IRVING RESOURCES INC.
(Formerly 1047431 B.C. Ltd.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Period From Incorporation on August 28, 2015 to November 30, 2015

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim consolidated financial statements of the Company for the period ended November 30, 2015 have been prepared in accordance with International Accounting Standard 34 for Interim Financial Reporting under International Financial Reporting Standards.

These condensed interim unaudited interim consolidated financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The Company's independent auditor has not performed a review of these financial statements.

IRVING RESOURCES INC.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars - Unaudited)
AS AT

	November 30, 2015	August 31, 2015
ASSETS		
Current		
Cash	$ 142,184	$ 1
Receivables (Note 3)	334,604	-
Prepaids	17,000	-
	493,788	1
Equipment (Note 6)	7,512	-
Exploration and evaluation assets (Note 7)	1,513,794	-
	$ 2,015,094	$ 1
LIABILITIES & EQUITY IN NET ASSETS		
Current		
Accounts payable & accrued liabilities	$ 38,343	$ -
Due to related parties (Note 10)	1,000	-
	39,343	-
Equity in net assets		
Share Capital (Note 3 and 9)	$ 1,985,049	$ 1
Deficit	(9,298)	-
	1,975,751	1
	$ 2,015,094	$ 1

Nature and Continuance of Operations (Note 1)

On behalf of the Board:

"Akiko Levinson" Director *"Ron Schmitz"* Director

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

IRVING RESOURCES INC.
Condensed Interim Consolidated Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)
PERIOD FROM INCORPORATION ON AUGUST 28, 2015 to NOVEMBER 30, 2015

EXPENSES		
Consulting fees	$	2,155
Directors fees		1,000
Foreign exchange (gain) loss		245
Management fees		2,000
Office and miscellaneous		265
Salaries and benefits		3,445
Telephone		188
Operating expenses		9,298
Loss and comprehensive loss for the period	$	9,298
Basic and diluted loss per common share	$	(0.00)
Weighted average number of shares outstanding		961,440

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

IRVING RESOURCES INC.
Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - Unaudited)
PERIOD FROM INCORPORATION ON AUGUST 28, 2015 to NOVEMBER 30, 2015

	Number of Shares	Share Capital	Share Based Payment Reserves	Deficit	Total Equity
Issuance of common share	1	$ 1	$ -	$ -	$ 1
Cancellation of incorporation share	(1)	(1)	-	-	(1)
Contributions from Gold Canyon (Note 3)	5,372,752	1,985,049	-	-	1,9850,49
Net loss for the period	-	-	-	(9,298)	(9,298)
Balance, November 30, 2015	**5,372,752**	**$ 1,985,049**	**$ -**	**$ (9,298)**	**$ 2,029,492**

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

IRVING RESOURCES INC.
Condensed Interim Consolidated Statement of Cash Flows
(Expressed in Canadian Dollars - Unaudited)
PERIOD FROM INCORPORATION ON AUGUST 28, 2015 to NOVEMVER 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the period	$ (9,298)
Change in non-cash working capital items:	
Accounts receivables	(334,604)
Prepaids	(17,000)
Accounts payables and accrued liabilities	(4,155)
Amounts due to related parties	1,000
Net cash provided by (used in) operating activities	(364,057)
CASH FLOWS FROM INVESTING ACTIVITIES	
Contribution from Gold Canyon (Note 3)	500,000
Exploration and evaluation assets, net of recoveries	6,241
Net cash used in investing activities	506,241
Change in cash during the period	142,184
Cash, beginning of the period	-
Cash, end of the period	$ 142,184

Supplemental disclosure with respect to cash flows (Note 11)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Irving Resources Inc. (the "Company" or "Irving") was incorporated under the Business Corporations Act (British Columbia) on August 28, 2015 under the name 1047431 B.C. Ltd. and changed its name on September 23, 2015 to Irving Resources Inc. For the period from incorporation to November 13, 2015, the Company was a wholly-owned subsidiary of Gold Canyon Resources Inc. ("Gold Canyon"). Subsequent to November 30, 2015, the Company commenced trading on the Canadian Securities Exchange ("CSE") under the trading symbol "IRV" on December 23, 2015. The Company's corporate office is located at Suite 810 – 609 Granville Street, Vancouver, BC V7Y 1G5. (See Note 3)

These condensed interim consolidated financial statements have been prepared on a going concern basis which contemplates 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 business. The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its mineral properties, is dependent on the Company's ability to obtain the necessary financing. The financial statements do not include any adjustments to assets and liabilities should the Company be unable to continue as a going concern.

During the period ended November 30, 2015, the Company incurred an operating loss of $9,298. As at November 30, 2015, working capital was $454,445. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and there is no assurance it will be able to do so in the future. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. Adverse financial market conditions and volatility increase the uncertainty of the Company's ability to continue as a going concern given the need to both manage expenditures and to raise additional funds. Accordingly, there is material uncertainty that exists that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

c) Approval of the consolidated financial statements

These condensed interim financial statements were reviewed by the Audit Committee and authorized for issue by the Board of Directors on January 28, 2016.

3. PLAN OF ARRANGEMENT

On November 13, 2015, Irving, Gold Canyon and First Mining Finance Corp. ("First Mining) completed a Plan of Arrangement (the "Arrangement") under the Business Corporation Act (British Columbia) that resulted in Irving holding title to various exploration properties located in Africa.

Under the Arrangement, shareholders of Gold Canyon received one common share of First Mining for each Gold Canyon share held and each Gold Canyon shareholder also received 0.03333 common shares of the Company and 0.03333 warrants of the Company for each unexercised Gold Canyon warrant held.

This resulted in the issuance of 5,372,752 common shares and 376,958 warrants of the Company. The warrants are exercisable at $0.30 until February 5, 2018. As part of the Arrangement, Gold Canyon transferred its early stage non-gold exploration properties together with $500,000 in cash and certain other assets owned by Gold Canyon to the Company.

Pursuant to the Arrangement, the 11,310,000 unexercised Gold Canyon warrants were exchanged for a First Mining Replacement Warrant (the "Replacement Warrants") and the 6,012,500 unexercised Gold Canyon stock options were exchanged for Replacement Options, each to purchase a number of First Mining Shares equal to the exchange ratio of one common share. Any document previously evidencing the Gold Canyon Warrants or Options shall be deemed to evidence such Replacement Warrant or Replacement Option and no certificates evidencing the Replacement Warrants or Replacement Options shall be issued.

(Expressed in Canadian Dollars - Unaudited)

3. PLAN OF ARRANGEMENT (cont'd)

In connection with the Arrangement,

a) The Company commenced trading on the CSE under the trading symbol "IRV" on December 23, 2015.

b) Subsequent to the end of the period, the Company received $334,500 ($350,000, less deduction of costs) from First Mining pursuant to the terms of the Arrangement.

The following table summarizes the recognizable consolidated assets and liabilities acquired and assumed by the Company as a result of the Arrangement:

	As at November 13, 2015
Assets	
Cash	$ 500,000
Exploration and evaluation assets	1,498,786
Equipment	7,512
Total assets assumed	**2,006,298**
Accounts payable and accrued liabilities	**(21,249)**
Net assets assumed	**$ 1,985,049**

4. SIGNIFICANT ACCOUNTNG POLICIES

Principles of consolidation

The condensed interim consolidated financial statements include the financial statements of the Company, comprised of the following:

	Jurisdiction	Nature of Operation	Equity Interest
Gold Canyon Kratz Spring, LLC ("Kratz Spring LLC") (See Note 7)	Colorado, USA	Exploration	100%
River Stone Limited ("RSL")	Malawi, Africa	Exploration	100%
Spring Stone Limited ("SSL")	Malawi, Africa	Exploration	100%
Spring Take Limited ("STL")	Tanzania, Africa	Exploration	100%
Spring Stone Mining Corporation ("SSM")	BC, Canada	Holding	100%
Spring Stone Exploration Inc.("SSE")	BC, Canada	Holding	100%

All inter-company balances and transactions have been eliminated on consolidation.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

Financial instruments

Financial Assets

Financial assets are classified into one of the following categories: fair value through profit or loss, loans and receivables, available-for-sale, or held-to-maturity investments. The classification depends on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. Management determines the classification of its financial assets at initial recognition. The Company's accounting policy for each category is as follows:

(i) *Financial assets at fair value through profit or loss*
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term and are classified as current assets. Derivatives are also categorized as held for trading unless they are designated as hedges.

(ii) *Loans and Receivables*
These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

(iii) *Available-For-Sale Investments*
Non-derivative financial assets not included in the above categories are classified as available-for-sale and comprise principally of the Company's strategic investments in entities not qualifying as subsidiaries or associates. Available-for-sale investments are carried at fair value with changes in fair value recognized in accumulated other comprehensive loss/income. Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognized in other comprehensive loss/income, is recognized in profit or loss. If there is no quoted market price in an active market and fair value cannot be readily determined, available-for-sale investments are carried at cost.

Purchase and sales of available-for-sale financial assets are recognized on a trade date basis. On sale or impairment, the cumulative amount recognized in other comprehensive loss/income is reclassified from accumulated other comprehensive loss/income to profit or loss.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

Financial instruments (cont'd)

(iv) Held-to-maturity investments
The held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs.

The Company has classified its cash as fair value through profit and loss. The Company's receivables are classified as loans and receivables.

Impairment of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial Liabilities

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred, and comprise accounts payables and accrued liabilities. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

The Company classifies its accounts payable as other financial liabilities.

Exploration and evaluation assets – mineral properties

Pre-exploration costs
Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation expenditures
Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to acquisition costs. These direct expenditures include such costs as material used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

Exploration and evaluation assets – mineral properties (cont'd)

When a project is deemed to no longer have commercially viable prospects to the Company, mineral property expenditures in respect of that project are deemed to be impaired. As a result, those mineral property expenditures, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

The Company assesses mineral properties for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mine under construction". Mineral property assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Income taxes

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 is recognized in respect of 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: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and 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.

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 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.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

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 more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed surplus.

Share-based payment transactions

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

Stock options granted to directors, officers and employees are measured at their fair values determined on their grant date using the Black-Scholes option pricing model. They are recognized as an expense over the vesting periods of the options using the graded vesting model. Options granted to consultants or other non-insiders are measured at the fair value of goods or services received from these parties, or at their Black-Scholes fair values if the fair value of goods or services received cannot be measured. A corresponding increase is recorded to share-based payment reserves for share-based compensation recorded.

When stock options are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves are recorded as share capital.

Provisions

Rehabilitation Provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

Provisions (cont'd)

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability-specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period which they occur.

Other Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Earning / loss per share

Basic earnings / loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings per share is determined by adjusting the earnings or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

Foreign currencies

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

Foreign currencies (cont'd)

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of loss and comprehensive loss.

Equipment

Recognition and Measurement

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable costs of acquisition required to bring the asset to the location and condition necessary to be capable of operating in a manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not amortized.

When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Major Maintenance and Repairs

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Gains and Losses

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Equipment (cont'd…)

Depreciation

Depreciation is recognized in profit or loss and equipment is depreciated over their estimated useful lives using the following methods:

Computer equipment	30% declining balance
Office furniture and fixtures	20% declining balance

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets if any, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized immediately in profit or loss.

4. SIGNIFICANT ACCOUNTNG POLICIES (cont'd)

New Accounting Standards and Amendments Issued for Adoption in Future Periods

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards. Adopting these standards is expected to have minimal or no impact on the Company's financial statements.

Accounting Standards Effective in Future Periods:

IFRS 10, IFRS 12, IAS 27, Exception from Consolidation for "Investment Entities"

IFRS 10 is amended to define an "investment entity" and introduce an exception from consolidation for investment entities. IFRS 12 and IAS 27 are amended to introduce disclosures that an investment entity needs to make.

IFRS 9, Financial Instruments

The complete version was issued in July 2014. The completed standard provides for revised guidance on the classification and measurement of financial assets. It also introduces a new expected credit loss model for calculating impairment for financial assets. The new hedging guidance that was issued in November 2013 is incorporated into this new final standard. This final version of IFRS 9 will be effective for periods beginning on or after January 1, 2018, with early adoption permitted.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(Expressed in Canadian Dollars - Unaudited)

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

a) Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

b) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

6. EQUIPMENT

	Computer equipment	Office furniture and fixtures	Total
Cost			
Balance, August 28, 2015	$ -	$ -	$ -
Additions (Note 3)	5,030	12,181	17,211
Balance, November 30, 2015	$ 5,030	$ 12,181	$ 17,211
Accumulated depreciation			
Balance, August 28, 2015	$ -	$ -	$ -
Additions (Note 3)	3,630	6,069	9,699
Balance, November 30, 2015	$ 3,630	$ 6,069	$ 9,699
Carrying amounts			
At August 28, 2015	$ -	$ -	$ -
At November 30, 2015	$ 1,400	$ 6,113	$ 7,512

(Expressed in Canadian Dollars - Unaudited)

7. EXPLORATION AND EVALUATION ASSETS

The following expenditures were incurred on the Company's exploration and evaluation assets:

Opening balance, August 28, 2015	$	-
Contributions from spinout assets November 13, 2015 (Note 3)		1,498,786
Consulting, management and administration		15,008
Total, exploration and evaluation assets, November 30, 2015	$	1,513,794

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and to the best of its knowledge, title to all of the assets is in good standing.

a) Tanzania Property

The Company, through its wholly owned Tanzanian subsidiary, Spring Take Limited ("STL"), was granted two Prospecting Licences ("PLs") by the Ministry of Energy and Minerals in the United Republic of Tanzania, Africa for the exploration of copper-gold. The PLs cover certain areas in the Mpwapwa District of the Dodoma Region in east-central Tanzania. This project is also part of the JEA with JOGMEC. Under the JEA, the participating interest and contributions of each of the joint venture partners is 67% JOGMEC and 33% the Company.

b) Malawi Property

The Company has a Rare Earth Element ("REE") exploration project in Malawi, Africa through its wholly-owned Malawian subsidiaries and the JEA, with its joint venture participant, JOGMEC. The REE exploration is being operated by the Company's wholly-owned subsidiary, SSL. Under the JEA, the participating interest and contributions of each of the joint venture partners is 67% JOGMEC and 33% the Company.

The Company has an Exclusive Prospecting Licence ("EPL") granted to the joint venture by the Malawi Ministry of Natural Resources, Energy Environment for the Mulanje Project. Exploration work on the Mulanje Project has been carried out by the Company's wholly owned subsidiary, SSL, pursuant to the terms of the JEA with JOGMEC; however, the Company is not currently conducting any exploration on this property.

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

c) Kratz Spring Property

In December 2008, Gold Canyon acquired 53 mineral property rights located in Franklin County, Missouri, USA by paying delinquent taxes and other costs.

Gold Canyon entered into a Joint Exploration Agreement ("JEA") with Japan Oil, Gas and Metals National Corporation ("JOGMEC") on January 22, 2009, which was assigned to the Company as part of the Arrangement. Under the terms of the agreement, JOGMEC earned an 80% interest in the Kratz Spring Project by making an initial contribution of US$75,000 and reimbursed the Company for all property expenses incurred before March 31, 2009. As a result of the recovery from JOGMEC, the carrying value of the Kratz Spring property was $nil.

During the period, the Kratz Spring Property was quit claimed to a third party and the Company elected to legally dissolve Kratz Spring LLC in the State of Colorado, USA.

8. JOINT EXPLORATION ALLIANCE

The Company holds a JEA, entered into on January 22, 2009 by Gold Canyon, and assigned to Irving under the Arrangement, under which JOGMEC contributes 67% of the funding and holds a 67% option to all of the JEA projects.

The Company, as operator of the JEA, conducts REE project identification and exploration. The objective of the JEA is to identify, analyze and perform metallurgical evaluation leading to production of REEs. All the property investigation costs will be expensed as incurred until the Company assesses whether there is any future benefit of REEs and acquires the rights to the property.

(Expressed in Canadian Dollars - Unaudited)

9. SHAREHOLDERS' EQUITY

Authorized

Unlimited number of common shares without par value:

During the period from incorporation on August 28, 2015 to November 30, 2015, the Company:

a) Issued one (1) common share on incorporation and cancelled this one (1) common share upon completion of the Arrangement.

b) Issued 5,372,752 common shares with a value of $1,985,049 pursuant to the Arrangement (Note 3).

Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Opening balance, August 28, 2015	-	$ -
Issued as part of the Arrangement (Note 3)	376,958	0.30
Outstanding, November 30, 2015	376,958	$ 0.30

Warrants outstanding at November 30, 2015 are as follows:

Number of Warrants	Exercise Price	Expiry Date
376,958	$ 0.30	February 5, 2018

(Expressed in Canadian Dollars - Unaudited)

10. RELATED PARTY TRANSACTIONS

	Period from August 28, 2015 to November 30, 2015
Management fees	$ 4,565
Consulting fees	1,975
Directors' fees	1,000
	$ 7,540

a) Included in the management fees were fees for services provided by the President and Chief Executive Officer and Chief Financial Officer.

b) Included in consulting fees are amounts paid to independent directors for services other than their role as directors.

c) Directors' fees for services provided by the independent directors.

As at November 30, 2015, $1,000 is due to related parties. The amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

Other than disclosed above, there was no other compensation paid to key management during the period from incorporation on August 28, 2015 to November 30, 2015.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash transactions for the period ended November 30, 2015:

a) Included in accounts payable and accrued liabilities are $21,249 related to deferred exploration costs.

(Expressed in Canadian Dollars - Unaudited)

12. SEGMENTED INFORMATION

The Company has mineral properties located geographically as follows:

As at August 28, 2015	Equipment	Exploration and evaluation assets
Canada	$ -	$ -
Africa	-	-
Total	$ -	$ -

As at November 30, 2015	Equipment	Exploration and evaluation assets
Canada	$ 7,512	$ -
Africa	-	1,513,794
Total	$ 7,512	$ 1,513,794

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at November 30, 2015, the Company's financial instruments are comprised of cash, receivables, and accounts payable and accrued liabilities. The carrying value of receivables, accounts payable and accrued liabilities approximates their fair values due to the relatively short periods to maturity of these financial instruments.

Financial instruments measured at fair value on the statement of financial position are summarized in levels of fair value hierarchy as follows:

Assets	Level 1	Level 2	Level 3	Total
Cash	$ 142,184	-	-	$ 142,184
Total	$ 142,184	$ -	$ -	$ 142,184

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. Management and the Board of Directors monitor risk management activities and review the adequacy of such activities.

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash and receivables.

The Company's cash is held with high-credit quality financial institutions. Receivables mainly consist of goods and services tax due from the Federal Government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations, and anticipating investing and financing activities. As at November 30, 2015, the Company had cash of $142,184 to settle current liabilities of $39,343 which have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

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

i) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term certificates of deposits issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks.

ii) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. The ability of the Company to explore its mineral properties and future profitability of the Company are directly related to the market price of rare earth elements and other non-gold minerals. The Company monitors commodity prices to determine appropriate actions to be undertaken.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

iii) Foreign exchange rate risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations, exploration and administrative expenses in the United States by using US dollars converted from its Canadian bank accounts. Management is aware of the possibility of foreign exchange risk derived from currency conversions. The Company has not entered into any agreements or purchased any instruments to hedge possible foreign exchange rate risk at this time.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be affected by credit risk, liquidity risk or market risk.

14. CAPITAL MANAGEMENT

The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to meet the Company's property exploration plans and to ensure the growth of activities.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is in the exploration stage; as such the Company will reply on the equity markets to fund its activities. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

15. COMMITMENTS

The Company has a five year office lease agreement expiring August 31, 2020. The lease payments will be as follows:

2015	$ 7,289
2016	29,154
2017	29,486
2018	30,149
2019	30,481
2020	15,241
	$ 141,800