



FALCO RESOURCES LTD.

**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS
ENDED
SEPTEMBER 30, 2016**

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed 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 condensed interim financial statements of Falco Resources Ltd. have been prepared by and are the responsibility of the Company's management.

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

Falco Resources Ltd.

Balance Sheets

(Unaudited)

(Expressed in Canadian Dollars)

	September 30, 2016	June 30, 2016
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	4,301,153	9,389,505
Accounts receivable (Note 3)	1,330,011	571,492
Prepaid expenses	71,836	104,713
	<u>5,704,000</u>	<u>10,065,710</u>
Non-current assets		
Exploration deposits	116,000	116,000
Property and equipment (Note 4)	202,606	214,842
Option on property (Note 5)	1,000,000	1,000,000
Exploration and evaluation (Note 5)	28,823,812	24,478,863
	<u>35,846,418</u>	<u>35,875,415</u>
Total assets	35,846,418	35,875,415
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	2,448,263	1,868,101
Contingently payable liability (Note 6)	10,000,000	10,000,000
Deferred premium on flow-through shares (Note 7)	-	179,637
	<u>12,448,263</u>	<u>12,047,738</u>
Non-current liabilities		
Deferred income taxes	4,454,000	3,824,000
	<u>16,902,263</u>	<u>15,871,738</u>
Total liabilities	16,902,263	15,871,738
Equity attributable to Falco Resources Ltd. shareholders		
Share capital	35,274,539	34,994,589
Warrants (Note 8)	16,750	33,500
Contributed surplus	2,578,403	2,471,588
Deficit	(18,925,537)	(17,496,000)
	<u>18,944,155</u>	<u>20,003,677</u>
Total equity	18,944,155	20,003,677
Total liabilities and equity	35,846,418	35,875,415
Subsequent event (Note 14)		

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

Falco Resources Ltd.

Statements of Loss and Comprehensive Loss

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

	2016	2015
	\$	\$
Expenses		
Consulting and compensation	340,895	266,938
Share-based compensation	195,336	136,241
Investor and shareholder relations	87,099	13,791
Office and administrative	73,426	57,393
Travel	42,821	19,068
Professional fees	41,062	25,384
Exploration and evaluation expenses	35,749	-
Depreciation	3,190	1,944
	(819,578)	(520,759)
Operating loss		
Interest income	20,484	1,039
Interest expense	(180,071)	-
Foreign exchange gain (loss)	(9)	18
Other income – premium on flow through shares (Note 7)	179,637	293,415
	(799,537)	(226,287)
Loss before income taxes		
Deferred income tax expense	(630,000)	-
	(1,429,537)	(226,287)
Net loss and comprehensive loss		
	(0.01)	-
Net loss per common share – basic and diluted (Note 10)		
	(0.01)	-
Weighted average number of common shares outstanding – basic and diluted (Note 10)	114,010,828	98,624,679

The loss and the comprehensive loss are solely attributable to Falco Resources Ltd. shareholders.

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

Falco Resources Ltd.

Statements of Cash Flows

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

	<u>2016</u>	<u>2015</u>
	\$	\$
Operating activities		
Net loss	(1,429,537)	(226,287)
Adjustments for :		
Share-based compensation	195,336	136,241
Depreciation	3,190	1,944
Other income – premium on flow-through shares	(179,637)	(293,415)
Deferred income tax expense	630,000	-
Changes in non-cash working capital items:		
Accounts receivable	(310,793)	76,293
Prepaid expenses	31,877	(4,190)
Accounts payable and accrued liabilities	(750,084)	83,127
Net cash flows used in operating activities	<u>(1,809,648)</u>	<u>(226,287)</u>
Investing activities		
Property and equipment	-	(28,320)
Exploration deposits	-	(70,488)
Investments in exploration and evaluation assets, net of governmental credits received	(3,454,598)	(2,400,539)
Net cash flows used in investing activities	<u>(3,454,598)</u>	<u>(2,499,347)</u>
Financing activities		
Private placements	-	1,850,000
Exercise of warrants	54,394	-
Exercise of options	121,500	-
Share issue costs	-	(108,166)
Net cash flows provided by financing activities	<u>175,894</u>	<u>1,741,834</u>
Decrease in cash and cash equivalents	<u>(5,088,352)</u>	<u>(983,800)</u>
Cash and cash equivalents, beginning of period	<u>9,389,505</u>	<u>4,834,866</u>
Cash and cash equivalents, end of period	<u>4,301,153</u>	<u>3,851,066</u>
Cash and cash equivalents is composed of:		
Cash	4,301,153	3,820,606
Cash equivalents	-	30,460
	<u>4,301,153</u>	<u>3,851,066</u>

Supplemental disclosure (Note 13)

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

Falco Resources Ltd.

Statements of Changes in Equity

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

	Number of common shares outstanding	Share capital \$	Warrants \$	Contributed surplus \$	Deficit \$	Total \$
Balance – June 30, 2016	113,937,797	34,994,589	33,500	2,471,588	(17,496,000)	20,003,677
Net loss and comprehensive loss	-	-	-	-	(1,429,537)	(1,429,537)
Warrants :						
Fair value of warrants exercised	-	16,750	(16,750)	-	-	-
Proceeds from exercise of warrants	96,701	54,394	-	-	-	54,394
Share options :						
Share-based compensation	-	-	-	194,121	-	194,121
Fair value of options exercised	-	87,306	-	(87,306)	-	-
Proceeds from exercise of options	205,000	121,500	-	-	-	121,500
Balance – September 30, 2016	114,239,498	35,274,539	16,750	2,578,403	(18,925,537)	18,944,155
Balance – June 30, 2015	95,105,657	28,315,781	244,873	1,931,746	(11,311,986)	19,180,414
Net loss and comprehensive loss	-	-	-	-	(226,287)	(226,287)
Private placement	4,625,000	1,595,625	254,375	-	-	1,850,000
Share issue costs on private placement	-	(93,293)	(14,873)	-	-	(108,166)
Share options :						
Share-based compensation	-	-	-	140,798	-	140,798
Balance – September 30, 2015	99,730,657	29,818,113	484,375	2,072,544	(11,538,273)	20,836,759

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

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

1. Nature of activities and liquidity risk

Falco Resources Ltd. ("Falco" or the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on March 16, 2010. The Company's common shares trade under the symbol "FPC" on the TSX Venture Exchange (the "TSX-V"). On June 12, 2015, the Company was continued under the *Canada Business Corporations Act*. The Company's registered business address is 1100, avenue des Canadiens-de-Montréal, Suite 300, Montréal, Québec, Canada.

The Company, an exploration and evaluation stage company, is in the business of acquiring and exploring mineral properties in Canada. Its focus is currently on the exploration and evaluation of its mineral properties in the Rouyn-Noranda district in the Province of Québec for base and precious metals.

Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation properties. The recoverability of deferred exploration and evaluation expenses is dependent on the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain necessary financing to continue the exploration, evaluation and development of its properties; and obtaining certain government approvals or proceeds from the disposal of properties. Changes in future conditions could require material impairment of the carrying value of the deferred exploration and evaluation expenses. Although the Company has taken steps to verify title to its mining properties on which it is currently conducting exploration and evaluation work, in accordance with industry standards for the current stage of exploration and evaluation of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Following the financing closed on November 22, 2016 (Note 14), which generated net proceeds of approximately \$33.9 million, management of the Company believes that it has sufficient funds to pay its ongoing general and administrative expenses and to meet its liabilities, obligations and existing commitments for the ensuing 12 months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. As described in Note 6, the contingently payable liability is potentially reimbursable in cash in case of certain events of default, including failing to complete a feasibility study recommending the construction of a mine on the Horne 5 project, failing to obtain the permits to advance the development of the Horne 5 project and a change of control of the Company. The Company's ability to continue future operations beyond September 30, 2017 and fund its exploration and evaluation expenditures as well as its potential development activities on the Horne 5 Project is dependent on management's ability to secure additional financing in the future, which may be completed in a number of ways, including, but not limited to, the issuance of debt or equity instruments. Management will pursue such additional sources of financing when required, and while management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company.

2. Basis of presentation

These unaudited condensed interim financial statements have been prepared in accordance with *International Financial Reporting Standards* ("IFRS") as issued by the *International Accounting Standards Board* ("IASB") applicable to the preparation of interim financial statements, including *International Accounting Standard* ("IAS") 34, *Interim Financial Reporting*. The condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2016, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies, methods of computation and presentation applied in these condensed interim financial statements are consistent with those of the previous financial year. The Board of Directors approved the condensed interim financial statements on November 29, 2016.

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements
For the three months ended September 30, 2016 and 2015
(Unaudited)

(Expressed in Canadian Dollars)

3. Accounts receivable

	September 30, 2016	June 30, 2016
	\$	\$
Sales taxes	816,852	493,375
Refundable tax credits	510,909	63,183
Other	2,250	14,934
	<u>1,330,011</u>	<u>571,492</u>

4. Property and equipment

Cost	Leasehold Improvements	Office and Other Equipment	Computer Equipment	Total
	\$	\$	\$	\$
Balance – June 30, 2015	11,095	112,422	116,335	239,852
Additions	88,356	48,727	7,153	144,236
Write-offs	(11,095)	-	-	(11,095)
Balance – June 30, 2016	<u>88,356</u>	<u>161,149</u>	<u>123,488</u>	<u>372,993</u>
Additions	-	-	-	-
Balance – September 30, 2016	<u>88,356</u>	<u>161,149</u>	<u>123,488</u>	<u>372,993</u>
	Leasehold Improvements	Office and Other Equipment	Computer Equipment	Total
	\$	\$	\$	\$
Balance – June 30, 2015	3,963	21,412	82,008	107,383
Depreciation	10,665	-	-	10,665
Depreciation capitalized to exploration and evaluation assets	1,400	19,760	30,038	51,198
Write-offs	(11,095)	-	-	(11,095)
Balance – June 30, 2016	<u>4,933</u>	<u>41,172</u>	<u>112,046</u>	<u>158,151</u>
Depreciation	3,190	-	-	3,190
Depreciation capitalized to exploration and evaluation assets	1,473	5,999	1,574	9,046
Balance – September 30, 2016	<u>9,596</u>	<u>47,171</u>	<u>113,620</u>	<u>170,387</u>
	Leasehold Improvements	Office and Other Equipment	Computer Equipment	Total
	\$	\$	\$	\$
At June 30, 2016	83,423	119,977	11,442	214,842
At September 30, 2016	78,760	113,978	9,868	202,606

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements
For the three months ended September 30, 2016 and 2015
(Unaudited)

(Expressed in Canadian Dollars)

5. Exploration and evaluation assets

The Company has incurred the following costs on its exploration and evaluation assets in the Rouyn-Noranda district:

	Three-months ended September 30,			Year ended June 30,	
	Horne 5 ⁽ⁱ⁾	Central Camp (Horne 5+)	Other properties	Total	
	\$	\$	\$	\$	
Balance – beginning of period	19,088,265	1,662,899	3,727,699	24,478,863	14,431,059
Consulting and salaries	83,892	36,580	9,706	130,178	484,606
Drilling and data compilation	1,234,648	281,432	248,610	1,764,690	4,976,107
Geology	2,617	16,400	107,758	126,775	344,216
Geophysics	-	59,141	114,735	173,876	304,386
Metallurgy	25,206	-	-	25,206	927,507
Environment	8,541	79,809	1,002	89,352	205,570
Mining engineering	76,187	-	-	76,187	441,515
Technical studies	11,660	-	-	11,660	734,115
Feasibility study	2,034,672	5,132	-	2,039,804	914,632
Environmental impact assessment	141,794	-	-	141,794	190,626
Hydrology	-	-	-	-	164,461
Administrative and other	93,620	84,029	35,504	213,153	602,951
Total expenditures	3,712,837	562,523	517,315	4,792,675	10,290,692
Refundable tax credits	(272,575)	(83,204)	(91,947)	(447,726)	(138,816)
Total, net of tax credits	3,440,262	479,319	425,368	4,344,949	10,151,876
Write-offs ⁽ⁱⁱ⁾	-	-	-	-	(104,072)
Balance – end of period	22,528,527	2,142,218	4,153,067	28,823,812	24,478,863

(i) Includes historical acquisition costs of \$6,496,194 related to the acquisition of exploration rights and/or claims.

(ii) During the year ended June 30, 2016, the Company wrote-off 100% of the capitalized historical costs related to specific areas where claims are not expected to be renewed or where the Company has decided to discontinue exploration and evaluation activities.

Horne 5 Project - Back-in and royalties

As per the terms and condition of the purchase agreement dated March 28, 2011 assigned to the Company in September 2012, the seller under the March 28, 2011 agreement (the "Seller") retained the right to back-in to a 65% interest on any base metal deposit containing more than 350,000 tonnes copper equivalent metal with respect to which the in-situ value of non-base metals is less than three times the in-situ value of all base metals (the "Threshold Resource"). The updated mineral resource estimate on the Horne 5 Project announced in May 2016 was a Threshold Resource.

On September 6, 2016, Falco announced that it has retained full ownership of the Horne 5 Project as Glencore Canada Corporation (which owns the back-in right) has elected not to exercise its back-in right. Glencore Canada Corporation retains a 2% net smelter return royalty on all metals produced and has rights of first refusal with respect to purchase or toll process all or any portion of the concentrates and other mineral products.

Option on property

On September 8, 2014 the Company announced that it had signed an option agreement with the City of Rouyn-Noranda to acquire surface rights to land above the Horne 5 deposit and immediately adjacent to the Horne smelter. The agreement provides the Company with a 5-year option to purchase additional hectares of land in the Horne Complex. The total purchase price is \$2,900,000, of which a \$1,000,000 non-refundable deposit was paid upon transfer of the property. The remaining \$1,900,000 is payable by August 1, 2019 if the Company decides to exercise its option.

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

6. Contingently payable liability

On May 30, 2016, the Company closed a financing ("Financing") with Osisko Gold Royalties ("Osisko"), a shareholder with significant influence over the Company, whereby Osisko provided a \$10.0 million loan ("Loan"). The Loan will be used for the advancement of the Horne 5 Project and for general corporate purposes. The Loan has an 18 month maturity, and interest is payable on the principal amount at a rate per annum that is equal to 7%, compounded quarterly, payable upon repayment of the principal amount.

By November 30, 2017, Falco and Osisko shall negotiate in good faith the terms, conditions and form of a silver and/or gold stream agreement ("Stream Agreement"), which shall be substantially in the form typical for such transactions in the industry, whereby Osisko may provide Falco with a portion of the development capital required to build the Horne 5 Project ("Stream"). In this case, the principal amount of the Loan and any accrued interest will be applied against the Stream deposit.

At the maturity date, if Falco and Osisko have not concluded a Stream Agreement, the principal amount of the Loan will be converted into a 1% net smelter return royalty on the Horne 5 Project and accrued interests will be paid in cash.

Under certain events of default, Osisko may, at its option, require the repayment of the principal amount and the accrued interest in cash. Events of defaults include, but are not limited to, the failure to complete a feasibility study on the Horne 5 Project recommending the construction of a mine before the maturity date of the Loan, the failure to obtain the required permits to advance the development of the Horne 5 Project before the maturity date of the Loan and a change of control of the Company.

7. Deferred premium on flow-through shares

	Three months ended September 30, 2016	Year ended June 30, 2016
	\$	\$
Balance, beginning of period	179,637	539,748
Deferred premium on flow-through shares issued	-	601,712
Recognition of deferred premium on flow-through shares	(179,637)	(961,823)
Balance, end of period	-	179,637

8. Warrants

The following table details the changes in the Company's warrants:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance – June 30, 2015	7,235,083	0.59
Issued	2,312,500	0.52
Exercised	(3,086,112)	0.53
Expired	(6,268,069)	0.60
Balance – June 30, 2016	193,402	0.56
Exercised	(96,701)	0.56
Balance – September 30, 2016	96,701	0.56

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements
For the three months ended September 30, 2016 and 2015
(Unaudited)

(Expressed in Canadian Dollars)

8. Warrants (continued)

The warrants outstanding at September 30, 2016 are as follows:

Exercise Price	Number of Warrants	Expiry Date	Weighted Average Remaining Contractual Life (years)
\$ 0.5625	96,701	October 22, 2016	0.06

The warrants expired on October 22, 2016 without being exercised.

9. Share-based compensation

Share options

The following table summarizes information about the movement of the share options:

	Number of Options	Weighted Average Exercise Price
		\$
Balance – June 30, 2015	7,275,557	0.47
Granted	4,034,575	0.29
Exercised	(867,778)	0.39
Expired	(2,180,556)	0.49
Balance – June 30, 2016	8,261,798	0.39
Exercised	(205,000)	0.59
Balance – September 30, 2016	8,056,798	0.38
Options exercisable – September 30, 2016	2,673,889	0.44

During the three months ended September 30, 2016, no share options were granted. Share-based compensation for the three months ended September 30, 2016 amounted to \$202,651 (\$140,798 for the three months ended September 30, 2015) of which \$7,315 (\$4,557 for the three months ended September 30, 2015) were capitalized to exploration and evaluation assets.

The share options outstanding at September 30, 2016 are as follows:

Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Remaining Contractual Life
\$			Years
0.25	2,582,026	-	2.98
0.26	734,521	-	2.15
0.30	395,000	395,000	0.88
0.40	325,000	325,000	1.41
0.45	2,462,223	1,673,889	1.91
0.46	718,028	-	2.80
0.64	840,000	280,000	3.43
	8,056,798	2,673,889	

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

9. Share-based compensation (continued)

Deferred share units

Share-based compensation expense for deferred share units for the three-months ended September 30, 2016 amounted to \$8,530 (nil for the three months September 30, 2015). A total of 33,333 unvested RSUs are outstanding as at September 30, 2016, the first half vesting and payable in December 2016 and the second half vesting and payable in December 2017.

10. Net loss per share

The calculation of basic and diluted loss per share for the three months ended September 30, 2016 was based on the net loss attributable to shareholders of \$1,429,537 (\$226,287 for the three months ended September 30, 2015) and the weighted average number of common shares outstanding for the three months ended September 30, 2016 of 114,010,828 (98,624,679 common shares for the three months ended September 30, 2015). As a result of the net loss for the three months ended September 30, 2016 and 2015, all potentially dilutive common shares (Notes 8 and 9) are deemed to be antidilutive and thus diluted net loss per share is equal to the basic net loss per share for these periods.

11. Key management and related party transactions

Key management includes directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management for employee services is presented below for the three months ended September 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
	\$	\$
Salaries and short-term employee benefits	223,584	202,034
Share-based compensation	178,364	117,671
	<u>401,948</u>	<u>319,705</u>

Key management is subject to employment agreements which provide for market standard payments on termination of employment without cause or following a change of control which call for payments of between once to twice base salary and bonus and certain vesting clauses on options.

During the three months ended September 30, 2016, an amount of \$446,412 (\$246,152 for the three months ended September 30, 2015) was invoiced by Osisko for professional services and rental of offices. An amount of \$148,302 is included in accounts payable and accrued liabilities as at September 30, 2016 (\$246,152 as at September 30, 2015).

12. Fair value of financial instruments

The Company has no financial assets and no financial liabilities at fair value in the balance sheets as at September 30, 2016 and June 30, 2016.

Financial instruments that are not measured at fair value on the balance sheets are represented by cash and cash equivalents, accounts payable and accrued liabilities and the contingently payable liability. The fair values of cash and cash equivalents, accounts payable and accrued liabilities and the contingently payable liability approximate their carrying values due to their short-term nature.

Falco Resources Ltd.

Notes to the Condensed Interim Financial Statements

For the three months ended September 30, 2016 and 2015

(Unaudited)

(Expressed in Canadian Dollars)

13. Supplemental disclosure – Statements of cash flows

	2016	2015
	\$	\$
Exploration and evaluation asset expenditures included in accounts payable and accrued liabilities		
End of period	1,854,783	1,368,639
Beginning of period	533,067	1,284,535
Share-based compensation capitalized to exploration and evaluation assets	7,315	4,557
Depreciation capitalized to exploration and evaluation assets	9,046	12,229
Interests income received	20,484	1,039

14. Subsequent event

Financing

On November 22, 2016, the Company closed a bought deal public offering (the "Offering") with a syndicate of underwriters of 24,183,350 units ("Units") of Falco at a price of \$1.07 per Unit and 8,260,475 flow-through shares ("Flow-Through Shares") at a price of \$1.28 per Flow-Through Share for aggregate gross proceeds of approximately \$36.5 million.

Each Unit consists of one common share in the capital of the Company (a "Common Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one additional common share (a "Warrant Share") of the Company for a period of 18 months from the closing date of the Offering at an exercise price of \$1.45 per Warrant Share. The expiry date of the Warrants may be accelerated by the Company at any time following the six-month anniversary of the closing of the Offering and prior to the expiry date of the Warrants if the volume-weighted average trading price of the Company's common shares is greater than \$1.75 for any 20 consecutive trading days, at which time the Company may accelerate the expiry date by issuing a press release announcing the reduced warrant term whereupon the Warrants will expire on the 20th calendar day after the date of such press release.

The Underwriters' commission amounted to 5.5% and other expenses related to the Offering are estimated to \$560,000. The net proceeds, estimated at \$33.9 million, will be used by the Company for the continued exploration programs, the development of the Horne 5 Project, for dewatering and rehabilitation of the Quémont #2 Shaft, pre-construction surface installation, and for working capital and general corporate purposes.

Certain officers and directors of Falco and Osisko have participated in the Offering and were issued 661,000 Flow-Through Shares. Osisko also participated in the Offering and was issued 2,343,750 Flow-Through Shares. These transactions were concluded under the same terms and conditions offered to the other participants.