Compass Gold Corporation

Consolidated Financial Statements

Year Ended December 31, 2015

Expressed in Canadian Dollars

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Compass Gold Corporation:

We have audited the accompanying consolidated financial statements of Compass Gold Corporation, which comprise the consolidated statements of financial position as at December 31, 2015 and 2014, and the consolidated statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Compass Gold Corporation as at December 31, 2015 and 2014, and its financial performance and its cash flows for the for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 to the consolidated financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about Compass Gold Corporation's ability to continue as a going concern.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
April 29, 2016

Compass Gold Corporation
Consolidated statements of financial position
(Expressed in Canadian dollars)

	Notes	December 31, 2015	December 31, 2014
ASSETS			
Current assets			
Cash		$ 1,838	$ 542
Receivable	4	517	248
Investments	5	-	66,491
TOTAL ASSETS		**$ 2,355**	**$ 67,281**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	6	$ 40,338	$ 37,900
Other liabilities	7	15,132	-
TOTAL LIABILITIES		**55,470**	**37,900**
SHAREHOLDERS' EQUITY			
Share capital	8	10,286,129	10,286,129
Share-based payment reserve	9	1,953,146	1,953,146
Deficit		(12,292,389)	(12,209,894)
TOTAL SHAREHOLDERS' EQUITY		**(53,114)**	**29,381**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 2,355**	**$ 67,281**

NATURE AND CONTINUANCE OF OPERATIONS	1
SUBSEQUENT EVENT	15

ON BEHALF OF THE BOARD

/s/ Ian Spence
____
Ian Spence, Chief Executive Office

/s/ Lara Iacusso
____
Lara Iacusso, Director and Chief Financial Officer

Compass Gold Corporation
Consolidated statements of comprehensive loss
(Expressed in Canadian dollars)

	Notes	Year ended December 31, 2015	Year ended December 31, 2014
EXPENSES			
Accounting and audit fees		$ 5,450	$ 6,340
Consulting fees	10	12,000	34,911
Foreign exchange loss		537	(2,609)
General and administrative expenses		13,220	19,835
Listing and registration fees		16,541	14,240
Professional fees		6,993	1,042
Rent	10	-	8,213
TOTAL EXPENSES		**(54,741)**	**(81,972)**
OTHER ITEMS			
Loss on sale of investment	5	(27,754)	(6,603)
Unrealized gain on investment	5	-	15,354
NET LOSS AND COMPREHENSIVE LOSS		**$ (82,495)**	**$ (73,221)**
LOSS PER SHARE – BASIC AND DILUTED*		$ (0.02)	$ (0.02)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING – BASIC AND DILUTED*		3,805,078	3,805,078

** Note – During the year the Company consolidated its capital on the basis of one (1) new share for every forty (40) existing shares held (“Share Consolidation). All share and per share numbers, including comparatives, have been adjusted to reflect the effect of the Share Consolidation.*

Compass Gold Corporation
Consolidated statements of changes in shareholders' equity
(Expressed in Canadian dollars)

		Share capital				
	Note	Number of shares*	Amount	Share-based payment reserve	Deficit	Total Equity
Balance at January 1, 2014		3,805,078	**$ 10,286,129**	**$ 1,953,146**	**$ (12,136,673)**	**$ 102,602**
Net and comprehensive loss		-	-	-	(73,221)	(73,221)
Balance at December 31, 2014		3,805,078	**10,286,129**	**1,953,146**	**(12,209,894)**	**29,381**
Net and comprehensive loss		-	-	-	(82,495)	(82,495)
Balance at December 31, 2015		3,805,078	**$ 10,286,129**	**$ 1,953,146**	**$ (**12,292,389**)**	**$ (53,114)**

** Note – During the year the Company completed the Share Consolidation. All share and per share numbers, including comparatives, have been adjusted to reflect the effect of the Share Consolidation.*

(Expressed in Canadian dollars)

	Year ended December 31, 2015	Year ended December 31, 2014
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss	$ (82,495)	$ (73,221)
Adjustment for items not affecting cash:		
Loss on sale of investments	27,754	6,603
Unrealized gain on investments	-	(15,354)
Changes in non-cash working capital items:		
Receivable	(269)	3,429
Trade payable and accrued liabilities	2,438	(15,100)
Cash flows used in operating activities	(52,572)	(93,643)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	38,737	8,484
Cash flows from investing activities	38,737	8,484
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance of loan	15,132	-
Cash flows from financing activities	15,132	-
NET CHANGE IN CASH	1,296	(85,159)
CASH, BEGINNING	542	85,701
CASH, ENDING	$ 1,838	$ 542

Non-cash transactions (Note 13)

1. Nature and continuance of operations

Compass Gold Corporation (the "Company") was incorporated on July 1, 2002, under the laws of Alberta and continued into British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties. The Company's shares are traded on the NEX Board of the TSX Venture Exchange ("TSX-V") under the symbol "CVB-H". The registered and head office of the Company is located at Suite 800, 789 West Pender Street, Vancouver, British Columbia, Canada, V6E 4G1.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at December 31, 2015 the Company had sold its major assets and settled all substantial liabilities. The Company's continuation as a going concern is dependent upon its ability to acquire new business activities and and/or raise equity capital or borrowings sufficient to meet current and future obligations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors or other parties and/or private placement of common shares.

2. Significant accounting policies and basis of preparation

The financial statements were authorized for issue on April 29, 2016 by the directors of the Company.

Statement of Compliance with International Financial Reporting Standards

The consolidated financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of preparation

The consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Consolidation

The consolidated financial statements include the accounts of the Company and its controlled entities. Details of the controlled entities are as follows:

		Percentage owned*	
	Country of incorporation	**December 31, 2015**	**December 31, 2014**
Compass Gold (BVI) Holdings Corp	BVI	100%	100%
Exploration Azteca S.A De.C.V	Mexico	100%	100%

*Percentage of voting power is in proportion to ownership.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

2. Significant accounting policies and basis of preparation (cont'd)

Significant estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation relate to fair value measurements for financial instruments and stock-based compensation and other equity-based payments, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of financial instruments; and
- the determination of the functional currency of the parent company and its subsidiaries.

Foreign currency translation

The functional currency of the Company and each of its subsidiaries is determined using the currency of the primary economic environment in which each entity operates. The consolidated financial statements are presented in Canadian dollars which is the functional and presentation currency of the parent company.

<u>Transactions and balances:</u>

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

2. Significant accounting policies and basis of preparation (cont'd)

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss. The Company's financial assets classified at fair value through profit or loss include investments.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company classifies cash and receivable as loans and receivables.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. The Company has no financial assets classified as held-to-maturity investments.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive loss, except for impairment losses and foreign exchange gains and losses. The Company has no financial assets classified as available-for-sale investments.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. The Company's non-derivative financial liabilities include trade payables and other liabilities.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2. Significant accounting policies and basis of preparation (cont'd)

Financial instruments (cont'd)

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

The Company' does not have any derivative financial assets. The Company's derivate financial liabilities include other liabilities.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

3. Accounting standards issued by not yet effective

IFRS 9 "Financial Instruments" ("IFRS 9")

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018. The Company has not early adopted this standard and is currently assessing the impact that this standard will have on its consolidated financial statements.

(Expressed in Canadian dollars)

3. Accounting standards issued by not yet effective (Cont'd).

IFRS 16 "Leases" ("IFRS 16")

IFRS 16 replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15. The Company has not yet assessed the future impact of this new standard on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Receivable

		December 31, 2015		**December 31, 2014**
Taxes recoverable	$	517	$	248

5. Investments

		December 31, 2015		**December 31, 2014**
Shares in listed company	$	Nil	$	66,491

Investments represent Nil (2014: 539,583) shares of Oklo Resources Limited ("Oklo") held as at December 31, 2015. During the year ended December 31, 2015, the Company sold 539,583 (2014: 159,648) Oklo shares for proceeds of $38,737 (2014: $8,484) and recognized a loss of $27,754 (2014: $6,603). At December 31, 2015, the Company recorded an unrealized gain on the Oklo shares of $Nil (2014 - $15,354).

6. Trade payables and accrued liabilities

		December 31, 2015		**December 31, 2014**
Trade payables	$	5,982	$	7,344
Amounts due to related parties (Note 10)		27,000		15,000
Accrued liabilities		7,356		15,556
	$	**40,338**	**$**	**37,900**

(Expressed in Canadian dollars)

7. Other liabilities

Loan from Director	**Year ended December 31, 2015**	**Year ended December 31, 2014**
Balance, beginning of year	$ -	$ -
Additions	15,132	-
Balance, end of year	**$ 15,132**	**$ -**

During the 2015 year, a company controlled by a director advanced funds to the Company. This loan is unsecured, interest free and repayable on demand (Note 10).

8. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At December 31, 2015 there were 3,805,078 issued and fully paid common shares (December 31, 2014 – 3,805,078).

Share Consolidation

On September 21, 2015 the Company completed a consolidation of its common shares on the basis of one (1) new post-consolidation share for every forty (40) pre-consolidation common shares. All share and per share information in these consolidated financial statements have been restated to reflect the impact of the share consolidation

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the year ended December 31, 2015 was based on the loss attributable to common shareholders of $82,495 (2014 - $73,221) and the weighted average number of common shares outstanding of 3,805,078 (2014 – 3,805,078).

Diluted loss per share did not include the effect of the 3,750 stock options outstanding as the effect would be anti-dilutive.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, at its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the Company’s issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to employees and consultants cannot exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee’s position with the Company or 30 days following cessation of an optionee conducting investor relations activities’ position.

(Expressed in Canadian dollars)

8. Share capital (cont'd)

Stock options (Cont'd)

Options granted typically vest on grant date except for an eligible person who undertake investor relations activity which will have vesting period in stages over a 12 month period with a 20% vesting on the date of grant and 20% each three months thereafter. The changes in options during the year ended December 31, 2015 and 2014 are as follows:

	December 31, 2015		December 31, 2014	
	Number of options*	**Weighted average exercise price***	**Number of options***	**Weighted average exercise price***
Options outstanding, beginning	4,375	$ 5.37	4,375	$ 5.3
Options expired	(625)	6.00	-	
Options outstanding, ending	3,750	$ 5.27	4,375	$ 5.3
Options exercisable, ending	3,750	$ 5.27	4,375	$ 5.3

** The number of options and the option exercise prices have been adjusted to reflect the impact of the Share Consolidation.*

The weighted average remaining life of options outstanding at December 31, 2015 is 1.65 years.

Details of options outstanding as at December 31, 2015 are as follows:

Weighted average exercise price	Weighted average remaining contractual life	Number of options Outstanding*
6.20	0.18	1,250
4.80	1.20	2,500
5.27	0.69	3,750

** The number of options have been adjusted to reflect the impact of the Share Consolidation.*

Warrants

The changes in warrants during the year ended December 31, 2015 and 2014 as follows:

	December 31, 2015		December 31, 2014	
	Number of warrants*	**Weighted average exercise price***	**Number of warrants***	**Weighted average exercise price***
Warrants outstanding, beginning of year	250,000	$ 12.00	640,851	$ 7.04
Warrants expired	(250,000)	12.00	(390,851)	3.86
Warrants outstanding, end of year	-	$ -	250,000	$ 12.00
Warrants exercisable, end of year	-	$ -	250,000	$ 12.00

** The number of options and the option exercise prices have been adjusted to reflect the impact of the Share Consolidation.*

(Expressed in Canadian dollars)

9. Reserves

Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

10. Related party transactions

Related party balances

The following amounts due to related parties are included in trade payables and accrued liabilities:

	December 31, 2015	December 31, 2014
Directors of the Company (Note 6)	$ 27,000	$ 15,000

These amounts are unsecured, non-interest bearing and are payable on demand.

The following amounts due to related parties are included in other liabilities:

	December 31, 2015	December 31, 2014
Directors of the Company (Note 7)	$ 15,132	$ -

These amounts are unsecured, non-interest bearing and are payable on demand.

Related party transactions

The Company incurred the following transactions with companies that are controlled by directors of the Company.

	Year Ended December 31, 2015	Year Ended December 31, 2014
Consulting fees – directors and company controlled by a director	$ 12,000	$ 34,911
Rent – company controlled by a director	-	8,213
	$ 12,000	$ 43,124

Key management personnel compensation

	Year ended December 31, 2015	Year ended December 31, 2014
Short-term employee benefits – consulting fees	$ 12,000	$ 34,911

(Expressed in Canadian dollars)

11. Income taxes and deferred tax assets and liabilities

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	Year ended December 31, 2015	Year ended December 31, 2014
Net loss	$ (82,495)	$ (73,221)
Statutory tax rate	26.0%	26.0%
Expected income tax recovery at the statutory tax rate	(21,449)	(19,037)
Permanent differences	3,608	-
Non-deductible items and other	10,925	(894,652)
Effect of change in tax rates	-	(71,958)
Temporary differences not recognized	6,916	985,647
Income tax recovery	$ -	$ -

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized on the basis that it is uncertain that these deductible temporary differences will be utilized:

	Year ended December 31, 2015	Year ended December 31, 2014
Non-capital loss carry-forwards	$ 1,316,654	$ 1,276,249
Unrealized capital losses	1,413,510	1,418,368
Share issuance costs	11,535	42,166
Investments	-	(2,000)
	$ 2,741,699	$ 2,734,783

The tax pools relating to these deductible temporary differences expire as follows:

	Canadian non-capital losses	Canadian unrealized capital losses	Canadian Share issue costs
2027	$ 32,522	$ -	$ -
2028	145,091	-	-
2029	146,892	-	-
2030	314,117	-	-
2031	2,023,461	-	-
2032	1,320,172	-	-
2033	706,098	-	-
2034	211,681	-	-
2035	164,018		
No expiry	-	5,436,578	44,365
	$ 5,064,052	$ 5,436,578	$ 44,365

12. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

Geographic segments

The company is based solely in Canada.

13. Non-cash transactions

During the year ended December 31, 2015 there were no non-cash transactions by the Company.

During the year ended December 31, 2014 there were the following non-cash transactions reflected in the statement of cash flows:

(i) The distribution of 562,256,125 Oklo shares with a fair value of $2,669,592 to the Company's shareholders; and

(ii) The distribution of 25,000,000 Oklo shares with a fair value of $118,875 pursuant to the Debt Settlement.

14. Financial instruments and capital management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in its bank account. The majority of cash is held in a bank account with a major bank in Canada. As the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

(Expressed in Canadian dollars)

14. Financial instruments and capital management (cont'd)

Liquidity risk (cont'd)

Historically, the Company's source of funding has been the issuance of equity securities for cash, primarily through private placements as well as a loan facility. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

All of the Company's financial liabilities as at December 31, 2015 are due within one year of the financial period end date.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. As at December 31, 2015, there are no financial assets and liabilities denominated in a currency other than the functional currency of the entity holding the financial asset or liability.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At December 31, 2015, the Company does not have any financial instruments recorded that bear interest at variable rates and therefore interest rate risk is not considered significant.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	December 31, 2015	December 31, 2014
Loans and receivables:		
Cash	$ 1,838	$ 542
Fair value through profit or loss:		
Investments	-	66,491
	$ 1,838	**$ 67,033**

Financial liabilities included in the statement of financial position are as follows:

	December 31, 2015	December 31, 2014
Non-derivative financial liabilities:		
Trade payables	$ 5,982	$ 7,344

14. Financial instruments and capital management (cont'd)

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial assets and liabilities classified at Level 1 consist of cash and investments.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of share and working capital.

There were no changes in the Company's approach to capital management during the year and the Company is not subject to any externally imposed capital requirements.

15. Subsequent event

Subsequent to year end, the Company received a loan of $12,000 from a company controlled by a director of the Company. This amount is unsecured, non-interest bearing and is payable on demand.