For the Three Months Ended September 30, 2015

Interim Financial Statements

(Expressed in Canadian Dollars)

(Unaudited-Prepared by Management)

- Notice of No Auditor Review of Consolidated Financial Statements
- Interim Statements of Financial Position
- Interim Statements of Comprehensive Loss
- Interim Statements of Changes in Equity
- Interim Statements of Cash Flows
- Notes to the Financial Statements

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of Ximen Mining Corp. for the period ended September 30, 2015 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company and are the responsibility of the Company's management.

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

Ximen Mining Corp.

Interim Statements of Financial Position
(Expressed in Canadian Dollar)
(Unaudited)

	Note	September 30, 2015 $	June 30, 2015 $
ASSETS			
CURRENT			
Cash and Cash Equivalent		35,379	3,150
GST Recoverable		3,659	4,260
Prepaid Expenses		5,000	5,000
Mining Exploration Tax Credit Receivable		-	96,390
		44,038	108,800
NON-CURRENT			
Reclamation Bonds	7	39,000	39,000
Loans Receivable		11,650	12,250
Property and Equipment	5	72,599	76,419
		167,287	236,469
LIABILITIES			
CURRENT			
Accounts Payable and Accrued Liabilities		571,973	599,297
Due to Related Parties	9(a)	32,330	62,864
		604,303	662,161
NON CURRENT			
Debenture	14	235,000	-
		839,303	662,161
SHAREHOLDERS' (DEFICIENCY) EQUITY			
Share Capital	8	12,600,410	12,534,171
Share-Based Payment Reserve		617,341	617,341
Deficit		(13,889,767)	(13,577,204)
		(672,016)	(425,692)
		167,287	236,469

Nature of Operations and Ability to Continue as a Going Concern (Note 1)
Exploration and Evaluation Assets (Note 6)
Commitment (Note 11)
Subsequent Events (Note 14)

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

Approved on Behalf of the Board:

"Chris Anderson"	**"Scott Kent"**
Chris Anderson, Director	Scott Kent, Director

Ximen Mining Corp.

Interim Statements of Changes in Equity
(Expressed in Canadian Dollar)
(Unaudited)

		Number of Common Shares	Share Capital $	Subscription Received $	Shared-Based Payment Reserve $	Deficit $	Total Shareholders' Equity $
Balance, June 30, 2014		14,068,295	8,926,571	251,000	73,580	(9,135,563)	115,588
Shares Issued for Exploration and Evaluation Assets	7 (b) (iii, v)	817,391	298,000				298,000
Shares Issued for Cash	7 (b) (iv)	1,707,219	898,971		-	-	898,971
Exercise of Warrants	7 (b) (ii)	70,000	62,000	-	-	-	62,000
Exercise of Stock Options	7 (b) (i)	23,000	5,750				5,750
Share-Based Payments	7 (d)	-	-	-	414,893	-	414,893
Subscription Received		-	-	(85,000)			(85,000)
Net Income for the Period		-	-			(1,925,006)	(1,925,006)
Balance, September 30, 2014		16,685,905	10,191,292	166,000	488,473	(11,060,569)	(214,804)
Balance, June 30, 2014		29,363,782	12,534,171	-	617,341	(13,577,204)	(425,692)
Shares Issued for Exploration and Evaluation Assets	7b(vi)	1,321,700	66,239				66,239
Net Loss for the Period		-	-	-	-	(312,563)	(312,563)
Balance, September 30, 2015		30,685,482	12,600,410	-	617,341	(13,889,767)	(672,016)

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

Ximen Mining Corp.

Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollar)
(Unaudited)

	Note	Three Months Ended September 30, 2015 $	2014 $
EXPENSES			
Accounting, Audit and Legal (Recovery)		15,758	(8,989)
Advertising, Investor Relations and Promotion		10,500	235,899
Bank Charges and Interest		191	1,722
Consulting		-	134,440
Depreciation		3,820	6,569
Exploration	6	175,228	1,005,447
Management		62,500	73,500
Office and Administration		34,104	31,189
Regulatory Fees and Transfer Agent		1,284	9,144
Stock-Based Compensation		-	414,893
Travel and Accommodations		9,178	21,192
NET COMPREHENSIVE LOSS FOR THE PERIOD		(312,563)	(1,925,006)
BASIC AND DILUTED LOSS PER SHARE		(0.01)	(0.12)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		30,685,482	16,161,430

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

Ximen Mining Corp.

Interim Statements of Cash Flows
(Expressed in Canadian Dollar)
(Unaudited)

	Note	Three Months Ended September 30, 2015 $	2014 $
CASH PROVIDED BY (USED FOR):			
OPERATING ACTIVITIES			
Net Loss for the Period		(312,563)	(1,925,006)
Non-Cash Items			
Depreciation		3,820	6,569
Stock-Based Compensation		-	414,893
Shares Issued for Exploration and Evaluation Assets		66,239	298,000
Change in Non-Cash Working Capital Accounts			
GST/HST Recoverable		601	(15,079)
Subscription Receivables		-	(76,150)
Prepaid Expenses		-	(146,504)
Mining Exploration Tax Credit Receivable		96,390	-
Accounts Payables and Accrued Liabilities		(27,324)	211,926
Due to/from Related Parties		(30,534)	142,262
		(203,371)	(1,089,089)
INVESTING ACTIVITIES			
Reclamation Bond		-	(8,000)
Purchase of Property and Equipment		-	(55,000)
		-	(63,000)
FINANCING ACTIVITIES			
Proceeds from Issuance of Shares		-	966,721
Subscription Received		-	(85,000)
Loan (Repayment) Proceeds		600	147,750
Debenture		235,000	-
		235,600	1,029,471
INCREASE (DECREASE) IN CASH		32,229	(122,618)
Cash, Beginning of the Period		3,150	155,526
CASH, END OF THE PERIOD		35,379	32,908

Supplementary Cash Flow Information (Note 10)

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

NOTE 1 – NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Ximen Mining Corp. (the "Company") was incorporated under the Business Corporations Act in British Columbia on December 4, 2006, as Everett Resources Ltd. and changed its name to Elm Tree Minerals Inc. on March 19, 2012. On September 4, 2013, the Company changed its name to Ximen Mining Corp. In addition, on July 4, 2013, the Company consolidated its share capital, options and warrants on a five (old) to one (new) basis. These financial statements reflect the retroactive application of the share consolidation.

The Company is currently engaged in the acquisition, exploration, and evaluation of its mineral property interests located in British Columbia. The Company's shares are listed on the TSX Venture Exchange under the symbol XIM, on the Frankfurt Exchange under the symbol A1W2EG, and on the US OTCQX, under the symbol XXMMF. The head office, principal address, and registered office is located at 888 Dunsmuir Street, Suite 888, Vancouver, British Columbia, Canada.

These financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments that, if any, would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the financial statements. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve future profitable operations.

As at September 30, 2015, the Company has an accumulated deficit of $13,889,767 and a working capital deficiency (excess of current liabilities over current assets) of $560,265. While the Company believes these amounts will be sufficient to carry out planned exploration expenditures, there remains substantial doubt about the Company's ability to continue as a going concern should it not be able to raise further funds to also meet its corporate and administrative costs beyond the end of the year.

The Company is in the process of exploring and developing its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves, and upon future production or proceeds from the disposition thereof.

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.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

The interim financial statements have been prepared in accordance to IAS 34 *Interim Financial Reporting* using accounting policies consistent with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value.

These unaudited financial statements were approved and authorized for issue by the board of Directors on November 30, 2015.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Foreign Currency Translation

The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

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 date of the statement of financial position 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 comprehensive loss.

c) Cash and Cash Equivalents

Cash and cash equivalents include amounts held in banks and highly liquid investments with remaining maturities at point of purchase of 90 days or less. The Company places its cash and cash investments with institutions of high-credit worthiness.

d) Reclamation Bonds

Reclamation bonds are recorded at amortized cost and held by Canadian government agencies or in trust

e) Property and Equipment

Property and equipment is carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Depreciation is provided at rates calculated to write off the cost of equipment, less their estimated residual value, using the declining balance method of 20% per year.

The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

f) Exploration and Evaluation Assets

Expenditures related to the acquisition, exploration, and development of exploration and evaluation assets are expensed and charged to earnings in the period in which they are incurred. Any option payments received by the Company from third parties or tax credits refunded to the Company are charged against exploration expenses in the statement of comprehensive loss.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest in accordance with general industry standards, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and, as such, title may be affected.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Impairment of Non-Current Assets

The carrying amounts of non-current assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indications of impairment, then the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Individual assets are grouped together as a cash generating unit for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are independent from other group assets.

The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. An impairment loss exists if the asset's or cash generating unit's carrying amount exceeds the recoverable amount and is recorded as an expense immediately. In assessing the value in use, the estimated future cash flows are adjusted for the risks specific to the cash generating unit and are discounted to their present value with a discount rate that reflects the current market indicators.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

h) Provisions

(i) Decommissioning and Restoration Provision

Future obligations to retire an asset, including dismantling, remediation, and ongoing treatment and monitoring of the site related to normal operations are initially recognized and recorded as a provision based on estimated future cash flows discounted at a credit-adjusted risk-free rate. This decommissioning and restoration provision is adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows, and the discount rate. The provision is accreted to full value over time through periodic charges to profit. This unwinding of the discount is charged to financing expense in the statement of comprehensive income.

The amount of the decommissioning and restoration provision initially recognized is capitalized as part of the related asset's carrying value and depreciated to profit. The method of depreciation follows that of the underlying asset. The costs related to a decommissioning and restoration provision is only capitalized to the extent that the amount meets the definition of an asset and can bring about future economic benefit.

As at September 30, 2015 and June 30, 2015, the Company has no material decommissioning and restoration provision.

(ii) Other Provisions

Provisions are recognized when a present legal or constructive obligation exists as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Share Capital

Share capital includes cash consideration received for share issuances, net of commissions and issue costs.

Proceeds from the issue of units, consisting of common shares and share purchase warrants, are first allocated to common shares based on the quoted market value of the common shares at the time the units are priced, and the balance, if any, is allocated to the attached warrants.

Shares issued for other than cash consideration are valued at the quoted price on the TSX Venture Exchange based on the date the shares are issued.

j) Flow-Through Shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchased the shares.

To account for flow-through units, on issuance, the Company allocates flow-through share proceeds into i) share capital, equal to the market value of the shares, ii) a flow-through share premium liability, equal to the estimated premium investors pay for the flow-through feature, and iii) reserve for warrants, equal to the remaining proceeds received.

The amount recorded as a liability relating to the sale of tax benefits is reversed when the tax benefits are renounced. The difference between the amount originally recorded as a liability and the estimated income tax benefits on date of renouncement is recognized in profit or loss. The tax effect of the renunciation is recorded at the time the Company makes the renunciation, which may differ from the effective date of renunciation.

k) Share-Based Payments

The fair value method of accounting is used for share-based payment transactions. Under this method, the cost of stock options and other share-based payments is recorded based on the estimated fair value using the Black-Scholes option pricing model at the grant date and charged to profit over the vesting period.

Upon the exercise of stock options and other share-based payments, consideration received on the exercise of these equity instruments is recorded as share capital and the related share-based payment reserve is transferred to share capital.

During the year ended June 30, 2014, the Company changed its accounting policy, whereby upon the expiry or cancellation of stock options and other share-based payments, their estimated fair value previously recorded into the share-based payment reserve is transferred to deficit. These financial statements reflect the retroactive application of this accounting policy change, which has no net effect on the net loss for the year ended June 30, 2013.

l) Loss per Share

Basic loss per share is calculated by dividing net loss by the weighted average number of common shares issued and outstanding during the reporting period. Diluted loss per share is the same as basic loss per share, as the issuance of shares on the exercise of stock options and share purchase warrants is antidilutive.

m) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's statement of financial position include 'Subscriptions Received', 'Share-based Payment Reserve', and 'Deficit'.

- 'Subscriptions Received' is used to recognize the value of cash received towards share subscriptions that have not been issued by year end.

- 'Share-based Payment Reserve' is used to recognize the fair value of stock option grants and warrants prior to exercise, expiry or cancellation and the fair value of other share-based consideration paid at the date of payment.

- 'Deficit' is used to record the Company's change in deficit from earnings from period to period and to recognize the fair value of stock option grants and warrants after expiry or cancellation.

n) Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

i) Current Income Tax

Current income tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred Income Tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

o) Refundable Mining Tax Credits

The Company qualifies for refundable mining tax credits on eligible mining exploration expenditures incurred in the Province of British Columbia, Canada. This tax credit is applied against exploration expenditures incurred and recorded as tax credit receivable when the terms and conditions of the government mineral exploration assistance program have been complied with, the credit can be reasonably estimated, and collection is reasonably assured

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified at fair value through profit or loss) are added to, or deducted from, the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets and financial liabilities are measured subsequently as described below. The Company does not have any derivative financial instruments.

i) Financial Assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Financial assets at fair value through profit or loss;
- Loans and receivables;
- Held-to-maturity investments; and
- Available-for-sale financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired.

Different criteria to determine impairment are applied for each category of financial assets, which are described below.

- ***Financial assets at fair value through profit or loss*** – Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The Company's cash and cash equivalents fall into this category of financial instruments.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial Instruments (Continued)

i) Financial Assets (Continued)

- ***Loans and receivables*** – Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less any provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's amounts due from related parties and loans receivable fall into this category of financial instruments.

  Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is based on recent historical counterparty default rates for each identified group. The impairment losses are recognized in profit or loss.

- ***Available-for-sale financial assets*** – Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Company currently does not hold financial assets in this category.

  Available-for-sale financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognized in profit or loss. When the asset is disposed of or is determined to be impaired, the cumulative gain or loss recognized in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of available-for-sale financial assets, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated in the investment revaluation reserve.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

ii) Financial Liabilities (Continued)

For the purpose of subsequent measurement, financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities upon initial recognition.

- ***Financial liabilities at fair value through profit or loss*** – Financial liabilities at fair value through profit or loss include financial liabilities that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. Liabilities in this category are measured at fair value with gains or losses recognized in profit or loss. The Company currently does not hold financial liabilities in this category.

- ***Other financial liabilities*** – Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method amortization process. The Company's accounts payable and accrued liabilities, loans payable, and amounts due to related parties fall into this category of financial instruments.

A financial liability is derecognized when it is extinguished, discharged, cancelled, or expired.

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies which are described in Note 2, management is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant judgments, estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are described as follows.

a) Useful Lives of Property and Equipment

Management reviews the useful lives of property and equipment at each reporting date, based on the expected utility of these assets to the Company. Actual useful lives of these assets may differ from the estimate.

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

b) Impairment of Non-Current Assets

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. In addition, when determining the applicable discount rate, estimation is involved in determining the appropriate adjustments to market risk and asset-specific risk factors.

Actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

c) Deferred Tax Assets

Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods in order to utilize recognized deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

The Company has recorded a full valuation allowance against its deferred tax assets due to the uncertainty in the realization of these assets.

NOTE 4 – ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new accounting standards, amendments to standards, and interpretations have been issued but not yet effective up the date of issuance of the Company's consolidated financial statements. The Company intends to adopt the following standards when they becomes effective.

a) IFRS 9 – Financial Instruments

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets as defined in IAS 39. The standard was initially effective for annual period beginning on or after January 1, 2013, but amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to January 1, 2015. The Company has not yet determined the impact of this standard on its consolidated financial statements.

b) IFRS 15 – Revenue from Contracts with Customers

IFRS 15 clarifies the principles for recognizing revenue from contracts with customers. IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively, and improve guidance for multiple-element arrangements. The standard is effective for annual periods beginning on or after January 1, 2017 and is to be applied retrospectively. The Company has not yet determined the impact of this standard on its consolidated financial statements.

(Expressed in Canadian Dollar)

NOTE 5 – PROPERTY AND EQUIPMENT

	Computer $	Mining Equipment $	Office Furniture $	Total $
COST				
Balance, June 30, 2015	5,217	195,476	4,000	204,693
Additions	-	-	-	-
Balance, September 30, 2015	5,217	195,476	4,000	204,693
ACCUMULATED DEPRECIATION				
Balance, June 30, 2015	4,171	120,730	3,373	128,274
Depreciation	52	3,737	31	3,820
Balance, September 30, 2015	4,223	124,467	3,404	132,094
NET BOOK VALUE				
Balance, June 30, 2015	1,046	74,746	627	76,419
Balance, September 30, 2015	994	71,009	596	72,599

NOTE 6 – EXPLORATION AND EVALUATION ASSETS

Cumulative acquisition and exploration costs incurred by the Company to September 30, 2015 on its mineral properties are summarized below.

	Brett $	Gold Drop $	Treasure Mountain $	Bouleau $	Dentonia $	General Exploration $	Total $
Balance, June 30, 2015	2,464,014	1,071,704	205,723	345,470	51,000	145,386	4,283,297
Acquisition Costs	-	-	-	132,479	-	-	132,479
Exploration Costs	201	34,618	7,930	-	-	-	42,749
	201	34,618	7,930	132,479	-	-	175,228
Balance, September 30, 2015	2,464,215	1,106,322	213,653	477,949	51,000	145,386	4,458,525

(Expressed in Canadian Dollar)

NOTE 6 – EXPLORATION AND EVALUATION ASSETS (Continued)

Title to mineral properties 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 mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. All properties are located in Canada.

a) Brett Property, British Columbia, Canada

On December 3, 2013, the Company entered into an option agreement to acquire a 100% interest in the Brett Gold Project situated in the North Okanagan region of southwest British Columbia approximately 29 kilometers west of Vernon. Under the terms of the agreement, the Company may acquire a 100% undivided interest by making cash option payments totalling $1,000,000, issuing 1,000,000 shares, and issuing additional common shares of the Company with an aggregate value of $350,000 as follows:

		Number of Shares	Cash $
On execution of agreement	(Paid)	-	50,000
By December 18, 2013	(Paid)	-	50,000
By December 23, 2013	(Issued)	1,000,000	-
By January 17, 2014	(Paid)	-	200,000
By January 05, 2015	(Paid)	-	300,000
By January 05, 2015	(Issued – valued at $150,000)	700,000	-
By December 03, 2015	(To be paid)	-	400,000
By December 03, 2015	(To be issued $200,000 worth of shares)	To be determined	-
		1,700,000	1,000,000

On January 24, 2014, the Company entered into an option agreement to acquire a 100% interest in the 2% net smelter royalty ("NSR") on the Brett Gold Project. Under the terms of the agreement, the Company may acquire 100% of the NSR, for one cash payment of $1,350,000 and by issuing common shares of the Company with an aggregate value of $145,000 as follows:

		Number of Shares	Cash $
By February 20, 2014	(Issued – valued at $30,000)	100,000	-
By February 20, 2015	(Issued – valued at $50,000)	258.300	-
By February 20, 2016	(To be issued $65,000 worth of shares)	To be determined	-
By February 20, 2017	(To be paid)	-	1,350,000
		358,300	1,350,000

(Expressed in Canadian Dollar)

NOTE 6 – EXPLORATION AND EVALUATION ASSETS (Continued)

b) Gold Drop Property, British Columbia, Canada

On November 27, 2013, the Company entered into an option agreement to acquire a 100% interest in the Gold Drop Property located about 9 kilometers northeast from Greenwood, British Columbia, in the Greenwood Gold Mining district. Under the terms of the option agreement, the Company may acquire a 100% undivided interest by making cash option payments totalling $170,000, and issuing an aggregate of 750,000 common shares as follows:

		Number of Shares	Cash $
On November 27, 2013	(Paid)	-	25,000
On February 23, 2014	(Issued and paid)	150,000	15,000
By February 24, 2015	(Issued and paid)	250,000	60,000
By February 24, 2016	(Issued)	350,000	-
By February 24, 2016	(To be paid)	-	70,000
		750,000	170,000

c) Treasure Mountain Property, British Columbia, Canada

In March 2014, the Company entered into an option agreement whereby the Company acquired a 100% interest in the Treasure Mountain property located 30 kilometres east of Hope, British Columbia by making cash payments as follows: $75,000 cash upon signing of the agreement (paid), and $50,000 cash due 90 days after the signing of the agreement (paid).

The Company also acquired in 2014 an adjacent mineral claim, and a 100% interest in two surrounding mineral claims for cash payments of $70,000 (paid).

d) Bouleau Property, British Columbia, Canada

On July 15, 2014, the Company entered into a property option agreement to acquire a 100% interest in the Bouleau Property which is adjacent to the Company's Brett property located near Vernon, British Columbia. Under the terms of the option agreement, the Company may acquire a 100% undivided interest by making cash option payments totalling US$250,000, and issuing additional common shares of the Company with an aggregate value of $300,000 as follows:

		Number of Shares	Cash US$
On September 05, 2014	(Paid)	-	100,000
On September 05, 2014	(Issued – valued at $100,000)	217,391	-
By March 05, 2015	(Paid)	-	50,000
By March 05, 2015	(Issued – valued at $50,000)	480,077	-
By September 30, 2015	(Paid – subsequent to year end)	-	50,000
By September 30, 2015	(Issued– valued at $50,000)	1,321,700	-
By March 05, 2016	(Paid October 2015)	-	50,000
By March 05, 2016	(To be issued $50,000 worth of shares)	To be determined	-
By September 05, 2016	(To be paid)	-	50,000
By September 05, 2016	(To be issued $50,000 worth of shares)	To be determined	-
		2,019,168	300,000

NOTE 6 – EXPLORATION AND EVALUATION ASSETS (Continued)

e) Dentonia Property, South, British Columbia, Canada

On August 29, 2014, the Company entered into a property option agreement whereby the Company acquired a 100% interest in the Dentonia South Property, located 10 miles south of Greenwood, British Columbia, by issuing 150,000 common shares.

NOTE 7 – RECLAMATION BONDS

The Company posts non-interest bearing reclamation bonds against any potential land restoration costs that may be incurred in the future on its mineral properties. The funds are held in trust and may be released after required reclamation is satisfactorily completed.

As at September 30, 2015, the amount on deposit was $39,000 (2014 - $8,000) with respect to Brett Property ($31,000), and Gold Drop Property ($8,000).

NOTE 8 – SHARE CAPITAL

a) Authorized Share Capital

Unlimited common shares without par value

b) Issued and Outstanding Share Capital

As at September 30, 2015, there were 30,685,482 (2014 – 16,685,905) common shares issued and outstanding.

The following share issuances occurred during the three months ended September 30, 2015:

i) The Company issued 23,000 common shares pursuant to the exercise of stock options for gross proceeds of $5,750.

ii) The Company issued 70,000 common shares pursuant to the exercise of warrants for gross proceeds of $62,000.

iii) On August 18, 2014, the Company issued 600,000 common shares pursuant to a property option agreement on the Gold Drop Property, with a fair value of $198,000.

iv) On August 27, 2014, the Company completed a private placement, raising gross proceeds of $898,971 by issuing 1,707,219 units at $0.55 per unit. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one additional common share of the Company at $1.00 per share for a period of 12 months. Finders' fees of $3,250 were paid and 5,036 finders' warrants were issued.

v) On September 14, 2014, the Company issued 217,391 common shares pursuant to the acquisition of the Bouleau Property for exploration purposes ,with a fair value of $100,000.

vi) On September 15, 2015, the Company issued 1,321,700 common shares pursuant to the acquisition of the Bouleau Property for exploration purposes ,with a fair value of $66,239.

(Expressed in Canadian Dollar)

NOTE 8 – SHARE CAPITAL (Continued)

c) Stock Options

The Company has a stock option plan under which it is authorized to grant options to directors, employees, and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price, minimum price, or a discounted price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Vesting terms are determined by the board of directors at the time of grant.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Options Outstanding	
	Number of Shares	Weighted Average Exercise Price
Balance, June 30, 2015	2,822,450	$0.24
Expired	(143,450)	$0.25
Cancelled	(570,000)	$0.25
Balance, September 30, 2015	2,109,000	$0.18

The following stock options were outstanding at September 30, 2015:

Expiry Date	Number of Stock Options	Exercise Price $	Number of Stock Options Exercisable
August 21, 2016	275,000	0.50	275,000
September 8, 2016	34,000	0.50	34,000
April 29, 2020	1,800,000	0.12	1,800,000
	2,109,000		2,109,000

d) Share Purchase Warrants

	Number of Warrants	Weighted Average Exercise Price $
Balance, June 30, 2015	10,469,245	0.34
Cancelled	(110,000)	0.25
Expired	(817,246)	1.00
Balance, September 30, 2015	9,541,999	29

(Expressed in Canadian Dollar)

NOTE 8 – SHARE CAPITAL (Continued)

d) Share Purchase Warrants (Continued)

The following share purchase warrants were outstanding at September 30, 2015*:*

Expiry Date	Number of Warrants	Exercise Price
		$
September 22, 2016	2,371,999	0.40
December 23, 2016	1,830,000	0.25
January 17, 2017	540,000	0.25
February 03, 2017	3,650,000	0.25
April 20, 2017	1,150,000	0.25
	9,541,999	

e) Agents' Warrants

	Number of Warrants	Weighted Average Exercise Price
		$
Balance, June 30, 2015	246,396	0.29
Expired	(5,036)	1.00
Balance, September 30, 2015	241,360	

The following agents' warrants were outstanding at September 30, 2015:

Expiry Date	Number of Warrants	Exercise Price
		$
September 16, 2016	29,360	0.40
February 3, 2017	212,000	0.25
	241,360	0.27

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NOTE 9 – RELATED PARTY TRANSACTIONS

The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations. Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewhere in these financial statements, are described below.

a) Amount Due From/To Related Party

Amounts due from/to related parties are in the normal course of business, unsecured, non-interest bearing and have no terms of repayment.

(Expressed in Canadian Dollar)

NOTE 9 – RELATED PARTY TRANSACTIONS (Continued)

b) Compensation of Key Management Personnel

All related party transactions were in the ordinary course of business and were measured at their exchange amount.

	September 30, 2015 $	September 30, 2014 $
Consulting Fees	-	2,500
Management Fees	62,500	73,500
Exploration	-	48,514
Office Administration and Support Fees	1,500	14,494
Rent	9,000	10,500
	73,000	149,508

c) During the period ended September 30, 2015, the Company incurred $62,500 (2014 – $104,640) in management and consulting fees, and reimbursements of travel and other expenses to a director and officer (and a company controlled by the director) of the Company.

d) During the period ended September 30, 2015, the Company incurred $Nil (2014 – $14,874) in management and consulting fees, and reimbursements of travel and other expenses to a former officer and director of the Company.

e) During the period ended September 30, 2015, the Company incurred $12,000 (2014 – $10,500) in rent and office charges for use of the shared office space to a company under common control.

NOTE 10 – SUPPLEMENTAL CASH FLOW INFORMATION

a) Significant Non-Cash Financing Activities

	2015 $	2014 $
Shares Issued for Mineral Properties	66,239	298,000
	66,239	298,000

b) Other Items

Income Taxes Paid	-	-
Interest Paid	-	1,198

NOTE 11 – COMMITMENT

On December 1, 2013, the Company entered into a three-year agreement with an officer and a director for consulting services for consideration of $15,000 per month plus reimbursement of all traveling and direct expenses. In addition, the agreement stipulates payment of annual bonus for the second and third year, such amount to be determined by the board of directors, but not to be less than of $25,000. Subsequent to the period the agreement was extended for five-years.

NOTE 12 – CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration, and development of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company manages its share capital as capital, which as at September 30, 2015, was $12,600,410 (June 30, 2015 – $12,534,171). Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the quarter ended September 30, 2015.

NOTE 13 – FINANCIAL INSTRUMENTS

The fair value of the Company's amounts receivable, share subscription receivable, loan receivable, accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying value, which is the amount recorded on the consolidated statement of financial position. The Company's other financial instruments, cash and marketable securities under the fair value hierarchy is recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Management believes that its credit risk is not significant.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2015, the Company had a cash balance of $35,379 to settle current liabilities of $604,303. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company expects to fund those liabilities through the issuance of capital stock and loans from related parties over the coming year;

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company's loans receivable and payable are non-interest bearing, and as such, the Company is not exposed to significant interest rate risk.

NOTE 13 – FINANCIAL INSTRUMENTS (Continued)

d) Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents and accounts payable and accrued liabilities that are denominated in U.S. Dollars. The Company's financial instruments denoted in U.S. Dollars are insignificant and any fluctuation in foreign currency exchange rates would have an insignificant impact on net loss for the year.

e) 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 oil and natural gas, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

NOTE 14 – SUBSEQUENT EVENTS

a) Convertible Debentures

Subsequent to period end, the Company arranged an offering of convertible debentures to raise the aggregate amount of up to $1,000,000. Pursuant to the terms of the debentures, the subscribers may convert all or part of the principal amount outstanding under the debentures into units comprising of one common share and one share purchase warrant of the Company. The debenture may be converted into units over a five year period at the rate of $0.05 per unit in the first year and $0.10 per unit thereafter. One warrant will have an exercise term of two years. Any units resulting from the conversion of a debenture within the first year will comprise warrants having an exercise price of $0.05 per common share. Any unit resulting from the conversion of a debenture after the first year will comprise warrants having an exercise price of $0.10 per common share.

The debentures mature on the fifth anniversary of the issuance date, and are subject to an interest rate of 10% per annum, payable annually in units of the Company at the unit price and warrant exercise price determined as at the date of announcement of settlement of the interest accrued to such announcement date. The debentures are secured against the Company's interest in certain mineral tenures comprising a portion of the Brett gold property. There are no finders' fees payable.

As of the date of the Independent Auditors' Report, the Company has received a total of $385,000 relating to these convertible debentures.