

Satori Resources Inc.
Condensed Interim Financial Statements
Three Months Ended March 31, 2016 and 2015
(Expressed in Canadian Dollars)
(Unaudited)

NOTICE TO READER

Responsibility for Financial Statements:

The accompanying unaudited interim condensed financial statements of Satori Resources Inc. (the “Company”) for the three months ended March 31, 2016 and 2015 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial statements (see note 3 to the unaudited interim condensed financial statements). Recognizing that the Company is responsible for both the integrity and objectivity of the unaudited financial statements, management is satisfied that these unaudited interim condensed financial statements have been fairly presented.

Auditors Involvement:

The external auditors of Satori Resources Inc. have not audited or performed a review of the unaudited interim condensed financial statements for the three months ended March 31, 2016 and 2015.

SATORI RESOURCES INC.

MANAGEMENT'S RESPONSIBILITY FOR QUARTERLY FINANCIAL REPORTING

The accompanying unaudited interim condensed financial statements of Satori Resources Inc., are the responsibility of the management and Board of Directors of the Company.

The unaudited interim condensed 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 interim condensed 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 unaudited interim condensed financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International 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 condensed 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 condensed 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 condensed 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.

"Bruce Reid"
Executive Chairman

"Shanda Kilborn"
Chief Financial Officer

Satori Resources Inc.
Interim Condensed Statements of Financial Position (unaudited)
(Expressed in Canadian dollars)

As at,	March 31, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash	\$ 19,655	\$ 54,824
Temporary investments	15,000	15,000
Other receivables	27,799	26,414
Prepaid expenses and advances	13,706	8,516
	76,160	104,754
Non-Current Assets		
Mineral properties and deferred exploration expenditures <i>(note 5)</i>	1,004,235	1,000,000
	1,004,235	1,000,000
TOTAL ASSETS	\$ 1,080,395	\$ 1,104,754
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 174,754	\$ 154,855
	174,754	154,855
Non-Current Liabilities		
Asset retirement obligation <i>(note 6)</i>	689,990	680,362
Equity		
Share capital <i>(note 7)</i>	1,568,889	1,568,889
Warrant reserve <i>(note 7)</i>	179,912	179,912
Contributed surplus <i>(notes 7)</i>	4,855,921	4,855,921
Deficit	(6,389,071)	(6,335,185)
	215,651	269,537
TOTAL LIABILITIES AND EQUITY	\$ 1,080,395	\$ 1,104,754

Incorporation and Basis for Presentation *(note 1)*

Going Concern *(note 2)*

Approved by the Board

Signed:

"Jennifer Boyle"

Director

"Bruce Reid"

Director

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

Satori Resources Inc.

Interim Condensed Statements of Operations and Comprehensive Loss (unaudited)

For the three months periods ended March 31,

(Expressed in Canadian dollars)

	2016	2015
Management fees	\$ 22,500	\$ 40,000
Rent	4,183	4,500
Accretion (note 6)	9,628	9,628
Salaries, wages and benefits	941	4,271
Filing and transfer agent fees	5,879	12,533
Professional fees	7,501	12,001
Office and miscellaneous	1,002	2,750
Insurance	3,662	3,670
Investor relations, advertising and promotion	599	534
Travel	(2,185)	1,379
Legal and paralegal	274	1,259
Consulting fees	-	(1,245)
Loss before interest income	\$ (53,984)	\$ (91,280)
Interest income	121	121
Net loss and comprehensive loss for the period	\$ (53,886)	\$ (91,159)
Net loss per share (note 10)	\$ (0.01)	\$ (0.02)

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

Satori Resources Inc.

Interim Condensed Statements of Changes in Equity (unaudited)

For the three months periods ended March 31, 2016 and 2015

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Warrant Reserve	Deficit	Total
Balance, January 1, 2016	9,585,349	\$ 1,568,889	\$ 4,855,921	\$ 179,912	\$ (6,335,185)	\$ 269,537
Net loss for the period	-	-	-	-	(53,886)	(53,886)
Balance, March 31, 2016	9,585,349	\$ 1,568,889	\$ 4,855,921	\$ 179,912	\$ (6,389,071)	\$ 215,651

	Number of Shares	Share Capital	Contributed Surplus	Warrant Reserve	Deficit	Total
Balance, January 1, 2015	6,040,350	\$ 1,551,038	\$ 4,828,293	\$ 50,265	\$ (4,956,123)	\$ 1,437,473
Net loss for the period	-	-	-	-	(91,159)	(91,159)
Balance, March 31, 2015	6,040,350	\$ 1,551,038	\$ 4,828,293	\$ 50,265	\$ (5,047,282)	\$ 1,382,314

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

Satori Resources Inc.

Interim Condensed Statements of Cash Flows (unaudited)

For the three months periods ended March 31,

(Expressed in Canadian dollars)

	2016	2015
Cash flows from operating activities		
Net loss for the period	\$ (53,886)	\$ (91,159)
Items not affecting cash		
Accretion	9,628	9,628
	(44,258)	(81,531)
Changes in non-cash items relating to operating activities		
Other receivables	(1,385)	(9,898)
Prepaid expenses	(5,190)	(6,516)
Accounts payable and accrued liabilities	19,899	(2,320)
	(30,934)	(100,265)
Cash flows from investing activities		
Mineral properties expenditures	(4,235)	(8,124)
	(4,235)	(8,124)
Increase (decrease) in cash	(35,169)	(108,389)
Cash, beginning of the period	54,824	200,465
Cash, end of the period	\$ 19,655	\$ 92,076

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

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)
For the three months ended March 31, 2016 and 2015

1. Incorporation and Basis of Presentation

In connection with an offer by Claude Resources Inc. ("Claude") to purchase St. Eugene Mining Corporation Limited ("St. Eugene"), Satori Resources Inc. ("Satori" or the "Company") was incorporated on October 24, 2011 as 0923423 B.C. Ltd. under the Business Corporations Act (British Columbia) and subsequently changed its name to Satori Resources Inc. on December 5, 2011. Satori is involved in mineral exploration and development near Tartan Lake in the Province of Manitoba (the "Tartan Lake Gold Mine Project" or "Tartan Lake"). The corporate head office is located at 401 Bay Street, Suite 2702, Toronto, Ontario.

On October 25, 2011, St. Eugene and Satori entered into an agreement with Claude, pursuant to which Claude agreed to acquire, by way of a court approved plan of arrangement (the "Arrangement"), the issued and outstanding shares of St. Eugene. Contemporaneously with the acquisition of St. Eugene (by Claude), Satori acquired the Tartan Lake Gold Mine Project and accordingly, at closing, under the Arrangement, each St. Eugene shareholder received 0.0789 of a Claude share and 0.25 of a common share of Satori for each St. Eugene share held.

After completing the Arrangement, Satori held a 100% interest in Tartan Lake, including the mineral property interests and related assets in the Province of Manitoba and equipment related to office space maintained in Toronto, including a prepaid lease in the amount of \$165,637, all previously held by St. Eugene. In addition, Satori was to be capitalized by Claude with \$812,800 of cash, which was subsequently reduced by \$50,000 to \$762,800.

The Arrangement was approved by the Board of Directors of St. Eugene and by St. Eugene's shareholders at a special meeting held on January 17, 2012. The Arrangement was completed on February 2, 2012 and 30,487,250 Satori shares were issued to former St. Eugene shareholders. Satori's shares began trading on the TSX Venture Exchange on February 2, 2012 under the symbol "BUD".

These financial statements were approved by the Board of Directors on May 30, 2016.

2. Nature of Operations and Going Concern

Satori is in the process of exploring its mineral property interests and has not yet determined whether the mineral properties contain mineral reserves that are economically recoverable. Satori's continuing operations and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of Satori to obtain the necessary financing to complete the exploration and development of its mineral property interests and on future profitable production or proceeds from the disposition of the mineral property interests. Satori is also in the process of evaluating new opportunities in the agricultural sector, particularly as it relates, directly and indirectly, to businesses associated with medical marijuana.

At March 31, 2016, Satori had \$34,655 (December 31, 2015 - \$69,824) in cash and temporary investments. Satori was capitalized on February 2, 2012 with approximately \$762,800 of cash pursuant to the Arrangement (*note 1*) to fund exploration and development at Tartan Lake. Satori has raised and expects to raise additional equity financing to support future investing and operating activities at Tartan Lake, or for such other new projects or assets that Satori may acquire. There can be no assurance as to the availability or terms upon which such financing might be available.

2. Nature of Operations and Going Concern (continued)

These unaudited interim condensed financial statements have been prepared on a going concern basis, which assumes that Satori will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future. As at March 31, 2016, Satori has no source of recurring operating cash flows, has an accumulated deficit of \$6,389,071 (December 31, 2015 – \$6,335,185) and working capital deficit of \$98,594 (December 31, 2015 – deficit of \$50,101). In the absence of additional financing or strategic alternatives, these factors cast significant doubt regarding the Company's ability to continue as a going concern.

The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to continue as a going concern and was required to realize its assets or discharge its obligations in anything other than the ordinary course of operations.

3. Significant Accounting Policies

Statement of Compliance

These unaudited interim condensed financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("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").

Basis of presentation

These unaudited interim condensed financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value.

Significant accounting estimates and judgments

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, 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:

Estimates:

- the recoverability of the deferred exploration and development expenditures recorded in the statements of financial position; and
- inputs used to account for the value of the asset retirement obligation, including the inflation rate, the risk-free interest rate and the estimated life of the property.

3. Significant Accounting Policies (continued)

Future changes in accounting standards not yet adopted

Standards issued but not yet effective up to the date of issuance of the Company's financial statements which may impact the Company's future financial statements are listed below. The Company intends to adopt those standards when they become effective.

IFRS 9 – Financial Instruments

"Financial Instruments" (IFRS 9) was issued by the IASB on November 12, 2009 and will replace "Financial Instruments: Recognition and Measurement" (IAS 39). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Satori is assessing the impact of IFRS 9 on its results of operations and financial position.

4. Capital Management

The capital of Satori consists of shareholders' equity. The Company's objectives when managing capital are to safeguard Satori's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain optimal returns to shareholders and benefits for other stakeholders.

Satori manages its 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 its capital structure, Satori may attempt to issue new shares or debt or dispose of assets. There can be no assurance that Satori will be able to obtain debt or equity capital in the case of operating cash deficits (*note 2*).

In order to facilitate management of its capital requirements, Satori prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing development efforts, Satori does not pay out dividends. Satori is not subject to externally imposed capital requirements.

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)

For the three months ended March 31, 2016 and 2015

5. Mineral Properties and Deferred Exploration and Development Expenditures

	January 1, 2015	Additions	December 31, 2015	Additions	March 31, 2015
Acquisition	\$ 583,560	\$ -	\$ 583,560	\$ -	\$ 583,560
Exploration	2,675,047	71,892	2,746,939	4,235	2,751,174
Proceeds from sale of gold	(49,433)	-	(49,433)	-	(49,433)
Change in asset retirement obligation assumptions (note 7)	103,205	-	103,205	-	103,205
Impairment of properties	(1,312,379)	(1,071,892)	(2,384,271)	-	(2,384,271)
	\$2,000,000	\$(1,000,000)	\$ 1,000,000	\$ 4,235	\$1,004,235

Tartan Lake, Manitoba

Pursuant to the Arrangement between Claude, St. Eugene and Satori dated October 25, 2011 (note 1), on February 2, 2012, Tartan Lake was transferred to Satori at the close of the transaction contemplated in the Arrangement. Pursuant to its terms, Claude reduced the existing net smelter return royalty ("NSR") to a flat 2%. The NSR can also be repurchased at any time by Satori for \$1,000,000 per each 1%.

During the year ended December 31, 2015, the Company recorded an impairment loss on this property totalling \$1,071,892.

Picnic Phosphate Project in Port Cartier, Quebec

On April 30, 2014, the Company signed a letter agreement with Jourdan Resources Inc. ("Jourdan") pursuant to which Jourdan granted an option to Satori to earn a 50% interest in and to the Picnic Phosphate Project in Port Cartier, Quebec. In order to vest, Satori paid \$10,000 and issued 500,000 common shares to Jourdan. Thereafter, Satori was to issue an additional 500,000 common shares to Jourdan, or such lesser amount in order that the value does not exceed \$75,000, prior to the second anniversary. Prior to the third anniversary, Satori was to have incurred \$525,000 in exploration expenditures on the Picnic Phosphate Project. Thereafter, a joint venture was to be formed and each party was to be responsible for its own pro rata costs. In addition, Satori was to complete a \$25,000 private placement in Jourdan and Jourdan was to undertake a sampling program within the first 90 days in order that samples are exploited and transported to Jourdan's labs for testing phosphate products as it relates to a growth media and slow natural release fertilizer conducive for growing marijuana in legal forums (and other products). It was intended that the parties form a strategic alliance whereby Satori was to source additional agricultural facilities particularly related to growing medical marijuana, for the purposes of testing the joint venture's phosphate rock products as an ingredient for natural fertilizers. During 2014, the Company investigated the possibility of entering into a transaction within the medical marijuana sector. However, the Company's efforts in this regard have now ceased and the costs capitalized with respect to this project have been written off.

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)
For the three months ended March 31, 2016 and 2015

6. Asset Retirement Obligation

The Company's asset retirement obligation is based on management's best estimate of costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred.

Through to December 31, 2012, the Company had estimated its asset retirement obligation to be \$468,038, based on an undiscounted future liability of approximately \$550,000 and a risk free interest rate of 3.28%, with reclamation occurring in 2018.

On December 31, 2012, the Company re-assessed its asset retirement obligation and determined it to be \$571,243, based on an undiscounted future liability of approximately \$1,220,000 and an interest rate of 6.00%, with reclamation occurring in 2025.

The difference between the asset retirement obligation calculated under the old and new sets of assumptions (\$103,205) has been recorded as an increase in both the asset retirement obligation and the mineral properties and deferred exploration and development expenditures (*note 5*).

During the three months ended March 31, 2016, an accretion expense of \$9,628 (2015 - \$9,628) was recorded.

7. Share Capital

Common shares

Authorized

Unlimited number of common shares without par value.

Issued and outstanding

	Common Shares	Amount
Balance, December 31, 2013	4,673,724	\$ 869,474
Shares issued on exercise of warrants (i)	1,015,625	515,936
Fair value of warrants allocated to common shares issued on exercise	-	50,223
Shares issued Picnic Phosphate Project (ii)	50,000	25,000
Shares issued in private placements (iii)	121,000	60,500
Fair value of warrants issued in private placements (iii)	-	(20,045)
Share issuance costs (iii)	-	(4,050)
Shares issued in debt settlement (iv)	180,000	54,000
Balance, December 31, 2014	6,040,349	1,551,038
Shares issued in debt settlement (v)	50,000	2,500
Shares issued in private placement (vii)	3,495,000	174,750
Share issuance costs (vii)	-	(2,124)
Fair value of warrants issued in private placement (vii)	-	(157,275)
Balance, December 31, 2015 and March 31, 2015	9,585,349	\$ 1,568,889

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)
For the three months ended March 31, 2016 and 2015

7. Share Capital (continued)

Common shares (continued)

Issued and outstanding (continued)

- i) During the year ending December, 2014, 1,015,625 warrants were exercised for gross proceeds of \$515,936.
- ii) On April 30, 2014, the Company signed a letter agreement with Jourdan pursuant to which Jourdan granted an option to the Company to earn a 50% interest in and to the Picnic Phosphate Project in Port Cartier, Quebec. In order to vest, the Company paid \$10,000, on June 12, 2014, and issued 50,000 common shares (valued at \$25,000) to Jourdan. (*Note 5*)
- iii) On June 27, 2014, the Company completed a non-brokered private placement of 81,000 non flow-through units at a price of \$0.50 per unit and 40,000 in flow-through units at a price of \$0.50 per unit. Each non flow-through unit consists of one common share of Satori and one non-transferable share purchase warrant. Each purchase warrant entitles the holder to acquire an additional common share at a price of \$0.80 at any time within 12 months and at \$1.00 for a period of 36 months from issuance. The Company paid \$4,050 in Finders' Fees and issued 8,100 (10%) Finders' Warrants to eligible Finders. Each Finder's Warrant entitles the holder to acquire one common share at an exercise price of \$0.80 at any time within 24 months of issuance. The fair value of the Warrants and Finders' Warrants of \$20,045 has been credited to warrant reserve and deducted from share capital. The fair value of the warrants was derived using a Black-Scholes option pricing model. Assumptions used in the model were a share price of \$0.50, a discount rate of 1.56% and annualized volatility of 150%. This issuance did not result in a flow-through premium.
- iv) On October 27, 2014, the Company issued 180,000 common shares of the Company to settle debt in the amount of \$90,000 held by various parties, including two related parties of the Company. At the time of issue, these shares had a fair value of \$54,000, resulting in a gain on settlement of these liabilities of \$36,000.
- v) On April 30, 2015, the Company and the former Chief Executive Officer of the Company agreed to settle accounts payable of \$115,000 with the issuance of 200,000 common shares of the Company and a cash payment of \$15,000, subject to approval of the TSX Venture Exchange.

On June 18, 2015, the Company issued 50,000 common shares of the Company to settle \$25,000 of the remaining \$100,000 balance payable. At the time of issue, these shares had a fair value of \$2,500, resulting in a gain on settlement of debt of \$22,500. As at March 31, 2016, the company is committed to issuing 150,000 common shares to settle the remaining balance payable of \$75,000.
- vi) On August 10, 2015, the Company completed a consolidation of its share capital on a 10:1 basis. The number of shares presented throughout these financial statements reflect this share consolidation.

7. Share Capital (continued)***Common shares (continued)*****Issued and outstanding (continued)**

- vii) On August 10, 2015 the Company completed a non-brokered private placement of 2,795,000 non-flow through units at a price of \$0.05 and 700,000 flow-through units at a price of \$0.05 per unit for gross proceeds of \$174,750. Each unit consists of one common share of Satori and one non-transferable share purchase warrant. Each purchase warrant entitles the holder to acquire an additional common share at a price of \$0.05 at any time for a period of five years. The Company remitted \$2,124 to the TSX Venture Exchange, which is recorded as share issuance costs. The fair value of the Warrants of \$157,275 has been credited to warrant reserve and deducted from share capital. The fair value of the warrants was derived using a Black-Scholes option pricing model. Assumptions used in the model were a share price of \$0.05, a discount rate of 0.82% and annualized volatility of 150%. This issuance did not result in a flow-through premium.

Warrant reserve

The warrant reserve represents the fair value of outstanding warrants on the date of their issuance. The valuation is derived using a Black-Scholes option pricing model. As warrants are exercised, the fair value is transferred to share capital. Should warrants expire unexercised, the fair value is transferred as a component of contributed surplus.

Warrants

	Number of Warrants	Weighted average exercise price
Balance, December 31, 2013	1,602,600	\$ 0.50
Issued	89,100	0.80 – 1.00
Exercised	(1,015,625)	0.50
Expired	(29,375)	1.30
Balance, December 31, 2014	646,700	0.60
Expired	(557,600)	0.30 – 0.50
Issued	3,495,000	0.05
Balance, December 31, 2015 and March 31, 2016	3,584,100	\$ 0.05

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)

For the three months ended March 31, 2016 and 2015

7. Share Capital (continued)

Warrant reserve (continued)

Warrants Outstanding

Warrant Type	Number of Warrants	Fair Value	Exercise Price	Date of Expiry
Finder's	8,100	\$ 2,592	0.80	June 27, 2016
Investors	81,000	20,045	0.80	June 27, 2017
Investors	3,495,000	157,275	0.05	August 10, 2020
Balance, December 31, 2015	3,584,100	\$ 179,912		

Contributed Surplus

The following is a summary of changes in contributed surplus from January 1, 2015 to March 31, 2016:

	March 31, 2016	December 31, 2015
Opening balance	\$ 4,855,291	\$ 4,828,293
Expiry of warrants	-	27,628
Ending balance	\$ 4,855,921	\$ 4,855,921

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)
For the three months ended March 31, 2016 and 2015

8. Stock Options and Stock-Based Compensation

Satori established a stock option plan which provides for granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. The Company has issued options to directors, officers and consultants. Terms of the options granted are subject to the determination and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the TSX Venture Exchange.

	Number of stock options	Weighted average exercise price	Weighted average remaining contractual life (years)
Balance, December 31, 2013	287,500	\$1.00	3.10
Granted	210,000	0.50	
Granted	60,000	0.60	
Granted	30,000	0.50	
Cancelled	(5,000)	0.50	
Balance, December 31, 2014	582,500	0.80	3.20
Cancelled	(582,500)	0.80	
Balance, December 31, 2015 and March 31, 2016	-	-	n/a

On March 10, 2014, the Company issued 210,000 stock options to directors, officers and consultants. The stock options carry an exercise price of \$0.50, vested immediately and expire five years from the grant date. The value ascribed to this issue, using a Black-Scholes option pricing model, was \$56,700.

On May 16, 2014, the Company issued 60,000 stock options to directors, officers and consultants. The stock options carry an exercise price of \$0.60, vested immediately and expire five years from the grant date. The value ascribed to this issue, using a Black-Scholes option pricing model, was \$24,000.

On July 29, 2014, the Company issued 30,000 stock options to certain consultants. The stock options carry an exercise price of \$0.50, vested immediately and expire five years from the grant date. The value ascribed to this issue, using a Black-Scholes option pricing model, was \$13,500.

On November 27, 2015 the company cancelled all outstanding stock options.

Satori Resources Inc.

Notes to the Condensed Interim Financial Statements (unaudited)
For the three months ended March 31, 2016 and 2015

10. Loss per Common Share

The following table sets forth the calculations of basic and fully diluted loss per common share:

	For the three months ended March 31,	
	2016	2015
Numerator:		
Loss attributable to common shareholders - basic and diluted	\$ (53,886)	\$ (91,159)
Denominator:		
Weighted-average common shares outstanding - basic and diluted	9,585,349	6,040,350
Basic and diluted loss per common share	\$ (0.01)	\$ (0.02)

The options and warrants for the periods ended March 31, 2016 and 2015 were excluded from the computation of diluted loss per share as the potential effect was anti-dilutive.

11. Related Party Transactions

Management compensation

The Company incurred the following expenditures charged by companies controlled by current directors and officers of the Company:

	For the three months ended March 31,	
	2016	2015
Other compensation	\$ 22,500	\$ 40,000
Total management compensation	\$ 22,500	\$ 40,000

As of March 31, 2016, \$122,150 (December 31, 2015 - \$57,018) is owed to management (\$7,500 CFO) and directors (\$15,000 Director) and is included in accounts payable and accrued liabilities on the statements of financial position.

12. Long Term Obligations

In August, 2015, the Company raised \$35,000 by the issuance of flow through shares. As at March 31, 2016, the Company is obligated to incur an additional \$30,765 in exploration expenditures that qualify as Canadian Exploration Expenditures prior to December 31, 2016.

13. Financial Instruments and Risk Factors

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

Credit risk

Credit risk is the risk of loss associated with the Company's inability to collect accounts receivable and safe keep cash. The Company's receivables consist mainly of a Harmonized Sale Tax (HST) return from the federal government, on which there is no credit risk. The Company is also exposed to credit risk on its cash, however, it has deposited its cash with reputable Canadian financial institutions, from which management believes the risk of loss is minimal.

Liquidity risk

The Company manages liquidity risk to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2016, Satori had cash and temporary investments of \$34,655 to settle current financial liabilities of \$174,754 (December 31, 2015 - \$69,824 to settle current financial liabilities of \$154,855). Satori has no source of recurring operating cash flows and in the absence of additional financing or strategic alternatives, the Company faces substantial liquidity risk (*note 2*).

Market risk

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

i) Interest rate risk

Satori is not exposed to interest rate risk as it does not have interest bearing debt.

ii) Commodity price risk

The ability of Satori to develop its mineral properties and future profitability of Satori is directly related to the market price of gold.