GEONOVUS MEDIA CORP.
(formerly GeoNovus Minerals Corp.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2015
(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED – PREPARED BY MANAGEMENT)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of GeoNovus Media Corp. (formerly GeoNovus Minerals Corp.) for the three month period ended November 30, 2015 has been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors. Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of the interim financial statements by an entity's auditor.

GEONOVUS MEDIA CORP. (formerly GeoNovus Minerals Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED – PREPARED BY MANAGEMENT)
AS AT

	November 30, 2015	August 31, 2015
ASSETS		
Current		
Cash	$ 1,315	$ 2,195
Receivables (Note 7)	10,293	5,450
Prepaid expenses (Note 8)	7,048	17,048
Marketable securities (Note 9)	-	125,000
Total current assets	18,656	149,693
Intangible assets (Note 11)	100	100
Reclamation bonds (Note 10)	5,040	5,040
Total assets	$ 23,796	$ 154,833
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Notes 12 and 14)	$ 540,373	$ 500,536
Loan payable (Note 13)	6,276	6,000
Total liabilities	546,649	506,536
Shareholders' equity		
Capital stock (Note 15)	8,809,542	8,804,320
Shares held in treasury (Note 11)	(510,000)	(510,000)
Subscriptions received in advance (Note 18)	37,500	-
Reserves (Note 15)	657,515	659,737
Deficit	(9,517,410)	(9,305,760)
Total shareholders' equity	(552,853)	(351,703)
Total liabilities and shareholders' equity	$ 23,796	$ 154,833

Nature and continuance of operations (Note 1)
Subsequent event (Note 18)

On behalf of the Board:

"Joe Wowk", Director *"Colin Wiebe"*, Director

See accompanying notes to the condensed consolidated interim financial statements.

GEONOVUS MEDIA CORP. (formerly GeoNovus Minerals Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED – PREPARED BY MANAGEMENT)
FOR THE THREE MONTHS ENDED NOVEMBER 30,

	2015	2014
EXPENSES		
Consulting fees and management fees (Note 14)	$ 93,470	$ 146,096
Foreign exchange (gain) loss	317	(935)
Interest expense	8,400	3,981
Office, rent, and miscellaneous	5,250	40,277
Professional fees	26,438	53,393
Realized loss on marketable securities (Note 9)	34,553	-
Share-based compensation (Notes 15)	-	39,623
Shareholder communications and promotion	4,304	26,955
Transfer agent and filing fees	4,918	4,306
Travel and accommodation	19,000	-
Unrealized loss on marketable securities (Note 9)	15,000	-
Write-off of exploration and evaluation assets and reclamation bonds	-	31,589
Write-off of asset purchase agreement (Note 11)	-	137,133
Total comprehensive loss	$ (211,650)	$ (482,418)
Basic and diluted net loss per common share	$ (0.02)	$ (0.08)
Weighted average number of common shares outstanding – basic and diluted	12,241,846	6,073,547

See accompanying notes to the condensed consolidated interim financial statements.

GEONOVUS MEDIA CORP. (formerly GeoNovus Minerals Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED – PREPARED BY MANAGEMENT)
FOR THE THREE MONTHS ENDED NOVEMBER 30,

	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the period	$ (211,650)	$ (482,418)
Items not affecting cash:		
Interest accrued on loan payable	276	-
Realized loss on sale of marketable securities	34,553	-
Share-based compensation	-	39,623
Write-off of exploration and evaluation assets	-	31,589
Write-off of asset purchase agreement	-	97,133
Unrealized foreign exchange	-	(3,158)
Unrealized loss on marketable securities	15,000	-
Change in non-cash working capital items:		
Increase in receivables	(4,843)	(10,349)
Decrease in prepaid expenses	10,000	91,833
Increase in accounts payable and accrued liabilities	39,837	24,243
Net cash flows from operating activities	(116,827)	(211,504)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements	-	212,000
Share issue costs	-	(16,394)
Subscriptions received in advance	37,500	-
Proceeds from option exercises	3,000	24,000
Proceeds from loan payable	-	9,500
Net cash flows from financing activities	40,500	229,106
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	-	(72,969)
Proceeds from sale of exploration and evaluation expenditures	-	55,000
Proceeds from sale of marketable securities	75,447	-
Net cash flows from (to) investing activities	75,447	(17,969)
Change in cash	(880)	(367)
Cash, beginning of period	2,195	774
Cash, end of period	$ 1,315	$ 407
Cash paid for taxes during the period	$ -	$ -
Cash paid for interest during the period	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 16)

See accompanying notes to the condensed consolidated interim financial statements.

GEONOVUS MEDIA CORP. (formerly GeoNovus Minerals Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED – PREPARED BY MANAGEMENT)

					Reserves			
	Number of shares	Capital stock	Treasury Shares	Subscriptions received in advance	Share-based payment reserve	Warrant reserve	Deficit	Total
Balance, August 31, 2014	3,998,931	$ 6,439,792	$ -	$ 272,750	$ 287,795	$ 214,727	$ (7,011,410)	$ 203,654
Issued pursuant to private placements	1,154,500	577,250	-	(272,750)	-	-	-	304,500
Finders' fees – warrants	-	(626)	-	-	-	626	-	-
Issued pursuant to asset purchase agreement (Note 11)	242,832	97,133	-	-	-	-	-	97,133
Issued pursuant to consulting services	700,000	350,000	-	-	-	-	-	350,000
Exercise of options	48,000	24,000	-	-	-	-	-	24,000
Fair value of exercised options	-	10,541	-	-	(10,541)	-	-	-
Share-based compensation	-	-	-	-	39,623	-	-	39,623
Share issue costs - cash	-	(14,654)	-	-	-	-	-	(14,654)
Share issue costs – non cash	-	(1,740)	-	-	-	-	-	(1,740)
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(482,418)	(482,418)
Balance, November 30, 2014	6,144,263	7,481,696	-	-	316,877	215,353	(7,493,828)	520,098
Issued pursuant to private placements	1,545,000	309,000	-	-	-	-	-	309,000
Finders' fees - cash	-	(1,740)	-	-	-	-	-	(1,740)
Issued pursuant to asset purchase agreement (Note 11)	1,000,000	450,000	-	-	-	-	-	450,000
Issued pursuant to debt settlement	135,000	56,250	-	-	-	-	-	56,250
Issued pursuant to revenue participation agreement (Note 11)	3,400,000	510,000	(510,000)	-	-	-	-	-
Fair value of exercised options	-	(894)	-	-	894	-	-	-
Share-based compensation	-	-	-	-	126,613	-	-	126,613
Share issue costs – cash	-	(1,732)	-	-	-	-	-	(1,732)
Share issue costs – non cash	-	1,740	-	-	-	-	-	1,740
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(1,811,932)	(1,811,932)
Balance, August 31, 2015	12,224,263	8,804,320	(510,000)	-	444,384	215,353	(9,305,760)	(351,703)
Exercise of options	50,000	3,000	-	-	-	-	-	3,000
Fair value of exercised options	-	2,222	-	-	(2,222)	-	-	-
Shares subscriptions received in advance	-	-	-	37,500	-	-	-	37,500
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(211,650)	(211,650)
Balance, November 30, 2015	12,274,263	$ 8,809,542	$ (510,000)	$ 37,500	$ 442,162	$ 215,353	$ (9,517,410)	$ (522,853)

See accompanying notes to the condensed consolidated interim financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

On April 15, 2015, the Company changed its name to GeoNovus Media Corp. (formerly GeoNovus Minerals Corp.) (hereafter the "Company" or "GeoNovus"). The Company was incorporated on October 11, 2011 under the laws of the Business Corporation Act (BC, Canada). During the year ended August 31, 2015, the Company changed its principal business from the acquisition and exploration of mineral properties to activities in the media and entertainment industry. The Company began trading under the symbol "GNM" on January 5, 2012. The Company's common shares were delisted from trading on the TSX Venture Exchange ("TSX-V") on September 5, 2014, with trading of its common shares on the Canadian Securities Exchange ("CSE") commencing on September 8, 2014. During the year ended August 31, 2015, the Company consolidated its share capital, options and warrants on a ten to one basis. These statements reflect the share consolidation retroactively.

The Company's head office is located at 789 West Pender Street, Suite 1220, Vancouver, BC, V6C 1H2.

The condensed consolidated interim financial statements were approved by the Board of Directors on January 27, 2016.

These condensed consolidated interim financial statements have been prepared with the assumption 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. Continued operations of the Company are dependent on the Company's ability to receive financial support, complete a public equity financing, or generate profitable operations in the future. Management believes it will be successful in raising the necessary funding to continue operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

3. BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for investments classified as available-for-sale or held-for-trading which are stated at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar.

In the preparation of these consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied to the periods presented in these condensed consolidated interim financial statements, unless otherwise stated.

Principles of consolidation
These condensed consolidated interim financial statements include the accounts of the Company, and its wholly-owned subsidiaries, Juturna Geothermal Inc. incorporated under the laws of B.C., Geo Minerals (Arizona) Ltd. and Juturna Geothermal (Arizona) Inc. incorporated under the laws of Arizona, and 2009812 Delaware, Inc. incorporated in the state of Delaware. Significant inter-company balances and inter-company transactions have been eliminated upon consolidation. All references to the Company should be treated as references to GeoNovus Media Corp. (formerly GeoNovus Minerals Corp.) and its subsidiaries. The Company decided to dissolve Juturna Geothermal (Arizona) Inc. and Geo Minerals (Arizona) Ltd. as these subsidiaries were inactive.

Subsidiaries
Subsidiaries are entities over which the Company has control. Controls exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affects its returns. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date control ceases.

Cash
Cash consists of balances with banks and short-term demand deposits which are readily convertible into a known amount of cash. The Company's cash is invested with major financial institutions in business accounts.

Financial instruments
Financial assets and financial liabilities that are purchased and incurred with the intention of generating profits in the near term are classified as held-for-trading. These instruments, together with financial instruments designated as fair value through profit or loss, are measured at fair value with subsequent changes in fair value recognized in profit or loss. The Company's marketable securities were classified as held-for-trading financial assets.

Financial assets that have a fixed maturity date and fixed or determinable payments, where the Company intends and has the ability to hold the financial asset to maturity are classified as held-to-maturity and are measured at amortized cost using the effective interest rate method. Any gains and losses arising from the sale of held-to-maturity financial assets are recognized in profit or loss. Currently, the Company has no held-to-maturity financial assets.

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Items classified as loans and receivables are measured at amortized cost using the effective interest method. Any gains or losses on the realization of loans and receivables are recognized in profit or loss. The Company's cash balance and receivables are classified as loans and receivables. The estimated fair values of these financial instruments approximate their carrying values because of the limited terms of these instruments.

Available-for-sale assets are those financial assets that are not classified as held-for-trading, held-to-maturity or loans or receivables. Available-for-sale assets are recognized at fair value and are subsequently carried at fair value. Changes in fair value, other than impairment losses, are recognized in other comprehensive income or loss. When an available-for-sale asset is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive income or loss to profit or loss. Currently, the Company has no available-for-sale financial assets.

Transaction costs associated with fair value through profit or loss 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. Regular way purchases and sales of financial assets are accounted for at the trade date.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)
Financial liabilities that are not classified as held-for-trading or as fair value through profit or loss are classified as other financial liabilities, and are carried at amortized cost using the effective interest method. Any gains or losses arising from the realization of other financial liabilities are recognized in the statement of loss and comprehensive loss. The Company's accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

The Company classifies its fair value measurements 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: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date (Level 1); (b) 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) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). As at November 30, 2015, the Company carried its marketable securities at fair value (Level 1).

Impairment of financial assets
Financial assets, other than available-for-sale assets, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the assets have been negatively impacted. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced by the amount of the impairment and the loss is recognized in the statement of loss and comprehensive loss.

If in a subsequent period, the amount of 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 statement of loss and comprehensive loss.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment previously recognized in profit or loss, is recognized in profit or loss. To the extent that this impairment was previously recognized as a decline in fair value in other comprehensive income, the amount recognized is reclassified from other comprehensive income. Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit or loss.

Impairment of non-financial assets
At each statement of financial position date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of the fair value less costs to sell and the value in use. If the recoverable amount is less than the carrying amount of the asset, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation

The Canadian dollar is the functional and reporting currency of the Company. All foreign currency monetary assets and liabilities are translated at the rate of exchange at the statement of financial position date and non-monetary assets and liabilities are translated at historical exchange rates, unless such items are carried at market, in which case they are translated at the exchange rates in effect on the statement of financial position date. Income and expenses are translated at the rates approximating those at the transaction dates. Gains and losses arising from translation of foreign currency monetary assets and liabilities are recognized in profit or loss.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions as at November 30, 2015.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and the shares were valued at their fair value. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded within the warrant reserve.

Share-based payment transactions

In situations where equity instruments are issued to non-employees and the fair value of some or all of the goods or services received by the entity as consideration cannot be reliably estimated, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

The fair value of stock options granted to employees is recognized as an expense over the vesting period with a corresponding increase in the equity settled share-based payments reserve account. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share Consideration

Agent's warrants, stock options and other equity instruments issued as purchase consideration in non-cash transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. The fair value of the shares issued as purchase consideration is based upon the trading price of those shares on the CSE on the date of the agreement to issue shares as determined by the Board of Directors.

Income taxes

Income tax on the profit or loss for the period 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.

Deferred tax provides for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 financial position reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and to the extent that the Company does not consider it more probable than not that a deferred tax asset will be recovered, it is not recognized.

Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the period. During the period ended November 30, 2015 and 2014, the outstanding stock options and warrants were anti-dilutive.

Estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material. The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

i) Carrying values for assets and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of value in use or fair value less costs to sell in the case of non-financial assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates and judgments (continued)

ii) Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

iii) Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Future accounting changes

IFRS 9 Financial Instruments: Classification and Measurement ("IFRS 9") introduces new requirements for the classification and measurement of financial instruments. Management anticipates that this standard will be adopted in the Company's consolidated financial statements for the period beginning September 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

IFRS 15 Revenue from Contracts with Customers: The new standard provides a comprehensive five-step revenue recognition model for all contracts with customers and requires management to exercise significant judgment and make estimates that affect revenue recognition. Management anticipates that this standard will be adopted in the Company's consolidated financial statements for the period beginning September 1, 2017, and has not yet considered the potential impact of the adoption of IFRS 15.

5. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its media business. 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. Management considers the Company’s capital structure to primarily consist of the components of shareholders’ equity.

The Company is dependent on external financing to fund its activities. In order to carry out future transactions and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess additions to its media business if it feels there is sufficient 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.

5. CAPITAL MANAGEMENT (Continued)

There were no changes in the Company's approach to capital management during the period presented. The Company and its subsidiaries are not subject to externally imposed capital requirements.

6. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes to the Company's approach to mitigating risk exposures during the period ended November 30, 2015.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to cash and receivables. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada. The receivables relate to amounts due from related parties. Amounts due from related parties were written off during the year ended August 31, 2015 therefore the Company's maximum exposure to credit risk is the balance of cash held as at November 30, 2015. The Company has no significant concentration of credit risk arising from operations.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instrument or future media related transactions. The Company's approach to managing liquidity risk is to ensure it has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company ensures that sufficient funds are raised from private placements to meet its operating requirements, after taking into account existing cash and expected exercise of share purchase warrants and options. The Company requires additional equity financing to fund its planned media programs and operating expenditures. Management believes that it will be successful in raising the necessary funds however, given the current market conditions, management believes that the raising of the required funds will take longer than is normal and will be at prices that may be less than desirable. There are no assurances that additional funds will be available on terms acceptable to the Company or at all. As at November 30, 2015 the Company had $540,273 (August 31, 2015 - $500,536) of accounts payable and accrued liabilities which are due on standard trade payable terms not exceeding 90 days and a loan payable of $6,376 which is due on December 15, 2015 (Note 15).

Interest risk

Interest risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and to the extent that changes in prevailing market rates differ from the interest rates in the Company's monetary assets and liabilities. The Company has cash balances and no material interest-bearing debt, therefore, interest rate risk is minimal.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. Management does not hedge its foreign exchange risk. A 10% change in foreign exchange rates between the Canadian and US dollar November 30, 2015 would not have a material impact on the Company's consolidated financial statements.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company does not expect any material movements in the underlying market risk variables over the next three months that will result in a material impact to its consolidated financial statements.

(EXPRESSED IN CANADIAN DOLLARS)

7. RECEIVABLES

The receivables balance is comprised of the following items:

	November 30, 2015	*August 31, 2015*
Sales tax due from Federal Government	$ 10,293	$ 5,450

8. PREPAID EXPENSES

The prepaid expense balance is comprised of the following items:

	November 30, 2015	*August 31, 2015*
Consulting (Note 12)	$ -	$ 10,000
Rent (Note 16)	7,048	7,048
Total	$ 7,048	$ 17,048

9. MARKETABLE SECURITIES

During the year ended August 31, 2015, the Company received 1,000,000 common shares of Glenmark Capital Corp. ("Glenmark") related to the Scotia Property valued at $110,000 (Note 13). As at August 31, 2015, the shares had a quoted market value of $125,000, which resulted in an unrealized gain of $15,000.

During the period ended November 30, 2015, the Company sold 1,000,000 common shares of Glenmark Capital Corp. ("Glenmark") related to the Scotia Property at $75,447 and resulted in an unrealized loss of $15,000 and a realized loss of $34,553.

10. RECLAMATION BONDS

The reclamation bond balance at November 30, 2015 of $5,040 (August 31, 2014 - $5,040) relates to the Scotia Property.

During the year ended August 31, 2015, the Company wrote off $36,048 for the Red Hills bond. The difference from the prior year amount of $38,386 is due to foreign exchange.

(EXPRESSED IN CANADIAN DOLLARS)

11. INTANGIBLE ASSETS

Asset purchase agreements

During the year ended August 31, 2015, the Company signed a definitive agreement to acquire assets from a related company, Greenstock Publishing Ltd. ("Greenstock"), a Canadian music publisher for 1,000,000 shares (valued at $450,000 based on market prices on the date the agreement was approved by the TSX-V). Greenstock owns 50% of the music publishing rights for the band, Franklins Dealers. The Greenstock business model is based on creating and acquiring music catalogs to place into major motion pictures. Greenstock is related as the CEO of Greenstock is also a director of the Company. The assets purchased during the year ended August 31, 2015 consist of intangible music publishing rights, of which $449,900 has been expensed due to uncertainty regarding the future value. As at November 30, 2015, $100 remains capitalized on the condensed consolidated interim statement of financial position.

Revenue participation agreement

During the year ended August 31, 2015, the Company signed revenue participation agreements with directors to acquire the rights to share potential revenue from upcoming films. The Company issued 3,400,000 shares valued at $510,000 (based on the market price on the date shares were issued) as consideration for the acquisitions.

12. ACCOUNTS PAYABLE

The payables balance is comprised of the following items:

	November 30, 2015	*August 31, 2015*
Trade payables	$ 495,583	$ 464,846
Accrued liabilities	44,690	35,690
Total	$ 540,273	$ 500,536

13. LOAN PAYABLE

During the year ended August 31, 2015, the Company received a loan of $6,000 from a non related company. The loan bears interest at 10% and is repayable on December 15, 2015. If the loan is not repaid by the repayment date, the loan may be converted to shares at a price of $0.10 per share. During the period ended November 30, 2015, the Company recorded $276 of interest payable. The loan has not been converted to shares.

14. RELATED PARTY TRANSACTIONS

Included in accounts payable and accrued liabilities is $136,771 (August 31, 2015 - $129,700) owing to directors, officers and companies owned by directors of the Company.

Compensation of management personnel

Key management personnel include members of the Board of Directors, Executive Officers and any companies owned or controlled by them.

During the period ended November 30, 2015, the Company paid or accrued management and consulting fees of $74,845 to directors or companies owned by directors of the Company.

(EXPRESSED IN CANADIAN DOLLARS)

15. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS

Capital stock

The Company has authorized an unlimited number of common shares without par value.

During the period ended November 30, 2015, the Company issued 50,000 common shares pursuant to the exercise of options for gross proceeds of $3,000 to capital stock from share-based payments reserve.

Share purchase warrants

At November 30, 2015, warrants were outstanding enabling holders to acquire shares as follows:

Expiry Date	Exercise Price ($)	Number of warrants	Remaining contractual life (years)	Currently exercisable	Remaining contractual life (years)
February 6, 2016	0.75	200,000	0.19	200,000	0.19
April 8, 2016	0.75	157,450	0.36	157,450	0.36
April 8, 2016	0.50	772,500	0.36	772,500	0.36
September 3, 2016	1.00	1,154,500	0.76	1,154,500	0.76
		2,284,450	0.55	2,284,450	0.55

The following is a summary of the warrant transactions during the period ended November 30, 2015 and year ended August 31, 2015:

	Three months ended November 30, 2015			Year ended August 31, 2015		
	Number Of Warrants		Weighted Average Exercise Price	Number Of Warrants		Weighted Average Exercise Price
Balance, beginning of the period	3,224,930	$	0.82	1,414,450	$	0.80
Warrants issued - pursuant to private placements	-		-	1,927,000		0.80
Warrants issued - pursuant to broker`s warrants	-		-	3,480		1.00
Warrants expired	(940,480)		0.89	(120,000)		1.00
Balance, end of period	2,284,450	$	0.79	3,224,930	$	0.82

(EXPRESSED IN CANADIAN DOLLARS)

15. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Share purchase warrants (Continued)

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of broker warrants issued in the period ended November 30, 2015 and year ended August 31, 2015:

	Three months ended November 30, 2015	Year ended August 31, 2015
Risk-free interest rate	-	1.12%
Expected life of warrants	-	1.00 years
Expected annualized volatility	-	142%
Expected dividend rate	-	0%

Stock options

The Company may grant stock options pursuant to a stock option plan which was initially established in accordance with the policies of the TSX-V. During the year ended August 31, 2015, the Company moved it's listing from the TSX-V to the CSE, and did not change the stock option plan. The Board of Directors administers the Plan, pursuant to which the Board of Directors may grant from time to time incentive stock options up to an aggregate maximum of 10% of the issued and outstanding shares of the Company to directors, officers, employees, consultants and advisors. The options can be granted for a maximum of five years.

As at November 30, 2015, the following incentive stock options were outstanding:

		Options Outstanding and Exercisable	
Expiry Date	Exercise price ($)	Number of Options Outstanding	Weighted average remaining contractual life (years)
January 30, 2017	0.50	60,000	1.17
April 16, 2017	0.50	150,000	1.38
August 11, 2017	0.06	625,000	1.70
		835,000	1.60

(EXPRESSED IN CANADIAN DOLLARS)

15. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Stock options (continued)

The following is a summary of the option transactions during the period ended November 30, 2015 and year ended August 31, 2015:

	Three months period ended November 30, 2015		Year ended August 31, 2015	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of the period	885,000	$ 0.16	352,500	$ 0.71
Options granted	-	-	1,235,000	0.26
Options exercised	(50,000)	0.06	(48,000)	0.50
Options expired/cancelled	-	-	(654,500)	0.61
Balance, end of the period	835,000	$ 0.17	885,000	$ 0.16

During the year ended August 31, 2015, 48,000 options were exercised at $0.50. The weighted average fair value of the options at the date of exercise was $0.20. The stock price on the date of exercise was $0.45 per share.

During the period ended November 30, 2015, 50,000 options were exercised at $0.06. The weighted average fair value of the options at the date of exercise was $0.04. The stock price on the date of exercise was $0.07 per share.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options granted for the period ended November 30, 2015 and year ended August 31, 2015:

	Three months ended November 30, 2015	Year ended August 31, 2015
Risk-free interest rate	-	0.60%
Expected life of options	-	1.84 years
Expected annualized volatility	-	158%
Exercise price	-	$ 0.26
Share price	-	$ 0.21
Expected dividend rate	-	0%

Share based compensation

During the period ended November 30, 2015, the Company granted no options.

During the year ended August 31, 2015, the Company:

i) granted 120,000 options exercisable at $0.50 for a period of one year to consultants in accordance with the Company's stock option plan. The options vested immediately.

15. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Share based compensation (Continued)

ii) granted 80,000 options exercisable at $0.50 for a period of one year to officers, directors and consultants in accordance with the Company's stock option plan. The options vested immediately.

iii) granted 60,000 options exercisable at $0.50 for a period of two years to consultants in accordance with the Company's stock option plan. The options vested immediately.

iv) granted 120,000 options exercisable at $0.50 for a period of two years to officers, directors and consultants in accordance with the Company's stock option plan. The options vested immediately.

v) granted 30,000 options exercisable at $0.50 for a period of two years to a consultant in accordance with the Company's stock option plan. The options vested immediately.

vi) granted 150,000 options exercisable at $0.50 for a period of two years to officers, directors and consultants in accordance with the Company's stock option plan. The options vested immediately.

vii) granted 675,000 options exercisable at $0.06 for a period of two years to officers, directors and consultants in accordance with the Company's stock option plan. The options vested immediately.

Accordingly, share-based compensation expense for the year ended August 31, 2015 was $166,236 with a weighted average fair value of $0.13 per option granted.

16. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash investing and financing transactions for the period ended November 30, 2015 consisted of:

i) transferred $2,222 from share-based payment reserve to share capital upon exercised options.

Significant non-cash investing and financing transactions for the period ended August 31, 2015 consisted of:

i) issued 3,480 units of broker's warrant valued at $626 as share issue costs pursuant to a private placement.

ii) issued 1,000,000 shares valued at $450,000 pursuant to acquisition of the assets from a related company.

iii) issued 305,000 shares from private placements valued at $152,500 as payment for outstanding debt.

iv) issued 135,000 shares valued at $56,250 pursuant to debt settlement agreements.

v) issued 700,000 shares valued at $350,000 as consideration for consulting services and finder's fees.

vi) received 1,000,000 shares valued at $110,000 pursuant to sale of exploration and evaluation assets.

vii) transferred $9,647 from share-based payment reserve to share capital upon exercised options.

viii) issued 242,832 shares valued at $97,133 for acquisition of assets from a private Company.

ix) reclamation bonds valued at $23,360 were written off pursuant to debt settlement.

(EXPRESSED IN CANADIAN DOLLARS)

17. SEGMENTED INFORMATION

The Company primarily operates in two reportable segments, being the acquisition and exploration of resource properties and the media business. Segmented information on a geographic basis is as follows:

	November 30, 2015	August 31, 2015
Exploration and evaluation assets and reclamation bonds	$ 5,040	$ 5,040

18. SUBSEQUENT EVENT

Subsequent to the period ended November 30, 2015, the Company received 3,400,000 common shares to treasury as part of the amended revenue participation agreements (Note 11). The Company cancelled 1,200,000 of these treasury shares and re-issued 500,000 shares to a director of the Company under a new revenue participation agreement signed. At November 30, 2015, the Company had received $37,500 in subscriptions which was recorded as subscriptions received in advance.