



(an Exploration Stage Company)

**Unaudited Condensed  
Consolidated Financial Statements**  
*(Expressed in Canadian Dollars)*

**Three months ended  
March 31, 2015 and 2014**

## MANAGEMENT'S RESPONSIBILITY FOR INTERIM CONSOLIDATED FINANCIAL REPORTING

The accompanying unaudited interim consolidated financial statements of Argentium Resources Inc. [the "Company"] are the responsibility of the management and Board of Directors of the Company.

The unaudited interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited consolidated interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "*John Carter*"  
John Carter  
President and Chief Executive Officer

(signed) "*Robin Pilkey*"  
Robin Pilkey  
Chief Financial Officer

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### NOTICE TO READER

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim condensed consolidated financial statements for the three months ended March 31, 2015 and 2014 have not been reviewed by the Company's auditors.

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**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Unaudited Interim Condensed Consolidated  
Statements of Financial Position**

(Expressed in Canadian Dollars)

	March 31, 2015	December 31, 2014
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 4,482	\$ 7,556
HST recoverable	865	873
	\$ 5,347	\$ 8,429
Mineral Properties (Note 9)	1,599,863	1,599,863
	\$ 1,605,210	\$ 1,608,292
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables (Note 5)	\$ 785,308	\$ 782,512
Demand promissory note payable (Note 6)	50,000	50,000
Advances from director (Note 7)	90,020	90,020
Debenture payable (Note 9)	1,901,300	1,901,300
	\$ 2,826,628	\$ 2,823,832
<b>Deficiency in Assets</b>		
Capital Stock (Note 8)	\$ 4,236,835	\$ 4,236,835
Share Payment Reserve	452,314	452,314
Deficit	(5,910,567)	(5,904,689)
	\$ (1,221,418)	\$ (1,215,540)
	\$ 1,605,210	\$ 1,608,292

Nature of Operations and Going Concern (Note 1)  
Commitments and Contingencies (Note 10)

Approved on behalf of the Board on May 30, 2015:

Signed " John Carter " \_\_\_\_\_  
Director

Signed " Peter Tassiopoulos " \_\_\_\_\_  
Director

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



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Unaudited Interim Condensed Consolidated  
Statements of Comprehensive Loss**

(Expressed in Canadian Dollars)

	Three month period ended March 31,	
	2015	2014
<b>Administrative Expenses</b>		
Interest on debenture	\$ -	\$ 81,363
Professional fees	2,000	-
General and administrative	3,878	2,876
<b>Net loss and comprehensive loss for the period</b>	<b>\$ 5,878</b>	<b>\$ 84,239</b>
Loss per share - basic and diluted	\$ (0.000)	\$ (0.002)
Weighted average number of shares outstanding – basic and fully diluted	46,712,277	46,712,277

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



**Argentium Resources Inc.**  
 (an Exploration Stage Company)  
**Unaudited Interim Condensed Consolidated Statements of Changes in Equity**  
 (Expressed in Canadian Dollars)

	Capital Stock		Reserves			Total
	Number of shares	Amount	Share based payments	Warrants	Accumulated Deficit	
<b>Balance at January 1, 2015</b>	<b>46,712,277</b>	<b>\$ 4,236,835</b>	<b>\$ 452,314</b>	<b>\$ -</b>	<b>\$ (5,904,689)</b>	<b>\$ (1,215,540)</b>
Net loss and comprehensive loss for the period	-	-	-	-	(5,878)	(5,878)
<b>Balance at March 31, 2015</b>	<b>46,712,277</b>	<b>\$ 4,236,835</b>	<b>\$ 452,314</b>	<b>\$ -</b>	<b>\$ (5,910,567)</b>	<b>\$ (1,221,418)</b>
<b>Balance at January 1, 2014</b>	<b>46,712,277</b>	<b>\$ 4,236,835</b>	<b>\$ 452,314</b>	<b>\$ -</b>	<b>\$ (4,231,989)</b>	<b>\$ 457,160</b>
Net loss and comprehensive loss for the period	-	-	-	-	(84,239)	(84,239)
<b>Balance at March 31, 2014</b>	<b>46,712,277</b>	<b>\$ 4,236,835</b>	<b>\$ 452,314</b>	<b>\$ -</b>	<b>\$ (4,316,228)</b>	<b>\$ 372,921</b>

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



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Unaudited Interim Condensed Consolidated Statements of Cash Flows**  
(Expressed in Canadian Dollars)

	Three month period ended March 31,	
	2015	2014
<b>Operating activities</b>		
Comprehensive loss for the period	\$ (5,878)	\$ (84,239)
Adjustment to reconcile comprehensive loss to net cash used by operating activities:		
Interest on debenture	-	81,363
	<b>\$ (5,878)</b>	<b>\$ (2,876)</b>
Net Change in non-working capital items:		
HST recoverable	9	676
Prepaid expense	-	(339)
Trade and other payables	2,795	329
Cash flow (used in) from operating activities	<b>\$ (3,074)</b>	<b>\$ (2,210)</b>
<b>Financing activities</b>		
Advances from director ( <i>Note 7</i> )	\$ -	\$ 10,000
Cash flows from financing activities	-	\$ 10,000
<b>(Decrease) increase in cash</b>	<b>\$ (3,074)</b>	<b>\$ 7,790</b>
Cash at beginning of period	7,556	1,257
<b>Cash at end of period</b>	<b>\$ 4,482</b>	<b>\$ 9,047</b>

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



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements**  
(Expressed in Canadian Dollars)

**Three Months Ended March 31, 2015 and 2014**

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## **1. NATURE OF OPERATIONS AND GOING CONCERN**

Argentium Resources Inc. ("Argentium" or the "Company") is incorporated under the Canada Business Corporations Act. The Company's principal business activity is that of a mineral exploration Company. The Company has not yet established whether its mineral properties contain reserves that are economically recoverable. The recovery of amounts capitalized as mineral properties on the statement of financial position is dependent upon the existence of economically recoverable reserves, the ability of the Company to arrange appropriate financing to complete the development of the properties, and upon future profitable production or alternatively, upon the Company's ability to dispose of its interests on an advantageous basis, all of which are uncertain

As at March 31, 2015, the Company had a working capital deficiency of \$2,821,280 (December 31, 2014 - \$2,815,403), had not yet achieved profitable operations, has accumulated losses of \$5,910,567 (December 31, 2014 - \$5,904,689) and expects to incur future losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of exploring for minerals involves a high degree of risk, as such there is no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of Argentium's interest in its mineral properties, and the Company's continued existence, is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, as well the ability of the Company to raise additional financing to fund its exploration and development programs or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values.

Although the Company has taken steps to verify title to its mineral properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements. Management plans to secure the necessary financing through a combination of the issue of new equity or debt instruments and the entering into joint venture arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has neither financial resources nor current source of recurring revenue. There is also no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable to the Company. Failure to obtain such additional financing will result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company. Further, with the maturity of the Debenture Payable as at November 30, 2013 and the default by the Company to make payment during the allowed Forbearance period to June 15, 2014, the ability to raise the necessary funds will prove very difficult in the current market.



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements**  
(Expressed in Canadian Dollars)

**Three Months Ended March 31, 2015 and 2014**

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**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These interim condensed consolidated financial statements are unaudited and have been prepared in accordance with IAS 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies applied in these interim condensed consolidated financial statements are based on IFRS issued and outstanding as of May 30, 2015, the date the Board of Directors approved the interim condensed consolidated financial statements. Any subsequent changes to IFRS that are given effect in the annual consolidated financial statements for the year ending December 31, 2015 could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized on change-over to IFRS.

**2.2 Basis of presentation and functional and presentation currency**

These interim condensed consolidated financial statements have been prepared on the going concern basis, under the historical convention, except fair value through profit and loss assets which are carried at fair value and have been prepared using the accrual basis of accounting, as explained in the accounting policies, which are set out in the Company's December 31, 2014 annual financial statements. The comparative figures presented in these interim condensed consolidated financial statements are in accordance with IFRS and have not been audited.

The interim condensed consolidated financial statements are presented in Canadian Dollars, which is the functional currency of the Company.

**2.3 Adoption of new and revised standards and interpretations**

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Company has not early adopted these standards, amendments and interpretations. However, the Company is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements  
(Expressed in Canadian Dollars)**

**Three Months Ended March 31, 2015 and 2014**

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**2. BASIS OF PREPARATION (continued)**

**2.3 Adoption of new and revised standards and interpretations (continued)**

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2016. The Company has yet to evaluate the impact of the new standard.

**3. 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 mineral properties and to ensure it continues as a going concern. 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.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

There has been significant market turbulence worldwide due to the credit crisis and potential of a global recession. These market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company has historically relied on equity financing to raise capital and expects to be able to continue to do so, but its ability to do so may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions have impacted the Company's viability given its current capital structure and considers that until the outcome of future financing activities is known there is considerable uncertainty about the appropriateness of the use of the going concern basis of accounting.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three month period ended March 31, 2015. The Company is not subject to externally imposed capital requirements.



**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements**  
(Expressed in Canadian Dollars)

**Three Months Ended March 31, 2015 and 2014**

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#### **4. FINANCIAL INSTRUMENTS**

##### **Fair value**

As at March 31, 2015 and 2014, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these investments. Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

##### ***Credit risk***

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the statement of financial position. Argentium's asset most susceptible to credit risk is its cash, which is held at a major Canadian bank. As such, the risk of loss is minimal.

##### ***Liquidity risk***

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at March 31, 2015, the Company had a working capital deficiency of \$2,821,280 (December 31, 2014 - \$2,815,403). In order to meet its longer-term working capital and property exploration expenditures, the Company intends on securing further financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that Argentium will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of Argentium may change and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit some or all of its interests and reduce or terminate its operations therein.

##### ***Market risk***

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

***Interest rate risk:*** The Company is not exposed to significant interest rate price risk due to the short-term nature of its monetary assets and liabilities.

***Foreign exchange risk:*** The Company's US subsidiary has claims in Nevada and incurs exploration expenditures in US dollars. Management believes that the impact of foreign currency exposure to the US dollar is not significant at this time and therefore does not hedge foreign exchange risk.



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements**  
(Expressed in Canadian Dollars)

**Three Months Ended March 31, 2015 and 2014**

**5. TRADE AND OTHER PAYABLES**

Trade payable and accrued liabilities are comprised of the following:

The following comprises trade and other payables:

	<b>As at,</b>	
	<b>March 31, 2015</b>	<b>December 31, 2014</b>
Trade payables	\$ 7,917	\$ 7,120
Director and management fees	274,509	272,510
Consultants	78,115	78,115
Flow-through financing	70,700	70,700
Advanced royalties	19,000	19,000
Professional fees	335,067	335,067
<b>Total Trade and Other Payables</b>	<b>\$ 785,308</b>	<b>\$ 782,512</b>

The usual credit period taken for trade purchases is between 30 to 90 days. Due to Argentium's limited cash resources terms of trade has been extended such that over 95% of these liabilities are over 90 days, 94% of these liabilities have been outstanding for over one year and of the trade payables of \$7,917, 72% have been outstanding for over one year.

Costs of \$89,700 have been accrued of which \$13,700 relates to Part XII.6 tax, \$57,000 relates to potential liabilities associated with investor's flow through tax liabilities and \$19,000 relates to advanced royalties.

**6. DEMAND PROMISSORY NOTE PAYABLE**

**Letter of Intent – Sill Lake**

Argentium received \$50,000 cash as a refundable deposit to enter into a Letter of Intent ("LOI") on April 25, 2013 with Taku Gold Corp ("Taku"). The LOI granted Taku the exclusive right to earn a 50% interest in the Sill Lake property. As consideration for the option, Argentium was to receive 10 million common shares in the capital of Taku and Taku was to incur \$700,000 in exploration expenditures on the property.

As of June 30, 2013, certain conditions under the LOI were not met; therefore under the terms of the LOI the funds received by Argentium are to be refunded to Taku. Under the terms of a demand promissory note dated September 1, 2013 the full principal amount of \$50,000 is due in full to Taku on or before June 30, 2014. At March 31, 2015 the full principal amount of \$50,000 is still owed to Taku in relation to this transaction.



**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements  
(Expressed in Canadian Dollars)**

**Three Months Ended March 31, 2015 and 2014**

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**7. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION**

The interim condensed consolidated financial statements include balances and transactions with directors and/or officers of the Company and/or corporations related to or controlled by them. The Company defines its key management as its CEO, CFO, Vice Presidents and its board of directors. These transactions are measured and recorded at their exchange amounts, being the amounts agreed to by the related parties.

On September 30, 2013, November 25, 2013, February 12, April 25, May 26, June 30 and December 24, 2014 advances were made by a director of the Company totaling \$90,020. The advances bear no interest and remain outstanding at March 31, 2015.

The Chief Executive Officer earns \$12,500 monthly as stipulated in his contract which expired September 30, 2014. Since January 1, 2013, the Chief Executive Officer has waived his fees. At March 31, 2015 he is owed \$82,148 (December 31, 2014 - \$82,148).

The Chief Financial Officer of the Company is paid on a hourly basis for her services to the Company. At March 31, 2015 \$8,500 is owed to the Chief Financial Officer.

Previously management fees Included three former Vice Presidents. One Vice President resigned on April 30, 2012, while the remaining two Vice Presidents resigned on November 1, 2012. They have not been replaced at this time. At March 31, 2015 \$90,055 is owed to the three Vice Presidents who resigned.

**Stock options**

Throughout 2014 and 2013 the Company did not issue stock options to key management. No stock options were issued in the three month period ended March 31, 2015.

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**Argentium Resources Inc.**  
(an Exploration Stage Company)

**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements  
(Expressed in Canadian Dollars)  
Three Months Ended March 31, 2012 and 2011**

**8. CAPITAL STOCK**

**(a) Authorized**

An unlimited number of common shares.

**(b) Issued**

46,712,277 shares were outstanding throughout 2013, 2014 and in the three months ended March 31, 2015.

**(c) Stock Options**

Effective June 22, 2012, a new stock option plan ("the Argentium Plan") was approved by the Shareholders of the Company. Under the terms of this plan the Company may issue up to 10% of its outstanding common share. Stock option transactions and the number of stock options outstanding are as follows:

Three months ended March 31,	2015		2014	
	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options
<b>Outstanding at beginning of period</b>	\$ 0.55	491,667	\$ 0.55	491,667
Transactions during the period/year:				
Granted under the Argentium plan	-	-	-	-
Expired under the Argentium plan	0.60	(37,500)	-	-
<b>Outstanding at end of period</b>	\$ 0.54	454,167	\$ 0.55	491,667

The following table provides information about outstanding stock options at March 31, 2014:

Range of Exercise Prices (\$)	No. of Options Outstanding	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price (\$)
0.54 - 0.60	454,167	1.9	0.54

**(d) Warrants**

All existing warrants expired throughout the year ended December 31, 2013 with the warrant reserve balance transferred to common share capital.



**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements**  
(Expressed in Canadian Dollars)  
**Three Months Ended March 31, 2015 and 2014**

**9. MINERAL PROPERTIES**

**March 31, 2015**

	<b>Opening Balance</b>	<b>Additions</b>	<b>Impairment Write-off</b>	<b>Closing Balance</b>
<b>Sill Lake, Ontario</b>	\$ -	\$ -	\$ -	\$ -
<b>Nye County, Nevada</b>	<b>1,599,863</b>	-	-	<b>1,599,863</b>
<b>Mineral Properties</b>	<b>\$ 1,599,863</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,599,863</b>

**December 31, 2014**

	<b>Opening Balance</b>	<b>Additions</b>	<b>Impairment Write-off</b>	<b>Closing Balance</b>
<b>Sill Lake, Ontario</b>	\$ 1,431,122	\$ 34,000	\$(1,465,122)	\$ -
<b>Nye County, Nevada</b>	<b>1,599,863</b>	-	-	<b>1,599,863</b>
<b>Mineral Properties</b>	<b>\$ 3,030,985</b>	<b>\$ 34,000</b>	<b>\$(1,465,122)</b>	<b>\$ 1,599,863</b>

**Sill Lake, Ontario**

The Company is indebted to RX Exploration Inc. ("RX") by way of a non-interest bearing debenture payable with the face amount of \$1,901,300, in connection with a settlement agreement dated on November 29, 2010. This debenture was due and repayable in full on November 29, 2013. The Company granted to the debenture holder a security interest in the assets comprising the Sill Lake Claims.

Upon issuance of the debenture, the Company estimated its fair value by applying a discount rate of 25% per annum to maturity. The difference between the face value of \$1,901,300 and the estimated fair value of \$973,466 at issuance is accreted using the effective interest rate yield method. Interest is expensed over the term of the debenture. Based upon this valuation method, as at November 29, 2013 the carrying value of the debenture payable was \$1,901,300 versus \$1,651,336 at December 31, 2012. Total interest accreted was \$249,993.

On November 29, 2013, the Company became in default of its obligations under the debenture as a result of its failure to make the payment of \$1,901,300 due on that day. On April 9, 2014, the Company negotiated and received a period of forbearance from RX in order to afford the Company an opportunity to find an alternative financing or funding solution. The forbearance is subject to certain conditions on the Company and requires full payment of the entire amount owing under the debenture by no later than June 15, 2014. As a result of the forbearance period the fair value was re-valued and estimated using a discount rate of 20% to a maturity date of June 15, 2014. The fair value was determined to be \$1,722,300 at November 29, 2013. The difference between the face value of \$1,901,300 and fair value of \$1,722,300 was recorded as a contra to debenture interest expense. Interest accreted related to this re-valuation from November 30, 2013 to June 15, 2014 was \$179,000.



**Argentium Resources Inc.**  
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**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements  
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**Three Months Ended March 31, 2015 and 2014**

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**9. MINERAL PROPERTIES** *(continued)*

On June 15, 2014, the Company became in default once again of its obligations under the debenture as a result of its failure to make the payment of \$1,901,300 due on that day.

Further, throughout the year the claims related to Sill Lake lapsed and were staked by Shoreline Resource Management Inc ("Shore"), an unrelated third party. Argentium entered into an option agreement with Shore effective April 30, 2014 to acquire 100% of the claims staked by Shore. The terms of the option agreement were not met. The Company has taken full impairment on the value of the Sill Lake properties in the three months ended December 31, 2014.

As of March 31, 2015, the Company continues to be indebted to RX Exploration Inc. ("RX") by way of the non-interest bearing debenture payable for the face amount of \$1,901,300. As the amount is due on demand the debenture has been presented as current at face value.

**Nye County, Nevada**

On February 8, 2011, the Company purchased all of the issued and outstanding shares in Soilfor Resources, Inc., a Florida Corporation owned by Canusa Explorations, Inc., a company controlled by a shareholder of Argentium. Soilfor Resources, Inc. has 12 claims registered in Nye County, Nevada. Argentium issued 4,500,000 common shares and capitalized the acquisition at the fair value of the shares issued of \$1,575,000 plus legal costs of \$24,863.

**10. COMMITMENTS AND CONTINGENCIES**

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

**11. SEGMENTED INFORMATION**

Argentium is in the business of mineral exploration in both Canada and the United States of America ("USA"). Management has organized the Company's reportable operating and geographic segments by country. The USA segment is responsible for exploration activities in the USA while the Canadian segment manages corporate head office activities and is responsible for the Canadian mineral exploration activities. Information concerning Argentium's reportable segments is as follows:



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**Notes to Unaudited Interim Condensed Consolidated  
Financial Statements**  
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**Three Months Ended March 31, 2015 and 2014**

**11. SEGMENTED INFORMATION** *(continued)*

	Three months ended March 31, 2015	Three months ended March 31, 2014
<b>Consolidated net loss</b>		
Canada	\$ 5,878	\$ 84,239
USA	-	-
	<b>\$ 5,878</b>	<b>\$ 84,239</b>
	As at March 31, 2015	As at December 31, 2014
<b>Identifiable assets</b>		
Canada	\$ 5,347	\$ 8,429
USA	1,599,863	1,599,863
	<b>\$ 1,605,210</b>	<b>\$ 1,608,292</b>