WALKER RIVER RESOURCES CORP.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

NOVEMBER 30, 2015 AND 2014

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7
Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Walker River Resources Corp.

We have audited the accompanying financial statements of Walker River Resources Corp. which comprise the statements of financial position as at November 30, 2015 and 2014, and the statements of comprehensive loss, changes in equity and cash flows for the years ended November 30, 2015 and 2014, and the related notes comprising a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Walker River Resources Corp. as at November 30, 2015 and 2014, and its financial performance and its cash flows for the years ended November 30, 2015 and 2014 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 2(b) in the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Walker River Resources Corp. to continue as a going concern.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, British Columbia

March 30, 2016

WALKER RIVER RESOURCES CORP.

STATEMENTS OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2015 AND 2014

EXPRESSED IN CANADIAN DOLLARS

		2015		2014
ASSETS				
Current				
Cash	$	1,273	$	309
Other receivables		15,500		3,417
		16,773		3,726
Equipment (Note 4)		11,221		16,030
Exploration and evaluation assets (Note 5)		1,089,385		921,401
	$	1,117,379	$	941,157
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 6)	$	796,204	$	497,249
Due to a related party (Note 6)		6,387		7,087
Flow-through share premium liability (Note 7)		139,059		139,059
		941,650		643,395
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		2,280,207		1,784,086
Share subscriptions received		50,000		-
Contributed surplus (Note 7)		773,216		753,536
Deficit		(2,927,694)		(2,239,860)
		175,729		297,762
	$	1,117,379	$	941,157

NATURE OF OPERATIONS AND GOING CONCERN (Notes 1 and 2(b))
COMMITMENTS (Notes 5 and 12)
SUBSEQUENT EVENT (Note 13)

Authorized for issuance on behalf of the Board on March 29, 2016:

"Michel David" Director

"Eugene Gauthier" Director

WALKER RIVER RESOURCES CORP.

STATEMENTS OF COMPREHENSIVE LOSS

FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

EXPRESSED IN CANADIAN DOLLARS

		2015		2014
Expenses				
Consulting fees (Note 6)	$	92,155	$	104,114
Investor relations		3,465		10,464
Management fees (Note 6)		126,000		142,700
Office and miscellaneous (Note 6)		13,943		19,601
Professional fees (Note 6)		53,148		76,770
Rent (Note 6)		31,610		38,179
Share-based payments		-		41,575
Transfer agent and filing fees		19,856		16,642
Travel		-		16,278
		(340,177)		(466,323)
Other Items				
Indemnification provision for flow-through shares (Note 12)		(282,684)		-
Flow-through share interest and penalties (Note 12)		(60,394)		(5,635)
Loss on foreign exchange		(4,579)		-
Recovery of flow-through premium liability		-		30,109
Net loss and comprehensive loss	$	(687,834)	$	(441,849)
Loss per share - basic and diluted	$	(0.01)	$	(0.02)
Weighted average number of common shares outstanding		46,451,407		29,568,421

WALKER RIVER RESOURCES CORP.

STATEMENTS OF CHANGES IN EQUITY

NOVEMBER 30, 2015 AND 2014

EXPRESSED IN CANADIAN DOLLARS

	Common Shares					
	Number of Shares	**Amount**	**Share Subscriptions Received**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$	$
Balance as at November 30, 2013	28,442,914	1,693,658	-	710,888	(1,798,011)	606,535
Flow Through Shares issued for cash at $0.10	550,000	22,000	-	-	-	22,000
Shares issued for exploration and evaluation assets	400,000	14,000	-	-	-	14,000
Shares issued for exercise of warrants	1,260,000	63,000	-	-	-	63,000
Share issuance costs	-	(8,572)	-	-	-	(8,572)
Agent warrants issued	-	-	-	1,073	-	1,073
Share-based payments	-	-	-	41,575	-	41,575
Comprehensive loss	-	-	-	-	(441,849)	(441,849)
Balance as at November 30, 2014	30,652,914	1,784,086	-	753,536	(2,239,860)	297,762
Non-Flow Through Shares issued for cash at $0.02	15,000,000	300,000	-	-	-	300,000
Non-Flow Through Shares issued for cash at $0.05	3,000,000	150,000	-	-	-	150,000
Shares issued for exploration and evaluation assets	2,400,000	48,000	-	-	-	48,000
Shares issued for exercise of warrants	650,000	32,500	-	-	-	32,500
Subscriptions received for exercise of warrants	-	-	50,000	-	-	50,000
Share issuance costs	-	(34,379)	-	-	-	(34,379)
Agent warrants issued	-	-	-	19,680	-	19,680
Comprehensive loss	-	-	-	-	(687,834)	(687,834)
Balance as at November 30, 2015	51,702,914	2,280,207	50,000	773,216	(2,927,694)	175,729

WALKER RIVER RESOURCES CORP.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

EXPRESSED IN CANADIAN DOLLARS

		2015		2014
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the year	$	(687,834)	$	(441,849)
Items not involving cash:				
Recovery of flow-through premium liability		-		(30,109)
Share-based payments		-		41,575
		(687,834)		(430,383)
Changes in non-cash working capital balances:				
Other receivables		(12,082)		62,393
Accounts payable and accrued liabilities		300,672		280,270
Cash used in operating activities		(399,244)		(87,720)
INVESTING ACTIVITIES				
Exploration and evaluation assets expenditures		(116,892)		(66,850)
Cash used in investing activities		(116,892)		(66,850)
FINANCING ACTIVITIES				
Advances (repayment) from related party		(700)		5,687
Shares issued for cash, net of cash share issuance costs		467,800		110,502
Share subscriptions received		50,000		-
Cash provided by financing activities		517,100		116,189
CHANGE IN CASH DURING THE YEAR		964		(38,381)
CASH, BEGINNING OF YEAR		309		38,690
CASH, END OF YEAR	$	1,273	$	309
SUPPLEMENTAL INFORMATION				
Shares issued for exploration and evaluation assets (Notes 5 and 7)	$	48,000	$	14,000
Agent warrants issued (Note 7)	$	19,680	$	1,073
Interests paid	$	-	$	-
Income taxes paid	$	-	$	-

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

1. NATURE OF OPERATIONS

Walker River Resources Corp. ("the Company") was incorporated pursuant to the British Columbia Business Corporations Act on December 16, 2010 as Rhino Exploration Inc. On March 4, 2013 the Company changed its name to Walker River Resources Corp. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company's shares are listed for trading on the TSX Venture Exchange under the symbol WRR.

The address of the Company's corporate office and its principal place of business is 200-551 Howe Street, Vancouver, British Columbia, Canada. The Company has elected to have a November 30 fiscal year-end for operating purposes.

The Company is an exploration stage company and is in the process of exploring its interest in the Watshishou River property (Quebec, Canada), James Bay Project (Quebec, Canada) and the Sleeper-Lapon Canyon Gold Project (Nevada, USA). At November 30, 2015, the Company had not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue by the Board of Directors on March 29, 2016.

b) Going concern

These financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period of time. The Company has incurred losses since its inception and had an accumulated deficit of $2,927,694 and a working capital deficiency of $924,877 at November 30, 2015. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future, which raise significant doubts about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to continue in business.

c) Functional currency

The functional and presentation currency of the Company is the Canadian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Measurement basis

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3 m) and n). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

b) Significant accounting estimates and judgments

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. the carrying value and the recoverability of the exploration and evaluation assets included in the statements of financial position;

ii. the provision for the income tax expense which is included in profit or loss and the measurement of deferred income tax liabilities included in the statements of financial position; and

iii the inputs used in accounting for share-based payments in profit or loss.

Critical accounting judgments

i. the determination of categories of financial assets and financial liabilities identified as financial instruments, which involves judgments or assessments made by management;

ii. the determination of whether it is likely that future economic benefits associated with the exploration and evaluation expenditures capitalized will flow to the Company, which may be based on assumptions about future events or circumstances; and

iii. the determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets.

c) Deferred finance costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be more likely than not. Share issue costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Equipment

Equipment is recorded 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 into operation and an initial estimate of any rehabilitation obligation. Depreciation of the equipment is calculated using the declining balance method at a rate of 30% per year.

Equipment is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of comprehensive loss.

e) Exploration and evaluation assets

All expenditures related to the cost of exploration and evaluation of mineral resources including acquisition costs for interests in mineral claims are capitalized as exploration and evaluation assets and classified as intangible assets. General exploration costs not related to specific mineral properties are expensed as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, capitalized costs of the related property are reclassified as mining assets and upon commencement of commercial production, are amortized using the units of production method over estimated recoverable reserves. Impairment is assessed at the level of cash-generating units. Management regularly assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if one of the following factors are present; the rights to explore have expired or are near to expiry with no expectation of renewal, no further substantive expenditures are planned or budgeted, exploration and evaluation work is discontinued in an area for which commercially viable quantities have not been discovered, indications that in an area with development likely to proceed the carrying amount is unlikely to be recovered in full be development or sale.

The recoverability of mineral properties and capitalized exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to exploration and evaluation assets may not necessarily reflect present or future values.

Exploration costs renounced due to flow-through share subscription agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses.

The recorded costs of exploration and evaluation assets are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount. Payments on mineral property option agreements are made at the discretion of the Company and, accordingly, are recorded on a cash basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Impairment

(i) Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against the asset impaired. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

Exploration and evaluation assets are regularly reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount of reserve properties may exceed its recoverable amount. When an impairment review is undertaken, the recoverable amount is assessed by reference to the higher of the value in use and fair value less costs to sell. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the carrying amount of an asset exceeds the recoverable amount an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate and its recoverable amount, but to an amount that 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 immediately in profit or loss.

g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probably that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

As at November 30, 2015, the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

h) Government assistance

Quebec mining exploration tax credits for certain exploration expenditures incurred in Quebec are treated as a reduction of the exploration and development costs of the respective mineral property.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Share capital – flow-through shares

The Company finances some exploration expenditures through the issuance of flow-through shares. In accordance with IAS 12, Income Taxes, a deferred tax liability is recognized, with certain specific exceptions, for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalized as an asset in the statement of financial position and its tax base. At the time flow-through shares are issued, there is a potential premium paid on the flow-through shares calculated based on the share issuance price and the market price at the time of closing. In the absence of a market price, the Company uses the fair value as determined by the price per share in recent non flow-through share financings or other techniques as considered necessary. This premium is recorded as liabilities reducing share capital and is drawn down proportionately as the flow-through exploration spending occurs and recorded as other income. In instances where the Company has sufficient deductible temporary differences available to offset the deferred income tax liability created from renouncing qualifying expenditures, the realization of the deductible temporary differences will be shown as a recovery in operations in the period of renunciation.

j) Share-based payments

The Company has an equity-settled share-based compensation plan. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is measured at grant date, using the Black-Scholes option pricing model, and each tranche is recognized on a graded-vesting basis over the period in which options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to contributed surplus.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

k) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

l) Income taxes

Income tax on profit or loss comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the financial position date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Income taxes (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

m) Financial assets

All financial assets are initially recorded at fair value and classified upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company’s cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At November 30, 2015 and 2014, the Company has not classified any financial assets as loans and receivables, available for sale, or held to maturity.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

n) Financial liabilities

All financial liabilities are initially recorded at fair value and classified upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company’s accounts payable and due to a related party are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Segment Reporting

The Company operates in a single reporting operating segment – the acquisition, exploration and development of mineral properties. The Company has mineral properties located in Canada and the United States.

p) New accounting standards, interpretations and amendments to existing standards

The IASB issued a number of new and revised standards which are effective for the Company's financial year beginning on December 1, 2014. The mandatory adoption of these standards did not have a significant impact on the Company's financial statements. Specifically, the Company has adopted all of the following new standards for the year ended November 30, 2015:

i. IAS 36 *Impairment of Assets* - In May 2013, the IASB issued an amendment to address the disclosure of information about the recoverable amount of impaired assets or a cash-generating until ("CGU") for periods in which an impairment loss has been recognized or reversed. The amendments also address disclosure requirements applicable when and asset's or a CGU's recoverable amount is based on fair value less costs of disposal.

ii. IFRIC 21 *Levies* - In May 2013, the IASB issued IFRIC 21, Levies ("IFRIC 21"), an interpretation of IAS 37, Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

A number of new standards, amendments and interpretations, are not yet effective for the year ended November 30, 2015, and have not been applied in preparing these financial statements.

The following new standards, amendments and interpretations have not been early adopted in these financial statements and are not expected to have a material effect on the Company's future results and financial position:

Accounting standards effective for annual periods beginning on or after January 1, 2018

i. IFRS 15 *Revenue from Contracts with Customers* – In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

ii. IFRS 9 *Financial Instruments* - In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedge requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

EXPRESSED IN CANADIAN DOLLARS

4. EQUIPMENT

	Vehicle
Cost	
Balance at November 30, 2014	$ 24,309
Additions	-
Balance at November 30, 2015	$ 24,309
Accumulated Depreciation	
Balance at November 30, 2014	$ 8,279
Depreciation for the year	4,809
Balance at November 30, 2015	$ 13,088
Net Carrying Amounts	
At November 30, 2014	$ 16,030
At November 30, 2015	$ 11,221

5. EXPLORATION AND EVALUATION ASSETS

Total costs incurred on exploration and evaluation assets are summarized as follows:

	Watshishou	Sleeper	James Bay	2015 Total	2014 Total
Acquisition costs:					
Balance, beginning of year	$ 75,000	$ 374,960	$ -	$ 449,960	$353,270
Cash acquisition costs	-	70,635	-	70,635	82,690
Shares issued for acquisition costs	-	8,000	40,000	48,000	14,000
Balance, end of year	75,000	453,595	40,000	568,595	449,960
Deferred exploration expenditures:					
Balance, beginning of the year	330,412	141,029	-	471,441	442,703
Geologist fees and assays	-	53,647	-	53,647	21,868
Equipment depreciation	-	4,810	-	4,810	6,870
Mining exploration tax credits	(9,108)	-	-	(9,108)	-
Balance, end of year	321,304	199,486	-	520,790	471,441
Total costs, end of year	$ 396,304	$ 653,081	$ 40,000	$ 1,089,385	$921,401

5. EXPLORATION AND EVALUATION ASSETS (continued)

Watshishou River area Property, Quebec

On February 28, 2011, the Company entered into an Option Agreement (the "Agreement") with Pourvoirie Du Lac Holt Inc. (the "Optionor"), which was amended on February 8, 2012, whereunder the Company was granted an option to acquire a 100% undivided interest in 37 mineral claims situated in the Watshishou River area, Quebec (the "Watshishou Property"). As consideration, the Company paid $30,000 in cash and issued 300,000 common shares. As at November 30, 2015, 21 mineral claims are still active.

The Watshishou Property is subject to 2% Net Smelter Returns. The Company has the sole and exclusive option to purchase the 2% Net Smelter Royalty at a purchase price of $1,000,000 per percentage point during the five year period starting on the date that the Watshishou Property is put into commercial production.

Sleeper-Lapon Canyon Gold Project, Nevada

On December 5, 2012, the Company entered into a Letter of Intent ("LOI") with World Ventures Inc. ("WVI") and District Gold Inc. ("District"), which was amended on February 28, 2013, to acquire an undivided 75% working interest of the Sleeper-Lapon Canyon Gold project, located in Mineral County, Nevada, USA. The project consists of 19 leased claims and 17 lode claims (the "Sleeper Property"). WVI and District acquired their 100% interests of the Sleeper Property directly from Donald Potts ("Potts"), the underlying land holder. Potts consented to the LOI with the Company, by entering into a Mining Lease with Option to Purchase Agreement ("Mining Lease Agreement") with the Company dated March 1, 2013.

As consideration, the Company agreed to the following:

1) Paying District an initial payment of $200,000 and issuing District 250,000 common shares (the "Initial Payment") on or before February 28, 2013 (paid and issued). The Initial Payment includes $66,771 of arrears fees and $17,000 of claim transfer costs;

2) Paying District further option payments of $200,000 in cash, or at District's option, issuing District common shares in lieu of such cash payments, on or before the first and second anniversaries of the Initial Payment;

3) Paying $13,500 USD in advance every three months representing lease payments to Potts, the underlying land holder commencing on March 1, 2013 for a period of one year with three options to renew for one additional year each; and

4) Incurring $2,750,000 of exploration work over a four year period commencing on March 1, 2013.

Pursuant to the Mining Lease Agreement, the Company had the option to acquire the undivided 75% working interest of the Sleeper Property for a one time buyout payment of $400,000 at any time during the term of the Mining Lease Agreement. All the prior lease payments are deductible from this lease buyout payment.

On February 28, 2013, the Company issued 352,083 common shares with fair value of $45,770 as finder's fee for the acquisition of its interest in the Sleeper Property.

5. EXPLORATION AND EVALUATION ASSETS (continued)

Sleeper-Lapon Canyon Gold Project, Nevada (continued)

On February 1, 2014, the Company entered into a release agreement with District and WVI, which terminated the LOI dated December 5, 2012 and removed the parties from the Mining Lease Agreement (the “Release Agreement”). In consideration for the release, the Company agreed to issue a total of 300,000 common shares and pay District and WVI a royalty on revenues received from the Sleeper Property equal to 1.0% of Net Smelter Returns (“NSR”). The Company also has an option to buy the NSR for $300,000.

As a result of the Release Agreement, the Company has increased its interest in the Sleeper Property to 100%.

As at November 30, 2014, the Company had issued 200,000 common shares. As at November 30, 2015, the Company issued the remaining 100,000 common shares in accordance with the Release Agreement and issued an additional 100,000 common shares.

On March 1, 2014, the Company amended the Mining Lease Agreement (the “Amendment”) with the Estate of Donald Potts. Pursuant to this Amendment, the Company agreed to the revised terms as follows:

1) Pay $13,500 USD in advance every three months representing lease payments commencing on March 1, 2013 for a period of one year with three options to renew for one additional year each; and

2) Issue 200,000 common shares to the Estate of Donald Potts on each of March 1, 2014 (issued), March 1, 2015 (issued), March 1, 2016 and March 1, 2017 for a total of 800,000 common shares, in lieu of exploration commitments of $2,750,000 over the four year period.

As at November 30, 2015, the Company had an outstanding commitment of $27,000 USD for two missed lease payments during the year.

On September 16, 2015, the Company entered into Exploration and Option Agreement to form a joint venture on the Sleeper Property with Nevada Canyon Gold Corp (“Nevada Canyon”). Nevada Canyon will have an option to acquire an initial 25% of the Sleeper Property for $250,000 USD of exploration expenditures within a one year period and an option to acquire a further 25% for an additional $250,000 USD of exploration on or before the second anniversary. Following which, a 50/50 joint venture will be formed between the Company and Nevada Canyon. After formation of the joint venture, the Company will grant Nevada Canyon a Right of Refusal to earn a additional 20% in the Sleeper Property by completing the following: an equity investment of US$1,000,000 in the Company; funding and delivering a complete scoping study on the project; and carrying US$500,000 of post scoping joint venture expenditures pertaining to Company. Nevada Canyon may accelerate any of the above earn-in periods at its option. As at November 30, 2015, Nevada Canyon had not yet completed the required exploration expenditures to acquire an initial 25% interest in the Sleeper Property.

James Bay Project, Quebec

On December 10, 2014, the Company issued 2,000,000 common shares to acquire a 100% undivided interest in the James Bay Project consisting of 22 mineral claims located in the James Bay region in Quebec. The property is subject to a 1% net smelter return which the Company can acquire for $500,000.

6. RELATED PARTY TRANSACTIONS AND BALANCES

a) Related party transactions and balances

During the year ended November 30, 2015 the following amounts were incurred or paid to officers and directors and/or their related companies:

i) The Company incurred $12,000 (2014: $31,200) for rent to companies controlled by directors of the Company.

ii) The Company incurred $Nil (2014: $20,750) for accounting fees to a company controlled by a director and officer of the Company.

iii) The Company incurred $1,700 (2014: $3,000) for office administration to a person related to a director and officer of the Company.

iv) The Company incurred $Nil (2014: $21,868) for exploration expenditures to a director and companies controlled by directors and officers of the Company.

v) The Company incurred $31,155 (2014: $Nil) for consulting fees to a company controlled by a director and officer of the Company.

vi) Included in accounts payable and accrued liabilities is $178,384 (2014: $175,814) due to companies controlled by directors and officers of the Company for unpaid consulting fees and management fees. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

vii) The Company had an outstanding loan payable to an officer of $6,387 (2014: $7,087). The loan is unsecured, non-interest bearing, with no fixed terms of repayment.

These transactions are in the normal course of operations and have been measured in these financial statements at the amount of consideration established and agreed to by the related parties.

b) Key management compensation

Key management includes directors and key officers of the Company, including the President, CEO and CFO. During the year ended November 30, 2015:

The Company paid or accrued $120,000 (2014: $138,700) in management fees to directors and officers of the Company.

7. SHARE CAPITAL AND CONTRIBUTED SURPLUS

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and outstanding

As at November 30, 2015, the issued share capital comprised of 51,702,914 (2014: 30,652,914) common shares.

<u>During the year ended November 30, 2015:</u>

i) On December 10, 2014, the Company issued 2,000,000 common shares with a fair value of $40,000 for the acquisition of the James Bay Project described in Note 5.

ii) On February 11, 2015, the Company issued 450,000 common shares pursuant to the exercise of warrants for gross proceeds of $22,500.

7. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

b) Issued and outstanding (continued)

iii) On February 27, 2015, the Company issued 15,000,000 non flow-through units at $0.02 per unit for proceeds of $300,000. Each unit consisted of one common share and one half of a full share purchase unit. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of $0.05 per common share for a period of two years. In connection with the private placement, the Company paid $14,400 finders' fees and granted 720,000 non-transferable finder's warrants with a fair value of $19,680. Each finder warrant entitles the holder to acquire one common share at $0.05 for a period of two years.

iv) On April 13, 2015, the Company issued 3,000,000 non flow-through units at $0.05 per unit for proceeds of $150,000. Each unit consisted of one common share and one full share purchase unit. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of $0.05 per common share for a period of two years.

v) On June 15, 2015, the Company issued 50,000 common shares each to District Gold Inc. and World Ventures Inc. pursuant to the Release Agreement and an additional 50,000 common shares each to District Gold Inc. and World Ventures Inc. for a total of 200,000 common shares. The Company also issued 200,000 common shares to the estate of Donald Potts pursuant to the Mining Lease Agreement Amendment for the Sleeper-Lapon Gold Project. Refer to Note 5. The fair value of the 400,000 common shares issued was $8,000.

vi) On November 11, 2015, the Company issued 200,000 common shares pursuant to the exercise of warrants for gross proceeds of $10,000.

<u>During the year ended November 30, 2014:</u>

i) On December 30, 2013, the Company issued 550,000 flow-through common shares at $0.10 per share for proceeds of $55,000. In connection with the private placement, the Company paid $5,000 finders' fees and granted 50,000 non-transferable finder's warrants with a fair value of $1,073. Each finder warrant entitles the holder to acquire one common share at $0.10 for a 24-month period after closing of the private placement. Pursuant to the terms of the flow-through agreements, the Company is required to comply with the contractual obligations and the renouncement requirements of the Canadian Income Tax Act.

   For the purposes of calculating the tax effect of any premium related to the issuance of flow-through shares, management reviewed the price per share based on the fair market value and compared it to the price used in this issuance and determined that there was a premium of $0.06 per flow-through unit and recorded a flow-through share premium liability of $33,000.

ii) On June 16, 2014, the Company issued 100,000 common shares each to District Gold Inc. and World Ventures Inc. for a total of 200,000 pursuant to the Release Agreement and increasing the interest in Sleeper-Lapon Canyon Gold Project. The Company also issued 200,000 common shares to the estate of Donald Potts pursuant to the Mining Lease Agreement Amendment for the Sleeper-Lapon Gold Project. Refer to Note 5. The fair value of the shares issued was $14,000.

iii) On June 27, 2014, the Company issued 800,000 common shares pursuant to the exercise of warrants for gross proceeds of $40,000.

iv) On September 12, 2014, the Company issued 460,000 common shares pursuant to the exercise of warrants for gross proceeds of $23,000.

EXPRESSED IN CANADIAN DOLLARS

7. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

c) Escrowed shares

As at November 30, 2015, the Company had Nil (2014: 723,746) shares held in escrow.

d) Stock options

On January 16, 2012, the Company adopted a Stock Option Plan (the "Plan") to grant incentive stock options to directors, officers, employees and consultants. Under the plan, the aggregate number of common shares which may be subject to option at any one time may not exceed 10% of the issued common shares of the Company as of that date including options granted prior to the adoption of the Plan. Options granted may not exceed a term of 10 years, and the term will be reduced to one year following the date of death of the optionee. All options vest when granted unless otherwise specified by the Board of Directors.

<u>During the year ended November 30, 2014:</u>

On May 14, 2014, the Company cancelled 2,838,750 stock options previously granted to directors and officers.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price $
Outstanding and exercisable, November 30, 2013	2,838,750	0.15
Cancelled	(2,838,750)	0.15
Outstanding and exercisable, November 30, 2014 and 2015	-	-

EXPRESSED IN CANADIAN DOLLARS

7. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

e) Warrants

A summary of the Company's share purchase warrants are as follows:

	Number of Warrants	Weighted Average Exercise Price $
Balance, November 30, 2013	19,167,999	0.06
Issued – agents' warrants	50,000	0.10
Exercised	(1,260,000)	(0.05)
Expired	(376,000)	(0.15)
Balance, November 30, 2014	17,581,999	0.06
Issued	10,500,000	0.05
Issued – agents' warrants	720,000	0.05
Exercised	(1,650,000)	(0.05)
Expired	(3,014,666)	(0.07)
Balance, November 30, 2015	24,137,333	(0.05)

Warrants are issued as private placement incentives. No value was allocated to the warrants issued with private placement units as the Company uses the residual value method to allocate the value of the units. Accordingly, the value of the common shares is determined first and any residual value is allocated to the warrant. Agents' warrants are measured at fair value on the date of the grant as determined using a Black-Scholes option pricing model.

The fair value of 720,000 (2014: 50,000) agent warrants issued in connection with the private placements was $19,680 (2014: $1,073) for the year ended November 30, 2015.

The weighted average fair value of the agent's warrants issued was estimated to be $0.03 for the year ended November 30, 2015 (2014: $0.02). The fair value of agents' warrants issued was calculated using the Black-Scholes options pricing model with the following weighted average assumptions:

	2015	**2014**
Share price at grant date	$0.04	$0.05
Risk-free interest	0.50%	1.13%
Expected dividend yield	-	-
Expected stock price volatility	151%	148%
Expected warrant life in years	2.0	2.0

During the year ended November 30, 2014, the Company modified the exercise price of 15,431,666 outstanding warrants to $0.05. As a result of the modification, the Company recognized share-based payments expense of $41,575. As at November 30, 2015, 12,190,000 of the warrants with a modified exercise price were outstanding and exercisable.

EXPRESSED IN CANADIAN DOLLARS

7. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)

e) Warrants (continued)

As at November 30, 2015, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price $	Expiry Date
50,000	0.10	December 30, 2015
8,220,000	0.05	February 28, 2017
2,000,000	0.05	April 9, 2017
1,677,333	0.10	August 23, 2018
12,190,000	0.05	August 23, 2018*

*The exercise period of these will be reduced to 30 days if the closing price of the Company's shares exceeds $0.0625 for any ten consecutive trading days during the term of the warrant.

8. INCOME TAXES

The following table reconciles the amount of deferred income tax expense on application of the combined statutory Canadian federal and provincial income tax rates:

	2015	2014
Combined statutory tax rate	26.00%	26.00%
Income tax recovery at combined statutory rate	$ (178,837)	$ (114,881)
Effect of change in income tax rate	-	(13,053)
Exploration and evaluation assets renounced	-	24,280
Permanent differences and others	58,965	15,694
Change in tax benefits not recognized	119,872	87,960
Deferred income tax expense (recovery)	$ -	$ -

Significant components of the Company's deferred income tax assets (liabilities) are shown below:

	2015	2014
Non-capital loss carry forwards	$ 588,414	$ 462,872
Equipment	3,403	2,153
Exploration and evaluation assets	(77,596)	(80,245)
Share issuance costs	21,407	30,976
Total gross deferred income tax assets	535,628	415,756
Less: unrecognized deferred income tax assets	(535,628)	(415,756)
Net deferred income tax assets	$ -	$ -

EXPRESSED IN CANADIAN DOLLARS

8. INCOME TAXES (continued)

As at November 30, 2015, the Company had approximately $2,261,000 (2014: $1,779,000) of non-capital loss carry forwards available to reduce taxable income for future years. The non-capital losses expire as follows:

Available to		Amount
2031	$	63,000
2032		218,000
2033		1,055,000
2034		477,000
2035		448,000
	$	2,261,000

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern (see Note 2(b)) in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at November 30, 2015, the Company had capital resources consisting of all the components of shareholder's equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company will continue to rely on capital markets to support continued growth.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 13, Fair-Value Measurement, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

The Company's financial instruments include cash, accounts payable and due to a related party. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

As at November 30, 2015:

	Level 1	Level 2	Level 3	Total
Cash	$ 1,273	-	-	$ 1,273

Financial risk management objectives and policies

The Company's financial instruments include cash, accounts payable and due to a related party. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars, except for certain exploration and evaluation expenditures incurred during the year were denominated in U.S. dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short term. The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash the Company places the instrument with a major financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

As at November 30, 2015, the Company had a working capital deficiency of $924,877 (see Note 2(b)). Between November 30, 2015 and March 30, 2016, the Company raised gross proceeds of $159,083 through exercise of warrants (see Note 13).

EXPRESSED IN CANADIAN DOLLARS

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

The Company's non-derivative financial liabilities at November 30, 2015 mature as follows:

	<1 year	1 – 3 Years	Total
Accounts payable	$ 513,520	$ -	$ 513,520
Due to a related party	$ 6,387	$ -	$ 6,387

(v) *Commodity Price Risk*

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

11. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the years ended November 30, 2015 and 2014 was based on the loss attributable to common shareholders of $687,834 (2014: $441,849) and the weighted average number of common shares outstanding of 46,451,407 (2014: 29,568,421). Stock options of nil and warrants of 24,137,133 outstanding at November 30, 2015 were not included in the diluted loss per share calculation as the effect is anti-dilutive.

12. COMMITMENTS

a) The Company is committed to certain cash payments and share issuances as described in Note 5.

b) In relation to the flow-through private placements completed during the years ended November 30, 2013 and 2014, described in Note 7, the Company is committed to incur and renounce $613,500 in Canadian exploration expenditures by December 31, 2014 under Canada Revenue Agency's flow-through rules.

   Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds received less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent on qualifying expenditures. At November 30, 2015, the amount of flow-through proceeds remaining to be spent on qualifying expenditures was $520,116 (2014: $520,116). As of November 30, 2015, the remaining balance in the flow-through share premium liability was $139,059 (2014: $139,059) as the Company had not made the necessary expenditures.

   The Company agreed to indemnify the flow-through shareholders for certain costs they incurred as a result of not meeting its obligation to spend the flow-through share proceeds on qualifying Canadian exploration expenditures in compliance with the applicable tax rules and pursuant to the share subscription agreement entered into. As at November 30, 2015 the Company has included a provision for the indemnification of flow-through shareholders of $282,684 in accounts payable. During the year ended November 30, 2015, the Company recorded penalties and Part XII.6 taxes in the amount of $60,394 (2014: $5,635) related to the flow-through shares described above.

13. SUBSEQUENT EVENT

The Company issued 3,181,666 common shares pursuant to the exercise of warrants for gross proceeds of $159,083. The gross proceeds received included $50,000 that were share subscriptions receivable at November 30, 2015.