WESTKAM GOLD CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

January 31, 2016

(Expressed in Canadian Dollars)

NOTICE TO READER

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The interim financial statements for the Company for the first quarter ended January 31, 2016 have been prepared by and are the responsibility of the Company's management.

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

WESTKAM GOLD CORP.
INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	Jan. 31, 2016	Oct. 31, 2015
ASSETS			
Current Assets			
Cash		$ 343,564	$ 65,296
Receivables	**3**	10,767	46,923
Prepaid expense		8,888	10,526
		363,239	122,745
Equipment	**4**	9,504	10,028
Exploration and evaluation assets	**5**	14,300,198	14,300,198
Reclamation bonds	**5**	40,000	25,000
		$ 14,712,921	**$ 14,457,971**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 705,978	$ 837,396
		705,978	837,396
SHAREHOLDERS' EQUITY			
Share capital	**6**	49,547,976	49,010,976
Share-based payments reserve	**6**	340,548	340,548
Deficit		(35,881,581)	(35,730,949)
		14,006,943	13,620,575
		$ 14,712,921	**$ 14,457,971**

Nature of Operations and Going Concern (note 1)

On behalf of the Board:

" Matt Wayrynen " **Director** ***"Akash Patel"*** **Director**

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

(Unaudited - Expressed in Canadian Dollars)

		Three months ended January 31,	
	Note	**2016**	2015
EXPENSES			
Consulting		$ 37,325	$ 64,324
Depreciation		524	617
Exploration expenses	**5**	59,323	113,167
Investor relations and shareholder information		4,100	5,214
Management fees	**7**	40,000	40,000
Office		5,251	4,589
Professional fees		-	20,842
Regulatory and filing fees		4,109	2,050
Operating loss		(150,632)	(250,803)
Reversal of flow through premium liability	**6**	-	11,388
Loss and comprehensive loss for the year		$ (150,632)	$ (239,415)
Loss per share (Basic and Diluted)	**9**	$ -	$ -
Weighted average number of common shares outstanding		96,055,318	65,924,455

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

WESTKAM GOLD CORP.
INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Number of common Shares	Share capital	Share Subscriptions	Share-based payments reserve	Deficit	Total shareholders' equity
Balance, Oct. 31, 2014	**83,568,240**	**$48,315,311**	**$ -**	**$1,238,374**	**$(35,490,705)**	**$ 14,062,980**
Expiry of warrants	-	244,039	-	(156,696)	156,696	-
Loss and comprehensive loss	-	-	-	-	(239,415)	(239,415)
Balance, Jan. 31, 2015	**83,568,240**	**$48,315,311**		**$1,081,678**	**$(35,573,424)**	**$13,853,565**
Balance, Oct. 31, 2015	100,234,910	$49,010,976	$ -	$ 340,548	$(35,730,949)	$13,620,575
Private Placement	17,900,000	537,000		-	-	537,000
Loss and comprehensive loss	-	-		-	(150,632)	(150,632)
Balance, Jan. 31, 2016	**118,134,910**	**$49,547,976**	**$ -**	**$ 340,548**	**$(35,881,581)**	**$(14,006,943)**

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

WESTKAM GOLD CORP.
INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Three months ended January 31, **2016**	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	$ (150,632)	$ (239,415)
Items not affecting cash:		
Reversal of flow-through premium liability	-	(11,388)
Depreciation	524	617
Changes in non-cash working capital items		
Decrease (increase) in receivables	36,336	(10,885)
Decrease (increase) in prepaid expenses	1,638	31,957
Decrease (increase) in reclamation bond	(15,000)	-
Decrease (increase) in exploration advances	-	30,000
(Decrease) increase in accounts payable	(131,598)	110,437
Net cash used in operating activities	(258,732)	88,677
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common shares for cash	537,000	-
Share issuance costs	-	-
Net cash provided by financing activities	537,000	-
CHANGE IN CASH DURING THE PERIOD	278,268	(88,677)
CASH, beginning of period	65,296	180,935
CASH, end of period	$ 343,564	$ 92,258

Supplemental disclosure with respect to cash flows (Note 12)

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

NOTE 1 - NATURE OF OPERATIONS AND GOING CONCERN

WestKam Gold Corp. (the "Company") was incorporated October 2, 1982 under the laws and Company Act of British Columbia, Canada, is domiciled in Canada and is a reporting issuer in the provinces of British Columbia and Alberta, Canada. The Company trades on the TSX Venture Exchange under the symbol "WKG". The Company's head and registered offices are located at Suite 900 – 570 Granville Street, Vancouver, BC, V6C 3P1.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable reserves. The recovery of amounts comprising the exploration and evaluation assets is dependent upon the confirmation of recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of these reserves, the potential future profitability of these reserves or alternatively, the disposition, on an advantageous basis, of the Company's interests in the exploration and evaluation assets. The Company continues to incur losses and will require additional financing for the upcoming year. These material uncertainties may cast significant doubt regarding the Company's ability to continue as a going concern.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance:

These financial statements have been prepared in accordance with IAS 1 "Presentation of Financial Statements" ("IAS 1") using accounting policies consistent with International Financial Reporting Standards "IFRS" issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized by the Audit Committee and Board of Directors of the Company on March 31, 2016.

b) Basis of presentation:

These unaudited interim condensed financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's October 31, 2015 annual audited financial statements. Management advises readers of these unaudited interim financial statements to review the audited financial statements and accompanying notes fo the years ended October 31, 2015 and 2014 in conjunction with the review of these statements.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – (Continued)

c) New standards, amendments and interpretations not yet effective:

A number of new standards, amendments to standards, and interpretations are not yet effective as of October 31, 2015, and have not been applied in preparing these condensed consolidated interim financial statements. None of these are expected to have a material effect on the financial statements of the Company.

Effective for annual periods beginning on or after January 1, 2016

IAS 16 & IAS 38, *Clarification of Acceptable Methods of Depreciation and Amortization*
Amended to (i) clarify that the use of a revenue-based depreciation and amortization method is not appropriated, and (ii) provide a rebuttable presumption for intangible assets.

Effective for annual periods beginning on or after January 1, 2017

IFRS 15, *Revenue from Contracts with Customers*

IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in orer to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

In May 2015, the International Accounting Standards board ("IASB") proposed to defer the effective date to January 1, 2018. Early application of the Standard would still be permitted.

Effective for annual periods beginning on or after January 1, 2018

IFRS 9 is a new standard on financial instruments that will replace IAS 39, *Financial Instrumetns: Recognition and Measurement.*

IFRS 9 addresses clarification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

NOTE 3 – RECEIVABLES

Receivables are comprised of the following:

	January 31, 2016		October 31, 2015	
GST Receivable	$	10,767	$	27,167
Other Receivables		-		-
Due from related party		-		-
BCMETC		-		19,736
Total	$	10,767	$	46,923

NOTE 4 – EQUIPMENT

		Computer equipment		Furniture, fixtures and equipment		Total
Cost						
Balance at October 31, 2014, 2015, and January 31, 2016	$	41,035	$	68,065	$	109,100

		Computer equipment		Furniture, fixtures and equipment		Total
Depreciation and impairment						
Balance at October 31, 2014	$	39,919	$	57,399	$	97,318
Depreciation		233		1,521		1,754
Balance at October 31, 2015	$	40,152	$	58,920	$	99,072
Depreciation		66		458		524
Balance at January 31, 2016	$	40,218	$	59,378	$	99,956

		Computer equipment		Furniture, fixtures and equipment		Total
Carrying values						
Balance at October 31, 2015	$	883	$	9,145	$	10,028
Balance at January 31, 2016	$	817	$	8,687	$	9,504

NOTE 5 – EXPLORATION AND EVALUATION ASSETS

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 its properties are in good standing.

Exploration and evaluation assets costs are set out below:

		Bonaparte		Total
As at October 31, 2014	$	14,300,198	$	14,300,198
As at October 31, 2015	$	14,300,198	$	14,300,198
As at January 31, 2016	$	14,300,198	$	14,300,198

NOTE 5 – EXPLORATION AND EVALUATION ASSETS – (Continued)

Bonaparte Gold property - Kamloops, British Columbia

In fiscal 2011, the Company acquired a 75% interest in the Bonaparte Gold property located in the Kamloops mining district in British Columbia.

To acquire its 75% interest, the Company paid $8,001,550, issued 3,250,000 common shares with a value of $4,750,000, and incurred certain expenditures on the property.

On January 24, 2012 the Company acquired a 100% right to a portion of land adjacent to the Bonaparte property. The rights were received in exchange for settlement of prepaid exploration costs of $501,627.

In fiscal 2014, the Company entered an option agreement to acquire an additional 17% interest on its existing claims of the Bonaparte Gold property for consideration of 6,500,000 common shares (issued at a value of $350,000) and payment of $150,000 in cash (paid).

Additionally in fiscal 2014, the Company acquired the remaining 8% interest in the Bonaparte Gold property through the issuance of 10,950,000 common shares valued at $547,500, bringing the Company's interest in the Property to 100% of all claims.

The table below is a summary of exploration expenditures recognized in profit or loss for the years ended January 31, 2016 and 2015:

		2016		2015
		Bonaparte		Bonaparte
Exploration Expenses				
Camp supplies, maintenance and miscellaneous		59,323		23,817
Drilling and field support		-		-
Equipment rental		-		-
Geological consulting		-		81,634
Travel and accommodation		-		7,716
Net Exploration	$	59,323	$	113,167

The Company has also issued reclamation bonds of $40,000 (2015 - $25,000) for future reclamation work on the Bonaparte Gold property.

NOTE 6 – SHARE CAPITAL

The Company's share capital consists of an unlimited number of common shares without par value.

NOTE 6 – SHARE CAPITAL – (Continued)

Fiscal 2016 Transactions

On January 27, 2016, the Company completed a non-brokered private placement of 17,900,000 for gross proceeds of $537,000. The Company sold 11,700,000 flow-through units and 6,200,000 units at a price of $0.03 per unit. Each flow-through unit consists of one flow-through common share and one common share purchase warrant, with each warrant exercisable at a price of $0.05 for a period of five years from the date of close. Each unit consists of o each warrant exercisable at a price of $0.05 for a period of five years from the date of close

Fiscal 2015 Transactions

On June 17, 2015, the Company completed a non-brokered private placement of 16,666,666 units for gross proceeds of $500,000. Each unit consists of one common share and one common share purchase warrant exercisable at a price of $0.05 for a period of five years following the close of the private placement. The Company paid a financing fee in the amount of $28,500 and issued 570,000 broker warrants valued at $15,605 with respect to this private placement.

Share-based compensation

The Company has an equity-settled stock option plan under which the Board of Directors may grant options to directors, officers, other employees and key consultants. The purpose of the plan is to advance the interests of the Company by encouraging these individuals to acquire shares in the Company and thereby remain associated with, and seek to maximize the value of, the Company.

Under the plan, the number of shares reserved for issuance pursuant to the exercise of all options under the plan may not exceed 10% of the issued and outstanding common shares on a non-diluted basis at any time. The options expire not more than five years from the date of grant, or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant.

No options were granted during fiscal 2016 or 2015.

NOTE 6 – SHARE CAPITAL – (Continued)

As at October 31, 2015 and January 31, 2016, the Company had outstanding stock options as follows:

Exercise price	Expiry date	Number outstanding	
$0.05	Aug. 21, 2019	4,300,000	
$0.05	Weighted average	4,300,000	Total

The continuity of stock options for the period ended January 31, 2016 and years ended October 31, 2015 and 2014 is as follows:

	Number of Options	Weighted average exercise price
Outstanding as at October 31, 2014	5,084,900	.20
Expired	(784,900)	1.00
Outstanding as at October 31, 2015	4,300,000	$ 0.05
Outstanding as at January 31, 2016	4,300,000	$ 0.05

NOTE 6 – SHARE CAPITAL - (Continued)

Warrants

The continuity of warrants for the period ended January 31, 2016 and year ended October 31, 2015 is as follows:

Expiry Date	Exercise Price	Oct. 31, 2015	Granted	Exercised	Expired/ cancelled	Jan. 31, 2016
Nov. 8, 2015	$1.50/ $2.00(i)	1,300,000	-	-	(1,300,000)	-
July 26, 2018	$0.10	10,626,000	-	-	-	10,626,000
July 26, 2018	$0.10/ $0.20(ii)	3,300,000	-	-	-	3,300,000
Aug. 21, 2019	$0.07/ $0.10(III)	3,008,333	-	-	-	3,008,333
Aug. 21, 2019	$0.05/ $0.10(IV)	13,631,300	-	-	-	13,631,300
Aug. 21, 2019	$0.10	656,000	-	-	-	656.000
June 17, 2020	$0.05	16,666,666	-	-	-	16,666,666
June 17, 2020	$0.05	570,000	-	-	-	570,000
Jan. 27, 2021	$0.05	-	17,900,000	-	-	17,900,000
		49,758,299	17,900,00	-	(1,300,000)	48,458,299
Weighted average		$0.11	-	-	$1.50/$2.00	66,358,299

* expired subsequent to year end unexercised.

(ii) the exercise price of the warrants is $1.50 in the first year and $2.00 thereafter
(ii) the exercise price of the warrants is $0.10 in the first three years, and $0.20 thereafter
(iii) the exercise price of the warrants is $0.07 in the first two years, and $0.10 thereafter
(Iv) the exercise price of the warrants is $0.05 in the first two years, and $0.10 thereafter

The fair value of agent's warrants is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2016	2015
Dividend yield	Nil	Nil
Expected volatility	107.67%	107.67%
Risk free rate of return	0.54%	0.54%
Expected life	5 years	5 years
Fair value	$0.03	$0.03

NOTE 7 – RELATED PARTY TRANSACTIONS

The Company's related parties which consist of individuals who are executive officers and/or directors of the Company and or are directly related to a director of the Company are as follows:

Name	Nature of transaction
Matt Wayrynen, CEO, Director	Management fees
Pamela Saulnier, CFO	Management fees and Consulting fees
Akash Patel, Director	Consulting fees

Key management consist of the chief executive officer, chief financial officer, directors and a company controlled by a director.

The Company incurred the following fees and expenses with key management.

	January 31, 2016	January 31, 2015
Management and consulting fees	$ 40,000	$ 40,000
Total	$ 40,000	$ 40,000

NOTE 8 – SEGMENTED INFORMATION

The Company operates in one business segment being the acquisition and exploration of exploration and evaluation assets in Canada.

NOTE 9 – BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended January 31, 2016 is based on the loss attributable to common shareholders of $150,632 (2015 – $239,417) and a weighted average number of common shares outstanding of 96,05,318 (2015 – 65,924,455).

NOTE 10 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 - inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets;
- Level 2 - inputs to the valuation methodology included quoted prices for identical assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace; and,
- Level 3 - inputs to the valuation methodology are not based on observable market data.

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables and accounts payable and accrued liabilities are measured at amortized cost using effective interest rate.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of amounts due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Interest rate risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment grade short-term demand deposit certificates issued by its banking institutions. The company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company is marginally exposed to interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates.

NOTE 10 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT – (Continued)

Foreign currency risk

The Company has limited exposure to foreign currency risk on currency fluctuations related to monetary items with a settlement currency other than Canadian dollars.

Commodity price risk

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

NOTE 11 – CAPITAL MANAGEMENT

The Company manages common shares, stock options, and share purchase warrants as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. Cash consist of cash on hand, balances with banks and investments in highly liquid instruments. The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents and the fair value approximates carrying value. There have been no changes to the Company's approach to capital management during the year ended October 31, 2015. The Company is not subject to externally imposed capital requirements.

NOTE 12 – SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions for the years presented include:

		January 31, 2016		October 31, 2015
Finders' warrants issued as share issue costs	$	-	$	15,605
Allocation of expired warrants to deficit	$	-	$	244,039