677
	$ 33,591	$ 36,958

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	Sept 30, 2016	March 31, 2016
Trade payables and accruals	$ 190,483	$ 206,286
HST Payable	-	7,264
	$ 190,483	$ 213,550

15. COMMITMENTS

On May 3, 2016, Tartisan announced that it is implementing an online marketing and awareness program through AGORACOM. Tartisan intends to issue shares for services to AGORACOM in exchange for the online advertising, marketing and branding services ("Advertising Services"). Pursuant to the terms of the agreement, the Company will be issuing $CDN 50,000 + HST as follows:

o $10,000 Shares For Services Upon Commencement - May 3, 2016 (issued)
o $10,000 Shares For Services at end of Third Month - August 3, 2016 (issued)
o $10,000 Shares For Services at end of Sixth Month - November 3, 2016 (issued)
o $10,000 Shares For Services at end of Ninth Month - February 3, 2017
o $10,000 Shares For Services at end of Twelfth Month - May 3, 2017.

The number of shares to be issued at the end of each period will be determined by using the closing price of the Shares of Tartisan on the Canadian Securities Exchange on the first trading day following each period for which the Advertising Services were provided by AGORACOM. The agreement is subject to exchange final approval.

16. EVENTS AFTER THE REPORTING DATE:

a) Eloro Transaction

On October 24, 2016, Tartisan Resources Corp. announced that, pending the final closing of the agreement, it acquired direct ownership of 6 million common shares and 3 million warrants (the “Common Shares and Warrants”) from the sale of assets, the La Victoria Project, to Eloro Resources Ltd. (“Eloro”). Each Warrant will allow Tartisan to purchase an additional Common Share of Eloro exercisable at a price of Cdn. $0.40 per share until expiry October 17, 2019. The Common Shares and Warrants, which are currently held is escrow, are subject to a Lock-Up Agreement, whereby Tartisan will be restricted from transferring securities of Eloro for a period of eighteen months from October 17, 2016, subject to certain exceptions, and transfers subsequent to that period will be restricted for an additional 3 year period.

As a result of the sale, Tartisan will also receive a cash payment of $250,000, currently held in escrow, with a future payment of $100,000 payable or on before July 17, 2017, and a 2% royalty interest on the La Victoria Project, half of which can be re-purchased by Eloro for Cdn.$3.0 million. Immediately following the closing of this transaction, Tartisan will own 6.0 million Common Shares of Eloro, representing 20.89% of the issued and outstanding Common Shares of Eloro, and 3.0 million Warrants. Assuming only the exercise of the Warrants in full, Tartisan would own 9.0 million Common Shares, which would represent 28.37% of the then issued and outstanding Common Shares of Eloro. The Warrants are subject to an acceleration clause, however the acceleration clause is not effective until after a period of 18 months from October 17, 2016. Immediately prior to the transaction, Tartisan owned no Common Shares or Warrants. The Common Shares were acquired by Tartisan for investment purposes, and depending on the restrictions imposed by the Lock-Up Agreement, market and other conditions, it may from time to time in the future increase or decrease its ownership, control or direction over securities of Eloro through market transactions, private agreements, or otherwise.

The share certificates, warrants, funds, promissory note and other closing documents have been delivered into escrow and will be released from escrow forthwith after satisfactory completion of the recording and registration of: i) all transfers of the property interests, with the exception of the San Markito mineral concession, which will be transferred at such time that Eloro makes the final C$100,000 payment, and ii) the receipt of the Declaración de Impacto Ambiental (“DIA”) project environmental permit for the Property, to be approved by the Peruvian Ministry of the Environment.

Pursuant to the terms of the acquisition, Eloro has granted Tartisan a 2% royalty interest (the “Royalty”) on the Property, half of which can be repurchased by Eloro for Cdn. $3 million to reduce the Royalty interest to 1%.

16. EVENTS AFTER THE REPORTING DATE (continued)

b) Private Placement of Common Shares

On November 3, 2016, the Company issued a further 200,000 common shares at $0.05 per each common share for aggregate gross proceeds of $10,000 in exchange for online advertising, marketing and branding services.

On November 21, 2016, the Company announced a proposed Private Placement whereby Tartisan is seeking to raise up to $Cdn. 200,000 via non-brokered private placement. The Company intends to issue up to 4 million units at Cdn. $0.05 per unit with a full warrant at Cdn. $0.10, expiring 24 months from date of closing of this offering. A finder's fee equal to a cash commission of 8% of the aggregate gross proceeds from the units sold, plus finder's warrants equal to 8% of the aggregate number of units sold will compensate qualified finders appointed by the Company to source subscriptions. The net proceeds from this offering will be used for working capital purposes and to acquire interests in available properties and projects in Peru and Ontario.

On November 23, 2016, Tartisan announced the closing of the first tranche of the Private Placement announced on November 21, 2016. The proceeds from the closing amounted to $100,000 in connection with the non-brokered private-placement at Cdn. $0.05 per unit with a full warrant at Cdn. $0.10, expiring 24 months from date of closing of the offering.