Dundee Sustainable Technologies Inc.

Condensed Interim Consolidated Financial Statements
(Unaudited)

As at and for the three months ended March 31, 2017
(Expressed in Canadian dollars)

The attached financial statements have been prepared by management of Dundee Sustainable Technologies and have not been reviewed by the auditor.

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Dundee Sustainable Technologies Inc.

Interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

	Note	As at March 31, 2017	As at December 31, 2016
		$	$
Assets			
Current assets			
Cash		239,197	526,366
Accounts receivable		101,818	44,252
Research and development tax credits and grant receivable	8	423,371	365,000
Sales taxes receivables		81,437	36,743
Exploration and evaluation assets held for sale	6	200,000	400,000
Other assets	4	81,839	411,689
Prepaid expenses and advances to suppliers		45,671	47,340
		1,173,333	1,831,390
Non-current assets			
Property, plant and equipment	5	16,450	18,800
Intangible assets	7	4,613,813	4,613,813
		4,630,263	4,632,613
Total assets		**5,803,596**	**6,464,003**
Liabilities and Deficiency			
Current liabilities			
Accounts payable and accrued liabilities		1,191,528	1,002,428
Deferred revenue		2,586	78,463
Bridge loan	10	-	144,613
Short-term loan from a related party	9	10,754,935	10,299,685
		11,949,049	11,525,189
Non-current liabilities			
Long-term debt	10	155,467	151,049
Convertible debenture	10	3,657,532	3,608,207
Total liabilities		15,762,048	15,284,445
Deficiency			
Share capital	11	54,562,847	54,562,847
Contributed surplus		7,388,232	6,848,232
Deficit		(71,909,531)	(70,231,521)
Total deficiency		(9,958,452)	(8,820,442)
Total liabilities and deficiency		**5,803,596**	**6,464,003**
Going concern	1		
Commitments	15		

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

Dundee Sustainable Technologies Inc.

Interim Consolidated Statements of Comprehensive Loss
(Unaudited)
For the three months ended March 31, 2017 and 2016
(Expressed in Canadian dollars, except number of shares)

	Note	2017	2016
		$	$
Sale of services		211,195	-
Expenses			
Research and development	14	261,499	938,766
Professional and consulting fees		174,999	236,596
Other operating expenses		269,707	-
Administrative		161,099	146,982
Wages and compensation		93,995	120,373
Investor relations and promotions		3,727	8,790
Trustee and registration fees		9,528	8,947
Depreciation of property, plant and equipment		-	608
Share-based payments	12	540,000	-
Total expenses		1,514,554	1,461,062
Operating loss		(1,303,359)	(1,461,062)
Finance cost	9, 10	(370,898)	(297,507)
Loss on foreign currency exchange		(3,753)	(500)
Net loss and comprehensive loss		**(1,678,010)**	**(1,759,069)**
Basic and diluted net loss per share		(0.01)	(0.01)
Weighted average number of shares outstanding – basic and diluted		347,090,816	347,090,816
Going concern	1		

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

Dundee Sustainable Technologies Inc.
Interim Consolidated Statements of Changes in Deficiency
(Unaudited)
For the three months ended March 31, 2017 and 2016
(Expressed in Canadian dollars, except number of shares)

	Note	Multiple voting shares		Subordinate voting shares		Contributed surplus	Deficit	Total deficiency
		Number	$	Number	$	$	$	$
Balance – December 31, 2016		**50,000,000**	**3,963,875**	**297,090,816**	**50,598,972**	**6,848,232**	**(70,231,521)**	**(8,820,442)**
Share-based payments	12	-	-	-	-	540,000	-	540,000
Net loss and comprehensive loss for the period		-	-	-	-	-	(1,678,010)	(1,678,010)
Balance – March 31, 2017		**50,000,000**	**3,963,875**	**297,090,816**	**50,598,972**	**7,388,232**	**(71,909,531)**	**(9,958,452)**

	Multiple voting shares		Subordinate voting shares		Contributed surplus	Deficit	Total deficiency
	Number	$	Number	$	$	$	$
Balance – December 31, 2015	**50,000,000**	**3,963,875**	**297,090,816**	**50,598,972**	**6,848,232**	**(65,801,349)**	**(4,390,270)**
Net loss and comprehensive loss for the period	-	-	-	-	-	(1,759,069)	(1,759,069)
Balance – March 31, 2016	**50,000,000**	**3,963,875**	**297,090,816**	**50,598,972**	**6,848,232**	**(67,560,418)**	**(6,149,339)**

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

Dundee Sustainable Technologies Inc.

Interim Consolidated Statements of Cash Flows
(Unaudited)
For the three months ended March 31, 2017 and 2016
(Expressed in Canadian dollars)

	Note	2017	2016
		$	$
Operating activities			
Net loss for the period		(1,678,010)	(1,759,069)
Adjusted for:			
Share-based payments	12	540,000	-
Depreciation of property, plant and equipment included in research and development	5	2,350	2,350
Depreciation of property, plant and equipment	5	-	608
Amortization of long-term debt discount	10	4,418	-
Convertible debenture discount	10	(59,824)	-
Amortization of convertible debenture discount	10	28,656	15,223
Finance costs accrued	9, 10	337,710	244,499
		(824,700)	(1,496,389)
Changes in non-cash operating working capital items:			
Accounts receivable		(57,566)	-
Research and development tax credits and grant receivable		(58,371)	(18,239)
Sales taxes receivables		(44,694)	63,160
Other assets		329,850	(21,075)
Prepaid expenses and advances to suppliers		1,669	6,203
Accounts payable and accrued liabilities		182,520	204,130
Deferred revenue		(75,877)	155,371
		277,531	389,550
Net cash used in operating activities		**(547,169)**	**(1,106,839)**
Investing activities			
Disposal of exploration and evaluation assets held for sale		200,000	-
Net cash used in investing activities		**200,000**	**-**
Financing activities			
Repayment of bridge loans	10	(140,000)	-
Short-term loan from a related party	9	200,000	-
Net cash provided by financing activities		**60,000**	**-**
Net change in cash		(287,169)	(1,106,839)
Cash – beginning		526,366	1,679,490
Cash – end		**239,197**	**572,651**
Going concern	1		
Supplemental information			
Finance cost paid		2,802	37,785

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Dundee Sustainable Technologies Inc. (the “Corporation”) was incorporated under the Canada Business Corporations Act on July 22, 1997. The Corporation’s head office is located at 1002 Sherbrooke Street West, Suite 2060, Montréal, Quebec, Canada, H3A 3L6.

The Corporation has developed metallurgical processes based on a chlorination technology. It is a method of treating and extracting gold and/or silver and other base metals by creating a chloride with either chlorine or hydrochloric acid. The approach is very broad and can involve either oxide or sulfide ores and allows the recovery of nickel/cobalt from oxide-type ores such as serpentine, laterites and other siliceous metal-bearing ores. It also allows the extraction of precious metals from refractory ores with content of sulfides and arsenic. The Corporation has also developed a process based on an arsenic stabilization technology which is designed for the sequestration of arsenic in a stable glass form. This process involves a technique to segregate arsenic and is therefore opening up opportunities to process materials considered too toxic to be exploited or stabilized using conventional mining methods.

These technologies are subject to all risks inherent in their development and may require significant additional development, testing and investment prior to any final commercialization. There can be no assurance that such technologies will be successfully developed, or that output from any use of the Corporation’s technologies could be produced at a commercial level at reasonable costs or be successfully marketed. To date, the Corporation has not earned significant revenues and is considered to be in the development stage. As at March 31, 2017, Dundee Corporation (“Dundee”) was the principal and majority shareholder of the Corporation.

For the three months ended March 31, 2017, the Corporation incurred a loss of $1,678,010 ($1,759,069 for the three months ended March 31, 2016) and has negative working capital of $10,775,716 (a negative working capital of $9,693,799 as at December 31, 2016). Deficit as at March 31, 2017 amounted to $71,909,531 ($70,231,521 as at December 31, 2016) and cash flows used in operating activities for the three months ended March 31, 2017 amounted to $547,169 ($1,106,839 for the three months ended March 31, 2016).

Management estimates that the Corporation will not have sufficient funds to meet its obligations and budgeted expenditures through to March 31, 2018. The Corporation will therefore periodically have to raise additional funds to continue operations. The Corporation is pursuing financing alternatives to fund its operations and to continue its activities as a going concern. Although there is no assurance that the Corporation will be successful in these actions, management believes, based on previous fund raising experience, that the Corporation will be able to secure the necessary financing through the issuance of debt or new equity in public or privately negotiated equity offerings. While it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

Although these unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2017(“March 2017 Interim Consolidated Financial Statements) have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, the above-noted facts and circumstances cast significant doubt on the Corporation’s ability to continue as a going concern.

The March 2017 Interim Consolidated Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities, to the reported expenses and to the financial position classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

On May 4, 2017, the March 2017 Interim Consolidated Financial Statements were authorized for publication by the Board of Directors.

2. BASIS OF PRESENTATION

The March 2017 Interim Consolidated Financial Statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"), and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, "Interim Financial Reporting". The March 2017 Interim Consolidated Financial Statements should be read in conjunction with the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2016 ("2016 Audited Consolidated Financial Statements") which were prepared in accordance with IFRS as applicable for annual financial statements.

The March 2017 Interim Consolidated Financial Statements follow the same accounting principles and methods of application as those disclosed in Note 2 to the 2016 Audited Consolidated Financial Statements.

Accounting Standards, Interpretations and Amendments to Existing Standards not yet Effective
IFRS accounting standards, interpretations and amendments to existing IFRS accounting standards that were not yet effective as at December 31, 2016, are described in note 2 to the 2016 Audited Consolidated Financial Statements. There have been no changes to existing IFRS accounting standards and interpretations since December 31, 2016 that are expected to have a material effect on the Corporation's financial statements.

IFRS 2, "Share-based Payment"
In June 2016, the IASB issued amendments to IFRS 2, clarifying how to account for certain types of share-based payment transactions, including the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, accounting for share-based payment transactions with a net settlement feature for withholding tax obligations, and accounting for modifications to the terms and conditions of a share-based payment that changes the classification of the share-based payment transaction from cash-settled to equity-settled. The IFRS 2 amendments are effective for annual periods beginning on or after January 1, 2018. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

IFRS 9, "Financial Instruments"
In July 2014, the IASB issued final amendments to IFRS 9, replacing earlier versions of IFRS 9 already adopted by the Corporation. These amendments to IFRS 9 introduce a single, forward-looking "expected loss" impairment model for financial assets, which will require more timely recognition of expected credit losses, and a fair value through other comprehensive income category for financial assets that are debt instruments. Other previously issued amendments to IFRS 9 that have not yet been adopted by the Corporation include a substantially reformed approach to hedge accounting and requirements to recognize gains or losses that relate to the effect of an entity's own credit risk in measuring liabilities elected to be measured at fair value outside of net income or loss. The amendments to IFRS 9 that are not yet adopted by the Corporation are effective for annual periods beginning on or after January 1, 2018 and are available for earlier adoption. The Corporation has yet to assess the full impact of the amendment to IFRS 9 on its consolidated financial statements, and it has not yet determined whether the new amendments will be adopted earlier than at the required date of implementation.

IFRS 15, "Revenue from Contracts with Customers"
In May 2014, the IASB issued IFRS 15, which supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts," and other interpretive guidance associated with revenue recognition. IFRS 15 provides a single model to determine how and when an entity should recognize revenue, as well as requiring entities to provide more informative, relevant disclosures in respect of their revenue recognition criteria. IFRS 15 is to be applied prospectively and is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Corporation is in the process of evaluating the impact of adopting this new standard to its consolidated financial statements.

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (CONT'D)

IFRS 16, "Leases"
IFRS 16, issued in January 2016, replaces IAS 17, "Leases". IFRS 16 results in most leases being reported on the balance sheet for lessees, eliminating the distinction between a finance lease and an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted for entities that also adopt IFRS 15. The Corporation is currently assessing the impact of this standard on its consolidated financial statements.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the March 2017 Interim Consolidated Financial Statements in accordance with IFRS requires the Corporation to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Corporation's reported amounts of assets, liabilities, and items in net earnings or loss, and the related disclosure of contingent assets and liabilities, if any. The Corporation evaluates its estimates on an ongoing basis.

Such estimates are based on various assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of items in net earnings or loss that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. There have been no significant changes in accounting judgments, estimates and assumptions made by the Corporation in the preparation of the March 2017 Interim Consolidated Financial Statements from those judgments, estimates and assumptions disclosed in note 3 to the 2016 Audited Consolidated Financial Statements.

4. OTHER ASSETS

The other assets include the following items:

	As at March 31, 2017	As at December 31, 2016
	$	$
Gold concentrate	-	326,213
Supplies	81,839	85,476
	81,839	**411,689**

5. PROPERTY, PLANT AND EQUIPMENT

	Camp and infrastructure	Vehicles and equipment	Office furniture and computer equipment	Total
Gross carrying amount	$	$	$	$
Balance – January 1 and March 31, 2017	90,807	47,000	134,085	271,892
Accumulated depreciation				
Balance – January 1, 2017	90,807	28,200	134,085	253,092
Depreciation	-	2,350	-	2,350
Balance – March 31, 2017	90,807	30,550	134,085	255,442
Net carrying amount – March 31, 2017	**-**	**16,450**	**-**	**16,450**
Net carrying amount – December 31, 2016	**-**	**18,800**	**-**	**18,800**

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS HELD FOR SALE

Mineral properties	As at December 31, 2016	Disposal	As at March 31, 2017
	$	$	$
Ontario, Canada			
Shining Tree	400,000	(200,000)	200,000
	400,000	**(200,000)**	**200,000**

Shining Tree properties
The Shining Tree properties consist of 14 mining leases and 37 mining claims. In March 2017, the Corporation sold the mining claims for an amount of $200,000. The closing of the sale of the mining leases for an amount of $200,000 is expected to be completed in the second quarter of 2017.

7. INTANGIBLE ASSETS

	As at March 31, 2017 and December 31, 2016
	$
Intellectual properties – Oxide	605,000
Patent application fees – Oxide	129,474
Development cost – Oxide	5,809,233
Less: SR&ED tax credit	(1,929,894)
	4,613,813

8. GOVERNMENT ASSISTANCE

In June 2013, the Corporation entered into an agreement (the “Contribution Agreement”) with the Sustainable Development Technology Canada Foundation (“SDTC”). Upon meeting certain conditions, the SDTC agreed to financially assist the Corporation in developing and demonstrating its chlorination technology. Under the terms of the agreement, the SDTC will contribute up to the lesser of 25.30% of eligible project costs or $5,000,000. As at March 31, 2017, the Corporation received an aggregate amount of $4,500,000 from SDTC.

	Three months ended March 31, 2017
	$
Grant receivable from SDTC	
Balance – beginning	280,000
Recognition of contribution through profit or loss as per eligible expenditures incurred during the period	58,371
Balance – end	338,371
Research and development tax credits receivable	85,000
	423,371

(Expressed in Canadian dollars)

9. SHORT-TERM LOAN FROM A RELATED PARTY

The short-term loans, from a wholly owned subsidiary of Dundee, bear interest at the rate of 12.68% per annum and are secured by a hypothec, pari passu with Investissement Québec's ("IQ") convertible debenture and Canada Economic Development for Quebec Regions (CED) contribution, over all of the Corporation's property other than its intellectual property. The interest is payable concurrently with the repayment of the loans. The maturity date of the loans is the earlier of May 31, 2017 and the date at which the Corporation raises the sum of $10,000,000 or greater by way of debt or equity. The Corporation has the option to repay the loans at any time. On February 2, 2017, an additional amount of $200,000 was advanced to the Corporation.

As at March 31, 2017, the principal amount of the loans totals $8,150,000 ($7,950,000 – As at December 31, 2016).

Short-term loan	**Three months ended March 31,**	
	2017	**2016**
	$	$
Balance – beginning	10,299,685	9,027,586
Principal amount	200,000	-
Finance costs accrued	255,250	244,499
Balance – end	**10,754,935**	**9,272,085**

10. CONVERTIBLE DEBENTURE AND LOANS

10.1 Convertible debenture

In 2015, the Corporation completed a $5,000,000 financing with IQ consisting of a private placement of subordinated voting shares of $1,000,000 and a secured convertible loan in an amount of up to $4,000,000 (the "IQ Loan"). IQ advanced $1,900,000 in 2015 and $2,100,000 in 2016.

The IQ Loan, which is evidenced by a secured convertible debenture, will mature in five years, bears interest at a rate of 8% per annum, payable quarterly, and can be converted after one year at the holder's option into subordinate voting shares of the Corporation at a conversion price equal to the closing market price of the shares on the day prior to conversion. After the first anniversary of the IQ Loan, the Corporation has the right to redeem the IQ Loan subject to a 10% premium. Starting October 1, 2016, interest is capitalized. During the three months ended March 31, 2017, the Corporation capitalized $80,493 in interest.

The IQ Loan is secured by a hypothec, pari passu with Dundee's loan and CED's contribution, over all of the Corporation's property other than its intellectual property and is guaranteed by Dundee in an amount of up to $1,500,000.

In connection with the financing, the Corporation has entered into an agreement with IQ granting IQ the right to appoint one member of the Board of Directors of the Corporation.

The fair value of the debt component advanced in 2016 and 2015 was estimated using an effective rate of 11.7% corresponding to a rate that the Corporation would have obtained for a similar non-subsidized financing. No value has been assigned to the equity conversion option, as the conversion price is equal to the closing market price of the shares on the day prior to conversion.

(Expressed in Canadian dollars)

10. CONVERTIBLE DEBENTURE AND LOANS (CONT'D)

10.1 Convertible debenture (Cont'd)

	Three months ended March 31,	
	2017	**2016**
	$	$
Carrying amount of the liability component – beginning	3,608,207	1,578,986
Capitalized interest expense	80,493	-
Debt discounted at fair value	(59,824)	-
Accretion expense	28,656	15,223
Carrying amount of the liability component – end	**3,657,532**	**1,594,209**

10.2 CED contribution agreement

Under an amended agreement dated October 12, 2016, the Corporation shall receive from CED a $397,000 repayable contribution (the "CED Contribution"). The CED Contribution will be used by the Corporation for the acquisition of equipment for its demonstration plant (the "Project") in Thetford Mines. Payments by CED will be made over the term of the Project, which must be completed at the latest by March 31, 2017. The CED Contribution is non-interest bearing, secured and repayable in equal monthly installments over seven years starting three years after the end of the Project. CED advanced $324,575 in December 2016.

The fair value of the debt component advanced in December 2016 was estimated at $149,944 using an effective rate of 11.7% corresponding to a rate that the Corporation would have obtained for a similar non-subsidized financing.

The CED Contribution is secured by a hypothec, pari passu with Dundee's and IQ's loans, over all of the Corporation's property other than its intellectual property.

Long-term debt	**Three months ended March 31,2017**
	$
Balance– beginning	151,049
Accretion expense	4,418
Balance – end	**155,467**

10.3 Bridge loans

In October 2016, an unsecured bridge loan, payable on demand, of $300,000 was advanced to the Corporation. The loan was partially reimbursed in December 2016 for a total amount of $160,000. The outstanding bridge loan of $140,000 and accrued interest of $4,613 was reimbursed in January 2017.

(Expressed in Canadian dollars)

11. SHARE CAPITAL

On March 31, 2017 and December 31, 2016, the authorized capital of the Corporation consisted of an unlimited number of subordinate voting shares and multiple voting shares, without nominal or par value. The holders of subordinate voting shares are entitled to one vote for each subordinate voting share, and the holders of multiple voting shares are entitled to 10 votes for each multiple voting share. The holders of subordinate voting shares and multiple voting shares shall be entitled to receive and to participate equally as to dividends, share for share, in an equal amount on all the subordinate voting shares and multiple voting shares outstanding at year-end. The holders of multiple voting shares shall be entitled at any time and from time to time to have any or all of the multiple voting shares converted into subordinate voting shares on the basis of one subordinate voting share for each multiple voting share. In all other respects, the holders of subordinate voting shares and multiple voting shares shall rank equally and have the same rights and restrictions.

12. STOCK OPTION PLAN

On February 3, 2017, the Corporation granted a total of 13,500,000 stock options to its directors, officers, employees and a consultant. These options are exercisable at $0.05 per share, vested at the grant date and expire on the fifth anniversary of their date of issuance. The fair value of options awarded is $0.04 per share for a total based payment expenses of $540,000.

The fair value of options at the grant date was calculated based on the Black-Scholes option pricing model, using the following weighted average assumptions:

Expected life	5 years
Risk-free interest rate	1.11%
Expected volatility	131%
Expected dividend yield	0%
Share price	$0.05

The changes in the Corporation's outstanding and exercisable options are as follows:

	Three months ended March 31,			
	2017		**2016**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
		$		$
Balance – beginning	10,877,500	0.13	20,577,500	0.13
Granted	13,500,000	0.05	-	-
Expired	(475,000)	0.20	-	-
Balance – end	**23,902,500**	**0.08**	**20,577,500**	0.13

(Expressed in Canadian dollars)

12. STOCK OPTION PLAN (CONT'D)

As at March 31, 2017, outstanding and exercisable options are as follows:

Number of options	Exercise price	Expiry date
	$	
100,000	0.20	July 23, 2017
600,000	0.20	February 6, 2018
7,400,000	0.10	December 12, 2018
602,500	0.20	October 2, 2019
13,500,000	0.05	February 3, 2022
1,700,000	0.20	November 27, 2022
23,902,500		

The residual weighted average contractual term of outstanding options was 3.75 years as at March 31, 2017.

13. ESCROW AGREEMENT

As at March 31, 2017, 27,085,275 subordinate voting shares, 7,500,000 multiple voting shares and 1,005,000 options of the Corporation are subject to an escrow agreement and were released in April 2017.

14. RESEARCH AND DEVELOPMENT

	Three months ended March 31, 2017	Three months ended March 31, 2016
	$	$
Research and development	379,695	1,065,011
Tax credit and industrial research assistance program	-	(32,024)
R&D service contracts with third parties	-	(94,221)
SDTC contribution	(58,371)	-
Government subsidy on long-term debt and convertible debenture	(59,825)	-
	261,499	**938,766**

15. COMMITMENTS

15.1 Construction of a demonstration plant

In June 2013, the Corporation entered into an agreement (the "Contribution Agreement") with SDTC. Upon meeting certain conditions, SDTC agreed to financially assist the Corporation in developing and demonstrating its chlorination technology. Under the terms of the agreement, SDTC will contribute up to the lesser of 25.30% of eligible project costs or $5,000,000.

The Corporation's objective is to finalize the development of its chlorination technology to extract precious metals (e.g. gold), at a pre-commercial stage through the construction and operation of a demonstration plant of 15 tonnes of concentrate per day that will operate on a continuous mode under industrial conditions. Construction of the plant commenced in 2013, and commissioning was successfully completed in late 2015 enabling the Corporation to proceed with the demonstration phase of the project in 2016.

(Expressed in Canadian dollars)

15. COMMITMENTS (CONT'D)

The Corporation has spent a total of $19,136,955 in this regard, from which $230,783 was incurred during the three months ended March 31, 2017 and is included in the consolidated statement of comprehensive loss under research and development. As at March 31, 2017, the Corporation has a firm purchasing commitment for $20,486 towards equipment and services relating to the demonstration plant.

As at March 31, 2017, the Corporation received an aggregate amount of $4,500,000 from SDTC corresponding to the eligible activities to be incurred by the Corporation.

15.2 Lease payments

On January 11, 2008, the Corporation entered into a three-year lease (the "Thetford Mines Lease"). The annual rent was $100,000. In October 2010, the Corporation renewed the Thetford Mines Lease for a three-year period ending December 31, 2013 at an annual rent of $106,000. On July 1, 2013, the Corporation renewed and modified the Thetford Mines Lease, to rent more space, for a 10-year period at an annual rent of $204,380 that is subject to a yearly increase of 1.5%.

On April 11, 2016, the Corporation entered into a lease for its head office until August 31, 2018. The annual rent is $49,088.

The aggregate annual payments due over the following periods are as follows:

	As at March 31, 2017
	$
Less than 1 year	264,401
Between 1 and 5 years	914,489
More than 5 years	290,156