FANCAMP EXPLORATION LTD.

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2016 AND 2015

(Expressed in Canadian Dollars)

Management's Responsibility for Financial Reporting

To the shareholders of Fancamp Exploration Ltd.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Committee is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

August 29, 2016

(signed)	(signed)
Peter H. Smith President and CEO	Debra Chapman CFO

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Fancamp Exploration Ltd.:

We have audited the accompanying consolidated financial statements of Fancamp Exploration Ltd., which comprise the consolidated statements of financial position as at April 30, 2016 and 2015, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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 control. 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of Fancamp Exploration Ltd. as at April 30, 2016 and 2015 and its consolidated financial performance and its consolidated cash flows for the years then ended 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 1 in the consolidated financial statements which discloses matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the ability of Fancamp Exploration Ltd. to continue as a going concern.

MNP LLP

Vancouver, British Columbia
August 29, 2016

Chartered Professional Accountants

FANCAMP EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	April 30 2016	April 30 2015
Assets		
Current Assets		
Cash and Cash Equivalents	$ 150,861	$ 84,601
Marketable Securities (Note 5)	2,824,993	3,240,054
Other Receivable	100,774	43,214
Sales Taxes Refundable	49,550	30,262
ITC's Receivable	80,090	192,588
Accrued Mining Duty Receivable	122,270	108,650
Prepaid Expenses	36,665	25,446
	3,365,203	3,724,815
Non-Current Assets		
Marketable Securities (Note 5)	2,772,000	975,333
Investments in Associates (Note 7)	494,500	3,455,438
Advance to The Magpie Mines Inc. (Note 4)	-	972,522
Patent	84,786	-
Exploration and Evaluation Assets (Note 8)	14,022,963	13,207,750
Total Assets	**$ 20,739,452**	**$ 22,335,858**
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Liabilities	$ 179,555	$ 310,110
Due to Directors (Note 10)	277,431	53,331
	456,986	363,441
Deferred Tax Liabilities (Note 13)	2,303,184	2,126,800
Deferred Quebec Mining Duties	354,656	289,879
Total Liabilities	3,114,826	2,780,120
Equity		
Share Capital (Note 9)	38,270,280	37,970,280
Contributed Surplus	12,316,144	12,316,144
Accumulated Other Comprehensive Income	2,911,165	817,997
Deficit	(35,900,784)	(31,548,683)
Equity Attributable to Equity Holders of Parent	17,596,805	19,555,738
Non-controlling Interest	27,821	-
Total Equity	**17,624,626**	**19,555,738**
Total Liabilities and Equity	**$ 20,739,452**	**$ 22,335,858**

On behalf of the Board, approved on August 29, 2016:

"Mel de Quadros" Director **"Peter H. Smith" Director**

(The accompanying notes are an integral part of these consolidated financial statements)

FANCAMP EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	Year Ended April 30, 2016	Year Ended April 30, 2015
Revenue		
Mineral Property Royalties	$ 100,000	$ 170,000
Operating Expenses		
Accounting and Audit	183,351	148,259
Legal Fees	164,264	96,490
Management and Consulting	105,105	48,300
Office Rent, Supplies and Services	134,515	131,055
Directors Fees (Note 10)	77,000	84,000
Field Administration	82,348	93,120
Insurance	38,849	21,606
Share Transfer, Listing and Filing Fees	24,583	28,951
Mineral Property Sundry Expenses	10,501	15,466
Travel and Accommodations	3,541	29,258
Commissions	3,248	519
Interest Expenses and Bank Charges	1,546	775
Royalty Payments	-	100,000
Investor Relations	-	43,000
Stock-based Compensation	-	190,252
Amortization	-	3,997
	828,851	1,035,048
Loss from operation	(728,851)	(865,048)
Impairment of Exploration and Evaluation Assets (Note 8(f))	(1,421,421)	(1,062,851)
Gain from Disposal of Mineral Interests	100,000	571,951
Reversal of Impairment/(Impairment) of Investments in Associates (Note 7)	805,825	(2,864,000)
Share of Loss of Investments in Associates (Note 7)	(3,528,881)	(287,473)
Impairment of Marketable Securities (Note 5)	(233,100)	(12,963,228)
Gain (Loss) from Disposal of Marketable Securities (Note 5)	(267,573)	187,160
Gain (Loss) from Debt Settlement	148,800	(20,000)
Taxes and Penalties	(51,218)	-
Other Income	222	2,322
Net Loss Before Taxes	(5,176,197)	(17,301,167)
Deferred Tax Recovery (Note 13)	841,491	339,457
Net Loss for the Year	**(4,334,706)**	**(16,961,710)**
Net Gain on Available For Sale Financial Assets	2,468,051	8,106,435
Income Tax Effect	(374,883)	631,383
Comprehensive Loss for the Year	**(2,241,538)**	**(8,223,892)**
Net Loss Attributable to:		
Equity Shareholders of the Company	(4,352,101)	(16,961,710)
Non-controlling Interests	17,395	-
	(4,334,706)	**(16,961,710)**
Comprehensive Loss Attributable to:		
Equity Shareholders of the Company	(2,258,933)	(8,223,892)
Non-controlling Interests	17,395	-
	(2,241,538)	**(8,223,892)**
Net Loss Per Share - Basic and Diluted	$ (0.03)	$ (0.12)
Weighted Average Number of Shares Outstanding - Basic and Diluted	148,179,234	139,302,522

(The accompanying notes are an integral part of these consolidated financial statements)

FANCAMP EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
UNAUDITED - PREPARED BY MANAGEMENT - EXPRESSED IN CANADIAN DOLLARS

	Number of Shares	Capital Stock	Contributed Surplus	Income (Deficit)	Accumulated Other Comprehensive Income	Total	Non-controlling Interest	Total equity
		$	$	$	$	$	$	$
Balance, April 30, 2014	140,189,153	38,033,218	12,148,207	(14,586,973)	(7,919,821)	27,674,631	-	27,674,631
Shares issued for exercise of warrants (Note 9(a))	515,083	30,905	-	-	-	30,905	-	30,905
Fair value of warrants issued	-	17,827	(17,827)	-	-	-	-	-
Shares repurchased for cancellation (Note 9(a))	(1,795,000)	(111,670)	(4,488)	-	-	(116,158)	-	(116,158)
Stock-based compensation	-	-	190,252	-	-	190,252	-	190,252
Other comprehensive income	-	-	-	-	8,737,818	8,737,818	-	8,737,818
Net loss for the period	-	-	-	(16,961,710)		(16,961,710)	-	(16,961,710)
Balance, April 30, 2015	138,909,236	37,970,280	12,316,144	(31,548,683)	817,997	19,555,738	-	19,555,738
Balance, April 30, 2015	138,909,236	37,970,280	12,316,144	(31,548,683)	817,997	19,555,738	-	19,555,738
Shares issued for asset acquisition (Note 6)	10,000,000	300,000	-	-	-	300,000	-	300,000
Non-controlling interests arising on the acquisition (Note 6)	-	-	-	-	-	-	10,426	10,426
Other comprehensive income	-	-	-	-	2,093,168	2,093,168	-	2,093,168
Net loss for the period	-	-	-	(4,352,101)	-	(4,352,101)	17,395	(4,334,706)
Balance, April 30, 2016	148,909,236	38,270,280	12,316,144	(35,900,784)	2,911,165	17,596,805	27,821	17,624,626

(The accompanying notes are an integral part of these consolidated financial statements)

FANCAMP EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year Ended April 30, 2016		Year Ended April 30, 2015
Operating Activities				
Net Loss for the Period	$	(4,334,706)	$	(16,961,710)
Items Not Affecting Cash in the Period				
Share of Loss of Investments in Associates (Note 7)		3,528,881		287,473
Gain (Loss) from Disposal of Marketable Securities (Note 5)		267,573		(187,160)
Impairment of Marketable Securities (Note 5)		233,100		12,963,228
Gain from Disposal of Mineral Interests		-		(571,951)
Gain (Loss) from Debt Settlement		(148,080)		20,000
Impairment of Exploration and Evaluation Assets (Note 8(f))		1,421,421		1,062,851
Amortization		-		3,997
Reversal of Impairment/(Impairment) of Investments in Associates (Note 7)		(805,825)		2,864,000
Deferred Tax Recovery		(841,491)		(339,457)
Stock-based Compensation		-		190,252
		(679,127)		(668,477)
Changes in Non-Cash Working Capital Items				
ITC's Receivable		(25,955)		-
Other Receivable		(57,510)		126,440
Sales Tax Refundable		(13,177)		23,814
Prepaid Expenses		(5,137)		16,746
Accounts Payable and Accrued Liabilities		(58,777)		(15,972)
Due to Directors		224,100		24,904
		(615,583)		(492,545)
Investing Activities				
Advance to The Magpie Mines Inc.		-		(135,029)
Proceeds from Sale of Royalty Interest		50,000		-
Cash Acquired as Part of Asset Acquisition (Note 6)		623		-
Patent		(22,560)		
Exploration and Evaluation Assets		(1,002,128)		(1,356,748)
Total Investing Activities		(974,065)		(1,491,777)
Financing Activities				
Proceeds from Sale of Marketable Securities (Note 5)		1,085,772		920,884
Quebec ITC's, Mining Duties		194,052		-
Options and Other Mineral Property Payments Received		376,084		
Share Repurchase		-		(116,158)
Shares Issued for Cash, Net of Share Issuance Costs		-		30,905
Total Financing Activities		1,655,908		835,631
(Decrease) Increase in Cash and Cash Equivalents		66,260		(1,148,691)
Cash and Cash Equivalents, Beginning of Period		84,601		1,233,292
Cash and Cash Equivalents, End of Period	**$**	**150,861**	**$**	**84,601**
Supplementary Disclosure of Non-Cash Financing and Investing Activities				
Shares Issued on Asset Acquisition (Note 6)	$	300,000	$	-
Shares Received on Option or Sale of Mineral Interests	$	500,000	$	360,000
Promissory Note Issued on Asset Acquisition (Note 6)	$	250,000	$	-
Supplementary Disclosure of Statements of Cash Flow Information				
Interest Income (expenses)	$	(448)	$	2,215
Income Taxes	$	-	$	-

(The accompanying notes are an integral part of these consolidated financial statements)

NOTE 1 – NATURE AND CONTINUANCE OF OPERATIONS

Fancamp Exploration Ltd. ("Fancamp") was incorporated under the laws of the Province of British Columbia. The Company owns interests in mineral properties in the Provinces of Ontario, Quebec and New Brunswick, Canada. Fancamp is an exploration stage enterprise in the business of mineral exploration. It is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The address of its head and registered office is 7290 Gray Avenue, Burnaby, BC, V5J 3Z2.

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

These consolidated financial statements have been prepared on a going-concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the fore foreseeable future.

At April 30, 2016 the Company had working capital of $2,908,217 (2015 - $3,361,374) and an accumulated deficit of $35,900,784 (2015 - $31,548,683). For the year ended April 30, 2016 the Company incurred a net loss of $4,334,706 (2015 – $16,961,710). The Company has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The recoverability of the amounts incurred for mineral properties is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and to attain future profitable production or to obtain proceeds from disposition of its properties. The Company's ability to maintain its existence is dependent upon the continuing support of its creditors and its success in obtaining new equity financing for its ongoing operations. Financing options available to the Company include public equity financings, sales of marketable securities, loans and tax credit refunds.

The Company emphasizes that attention should be drawn to matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not give effect to adjustments to the carrying value and classification of assets and liabilities and related expense that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption is not appropriate, material adjustments to the financial statements could be required.

NOTE 2 – BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("ISAB").

The consolidated financial statements include the accounts of the Company and its subsidiary, The Magpie Mines Inc. All significant intercompany balances and transactions were eliminated on consolidation.

NOTE 2 – BASIS OF PRESENTATION – Continued

Basis of Measurement

These consolidated 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.

Functional and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's and the subsidiary's functional currency.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgment, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of commitments and contingencies at the date of the consolidated financial statements and the reported amount of expenses during the period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period of the revision and in any future periods affected. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

<u>Critical Accounting Judgments</u>

(i) Going Concern
Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements. Management prepares the consolidated financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Please refer to Note 1 for additional information.

(ii) Exploration and Evaluation Expenditures
The application of the Company's accounting policy for exploration and evaluation expenditures capitalized requires judgment in determining which expenditures are recognized as exploration and evaluation assets and applying the policy consistently. In making this determination, the Company considers the degree to which the expenditure can be associated with finding specific mineral resources.

(iii) Title to Mineral Property Interests
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

NOTE 2 – BASIS OF PRESENTATION – Continued

Significant Accounting Judgments, Estimates and Assumptions - Continued

Critical Accounting Judgments - Continued

(iv) Asset Acquisition
The assessment of whether an acquisition meets the definition of a business or whether assets are acquired is an area of key judgment. If deemed to be a business combination, applying the acquisition method to business combinations requires each identifiable assets and liability to be measured at its acquisition-date fair value. The excess, if any, of the fair value of consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. If deemed to be an asset acquisition, acquisition considerations are allocated to assets acquired and liabilities assumed on a relative fair value basis and no goodwill is recognized.

(v) Impairment of Available-for-Sale Financial Assets
The impairment assessment of an available-for-sale financial asset requires significant judgement. Management evaluates the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. When the fair value declines, management makes judgement about if the decline in value is an other than temporary impairment to be recognized in profit or loss.

Critical Accounting Estimates

(i) Impairment of Long-lived Assets
The Company reviews and assesses the carrying amount of exploration and evaluation assets and of its investment in associates for impairment when facts or circumstances suggest that the carrying amount is not recoverable. If impairment is indicated, the amount by which the carrying value of the assets exceeds the estimated fair value is charged to the statement of operations and comprehensive loss.

Assessing the recoverability of these amounts requires considerable professional technical judgment, and is made with reference to the timing of exploration work, work programs proposed, exploration results achieved by the Company and by others in the related area of interest; determining whether future economic benefits from future exploitation, sale or otherwise are likely. Evaluation may be more complex where activities have not reached a stage which permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's financial ability to continue exploration and evaluation activities and the impact of the current and expected future metal process to potential reserves.

(ii) Purchase Price Allocation
The Company makes estimates related to the fair values assigned to assets and liabilities in the purchase price allocation related to the asset acquisition (Note 6). Changes in the assumptions underlying these estimates could result in a change to the estimated value of net assets acquired.

(iii) Share-based Payments
The fair value of stock options issued are subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

NOTE 2 – BASIS OF PRESENTATION – Continued

Significant Accounting Judgments, Estimates and Assumptions - Continued

Critical Accounting Estimates - Continued

(iv) Current and Deferred Taxes
The determination of income tax expense and the composition of deferred tax and mining tax assets and liabilities involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these interpretation, judgements and estimates may materially affect the final amount of current and deferred tax provisions, deferred income tax assets and liabilities, and results of operations.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements. The Company did not adopt any new accounting standard changes or amendments effective May 1, 2015 that had a material impact on these consolidated financial statements.

Financial Instruments

(i) Financial Assets
All financial assets are initially recorded at fair value and classified upon inception into one of the categories including financial assets at fair value through profit or loss (“FVTPL”), loans and receivables, or available for sale.

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. Financial assets classified as loans and receivables are measured at amortized cost less any impairment losses. 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 profit or loss.

Financial assets not carried at FVTPL are assessed for impairment at each reporting date by determining whether there is objective evidence that 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 can be estimated reliably.

The Company classifies cash and cash equivalents as FVTPL, other receivable and due from The Magpie Mines Inc. as loans and receivables, and marketable securities as available for sale. Transactions costs associated with financial assets at FVTPL are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

(ii) Financial Liabilities
All financial liabilities are initially recorded at fair value and classified upon inception as FVTPL or other financial liabilities.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES - Continued

Financial Instruments - Continued

(ii) Financial Liabilities - Continued
Financial liabilities classified as FVTPL are measured at fair value with fair value changes recognized through profit or loss. 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 rate method. The effective interest rate 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 has no financial liabilities classified as FVTPL. The Company classifies accounts payable and accrued liabilities and due to directors as other financial liabilities.

(iii) Derivative Instruments
Derivative instruments, including separable embedded derivatives, are classified as FVTPL and are measured at fair value with fair value changes recognized through profit or loss, unless they are designated as hedging instruments. The Company has no derivative instruments.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in the bank, short-term deposits and highly liquid investments with a maturity of three months or less.

Investment in Associates

An associate is an entity over which the Company has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed to exist when the Company holds between 20% and 50% of the voting power of another entity, but can also arise where the Company holds less than 20% if it has the power to be actively involved and influential in policy decision affecting the entity.

An investment in associate is accounted for using the equity method. Under the equity method, investments in associates are carried in the statement of financial position at cost adjusted for post-acquisition changes in the Company's share of net assets of the associate, less any impairment losses. Losses in an associate in excess of the Company's interest in that associate are recognized only to the extent that the Company has incurred a legal or constructive obligation to make payments on behalf of the associate. Unrealized profits or losses on transactions between the Company and an associate are eliminated to the extent of the Company's interest therein.

At the end of each reporting period, the Company assesses whether there is any evidence that an investment in associate is impaired. This assessment is generally made with reference to the timing of exploration work, work programs proposed, exploration results achieved, and an assessment of the likely results to be achieved from performance of further exploration by the associate. When there is evidence that an investment in associate is impaired, the carrying amount of such investment is compared to its recoverable amount. If the recoverable amount of an investment in associate is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss, being the excess of carrying amount over the recoverable amount, is recognized in the period of

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Investment in Associates - Continued

impairment. When an impairment loss reverses in a subsequent period, the carrying amount of the investment in associate is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in net earnings in the period the reversal occurs.

Exploration and Evaluation Assets

Expenditures incurred before the Company has obtained legal rights to explore an area are recognized in the consolidated statement of operation as exploration expenses.

Exploration and evaluation assets reflect expenditures for an area where technical feasibility and commercial viability have not yet been determined. Expenditures, including, but are not limited to, land acquisition, geological and geophysical studies, exploratory drilling and sampling and directly attributable employee salaries and benefits are capitalized and accumulated pending determination of technical feasibility and commercial viability. Proceeds from options granted on properties, net of proceeds from sales prior to reaching operating levels intended by management, government grant and mining tax credits are credited to the deferred cost of the related property.

Exploration and evaluation assets are not depleted. When assets are determined to be technically feasible and commercially viable, the accumulated costs are tested for impairment and the recoverable amount is transferred to property, plant and equipment. Upon transfer of exploration and evaluation costs into property, plant and equipment, all subsequent expenditures on the construction, installation or completion of infrastructure facilities are capitalized within mine development. After production starts, all assets included in mine development costs are transferred to producing mines. At such time as commercial production commences, these expenditures will be charged to operations on a unit-of-production method based on proven and probable resources.

Impairment of Long-lived Assets

The carrying amounts of the Company's long-lived assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated by reference to the higher of the value in use and fair value less costs to sell. Fair value less costs to sell is defined as the estimated price that would be received on the sale of the asset in an orderly transaction between market participants at the measurement date. 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. For the purposes of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other groups of assets.

An impairment loss is recognized if the carrying amount of an asset or group of assets exceeds the estimated recoverable amount. Impairment losses are recognized in profit or loss.

When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimated 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.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Decommissioning Obligations

Decommissioning liabilities arise from the legal obligation to abandon and reclaim property, plant and equipment incurred upon the acquisition, construction, development and use of the asset. The initial liability is measured at the discounted value of the estimated costs to reclaim and abandon using a risk free rate, subsequently adjusted for the accretion of discount and changes in expected costs. The decommissioning cost is capitalized in the relevant asset category. Costs capitalized to property, plant and equipment are depreciated into earnings based upon the unit-of-production method consistent with the underlying assets. Actual costs incurred upon settlement of the obligations are charged against the provision to the extent the provision was established. The Company had no decommissioning obligations recognized as of April 30, 2016 and 2015.

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Flow-through Shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for tax purposes by the investors who purchased the shares. The Company adopted a policy whereby the premium paid for flow through shares in excess of the market value of the shares without the flow through features at the time of issue is credited to other liabilities and included in income at the time the qualifying expenditures are made.

A deferred tax liability is recognized in respect of 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 basis. A portion of the deferred tax assets that were not previously recognized are recognized as a recovery of deferred taxes in the statements of operations and comprehensive loss up to the amount of the deferred tax liability upon renunciation.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Deferred Quebec Mining Duties

The Company qualifies under the Mining Duties Act (Quebec) for a refundable credit on qualifying exploration and evaluation expenditures incurred in Quebec. Qualifying expenditures claimed for the purposes of receiving payment of this refund on a current basis will not be deductible in the calculation of duties from mineral production in future years. Accordingly, the full amount of such assistance has been recorded as deferred Quebec mining duties. On commencement of earnings from mineral production, the Company intends to amortize this amount as a reduction of mining duties then payable over the estimated productive life of its properties.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Exploration Tax Credits

The Company accounts for accrued tax credits on eligible exploration expenditures as a deduction from its mineral properties interests, on a property by property basis, and will be charged to operations on the same basis as the deferred acquisition and exploration and evaluation expenditures. The exploration tax credits are accrued in the year when the exploration and evaluation expenditures are incurred, provided there is reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits..

Revenue Recognition

Royalty revenue is recognized based upon amounts contractually due pursuant to the underlying royalty agreement. Specifically, revenue is recognized in accordance with the terms of the underlying royalty agreement subject to the following:

(1) the pervasive evidence of the existence of the arrangement;
(2) the risks and rewards having been transferred;
(3) the royalty being fixed or determinable; and
(4) the collectability of the royalty being reasonably assured.

Share Based Payments

The Company's Stock Option Plan allows directors, officers and consultants to acquire shares of the Company in exchange for the options exercised. The fair value of share options granted to employees is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest based on estimate of forfeiture rate.

The compensation cost of stock options granted to consultant is initially measured at fair value of the awards at the grant date and periodically remeasured to fair value until the consultant's performance is complete, and recognized over the periods during which the consultant become unconditionally entitled to the options. The compensation cost is charged to income with a corresponding increase to contributed surplus.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Income Tax

Income tax expense comprises current and deferred tax. Income tax is recognized in the statement of operations and comprehensive income (loss) except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxes are expected to be payable or recoverable between the carrying amounts of assets in the consolidated statement of financial position and their corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax liabilities:

- are generally recognized for all taxable temporary differences;
- are recognized for all temporary differences arising on investments in subsidiaries except where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future; and
- are not recognized on temporary differences that arise from goodwill which is not deductible for tax purposes.

Deferred tax assets:

- are recognized to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilized; and
- are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of an asset to be recovered.

Income (Loss) Per Share

Basic income (loss) per share is calculated by dividing the income (loss) for the period by the weighted average number of shares outstanding in the year. Diluted income (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. Treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share as the outstanding options and warrants are anti-dilutive.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES – Continued

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Foreign Currency Transactions and Translation

The Company's functional currency is Canadian dollars. Transactions in other currencies are recorded in Canadian dollars at the rates of exchange prevailing when the transactions occur. Monetary assets and liabilities denominated in other currencies are translated into Canadian dollars at rates of exchange in effect at the balance sheet dates. Exchange gains and losses are recorded in the statements of operations.

Future Accounting Policy Changes Issued but not yet in Effect

The following amendments to existing standards were issued by the IASB and are effective for annual periods beginning on or after May 1, 2016. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded from below:

IFRS 9 – Financial Instruments: Classification and Measurement applies to classification and measurement of financial assets and liabilities as well as derecognition of financial instruments. IFRS 9 will replace IAS 39. The effective date of IFRS 9 is January 1, 2018. The Company is assessing the impact of this new standard, if any, on the consolidated financial statements.

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, 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 single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is assessing the impact of this new standard, if any, on the consolidated financial statements.

IFRS 16 - Leases will replace IAS 17 Leases. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard will be effective for annual periods beginning on or after January 1, 2019, but earlier application is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial adoption of IFRS 16. The Company is assessing the impact of this new standard, if any, on the consolidated financial statements.

NOTE 4 – ADVANCE TO THE MAGPIE MINES INC.

Advance to The Magpie Mines Inc. is unsecured, non-interest bearing and is due on demand. This advance has been eliminated upon consolidation at April 30, 2016 as The Magpie Mines Inc. became the Company's subsidiary effective June 12, 2015 (Note 6).

NOTE 5 – MARKETABLE SECURITIES

	April 30 2016	April 30 2015
	$	$
Current, at fair market value		
Uragold Bay Resources Inc. (i)	2,115,644	669,680
KWG Resources Inc. (ii)	645,975	875,000
Argex Titanium Inc. (iii)	38,850	1,600,110
St-Geroge Platinum and Base Metals Inc. (iv)	23,462	23,462
RT Minerals Inc. (v)	312	312
Champion Iron Mines Ltd. (vi)	450	71,409
Iconic Minerals Inc. (vii)	300	81
	2,824,993	3,240,054
Long term, at fair market value		
Champion Iron Mines Ltd. (vi)	2,772,000	975,333
Balance, end of year	5,596,993	4,215,387

i) The Company held 7,850,000 common shares and 8,000,000 shares of purchase warrants of Uragold Bay Resources Inc. at April 30, 2016 (2015 – 8,000,000 common shares & 8,000,000 share purchase warrants). The share purchase warrants are exercisable at $0.20 in the first 24 months, $0.30 in the 25th month to the 48th month, at $0.40 in the 49th month to the 60th month. The common shares were valued at a per share quoted market price of $0.17 (2015 - $0.05), while the share purchase warrants were valued at $778,331 as at April 30, 2016 (2015 - $269,680). The fair value of share purchase warrants was estimated using the Black-Scholes model with weighted average assumptions for the grant as follows: stock price – $0.17 (2015 - $0.05), risk-free interest rate – 0.67% - 0.73% (2015 – 1.59%), expected life of warrants – 0.44 – 3.44 years, annualized volatility – 124.06% - 171.42%, and dividend rate – 0%.

ii) The Company held 25,839,000 common shares of KWG Resources Inc. at April 30, 2016 (2015 - 35,000,000 common shares). These common shares were valued at a per share quoted market price of $0.025 at April 30, 2016 (2015 - $0.025).

iii) The Company held 1,110,000 common shares of Argex Titanium Inc. at April 30, 2016 (2015 – 3,478,500 common shares). These common shares were valued at a per share quoted market price of $0.035 at April 30, 2016 (2015 - $0.46).

NOTE 5 – MARKETABLE SECURITIES – Continued

iv) The Company held 1,173,076 common shares St-Geroge Platinum and Base Metals Inc. at April 30, 2016 (2015 – 1,173,076 common shares). These common shares were valued at a per share quoted market price of $0.02 at April 30, 2016 (2015 - $0.02).

v) The Company held 20,833 common shares RT Minerals Inc. at April 30, 2016 (2015 – 20,833 common shares). These common shares were valued at a per share quoted market price of $0.015 at April 30, 2016 (2015 - $0.015).

vi) The Company held 10,268,334 common shares Champion Iron Mines Ltd. at April 30, 2016 (2015 – 11,018,333 common shares). These common shares were valued at a per share quoted market price of $0.27 at April 30, 2016 (2015 - $0.095). 10,266,667 common shares of Champion Iron Mines Ltd. are subject to a voluntary restriction on transfer until May 17, 2018 and are therefore classified as long term.

vii) The Company held 1,250 common shares Iconic Minerals Ltd. at April 30, 2016 (2015 – 1,250 common shares). The common shares were valued at a per share quoted market price of $0.24 at April 30, 2016 (2015 - $0.065).

During the year, the Company disposed of marketable securities for total proceeds of $1,085,722 (2015 – $920,884), recognizing a total loss on disposal of $267,573 (2015 – gain of $187,160). For the year ended April 30, 2016, the Company recorded an other than temporary impairment loss of $233,100 (2015 - $12,963,228) on its investments in marketable securities.

NOTE 6 – ASSET ACQUISITION

On June 12, 2015, the Company entered into an agreement with The Sheridan Platinum Group Ltd. ("SPG"), pursuant to which, the Company issued 10,000,000 of its common shares and a promissory note of $250,000 to acquire the following assets:

i) 57,721,962 common shares of The Magpie Mines Inc. (“Magpie”)
ii) 1.5% Net Smelter Return ("NSR ") on the Fermont Property
iii) 1.5% NSR on the Lamelee Property
iv) Longue Pointe de Mingan – Sheridan's 50% interest in 4 mineral claims
v) Villebon – Sheridan's mineral claim interest
vi) Desolation Lake – Sheridan's 7.5% interest in mineral claims
vii) Lac Au Vet – Sheridan's 50% interest in 4 mineral claims
viii) North Shore – Sheridan's 50% interest in North Shore mineral claims, including Dieter lake

This transaction, including the acquisition of equity interests in Magpie, is accounted for as an asset acquisition. As a result, the Company increased its equity holdings in Magpie from 47% to 96%, effectively obtaining the control of Magpie on June 12, 2015. Magpie changed from an associate to a subsidiary of the Company on June 12, 2015 and has been since accounted for in accordance of IFRS 10, Consolidated Financial Statements.

NOTE 6 – ASSET ACQUISITION – Continued

The following table summarizes the consideration paid, the relative fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

Common shares (10 million shares) (Note 9(a))	$ 300,000
Promissory Note	250,000
Total consideration	550,000
Equity interest in Magpie held before the acquisition (Note 7)	237,882
	$ 787,882
Cash and Cash Equivalents	$ 623
Other Receivable	50
Sales Taxes Refundable	6,111
ITC's Receivable	35,568
Accrued Mining Duty Receivable	1,299
Prepaid Expenses	6,082
Patent	62,226
Mineral Interests	300,000
Exploration and Evaluation Assets	2,110,590
Accounts Payable and Accrued Liabilities	(76,302)
Due to Fancamp	(972,522)
Deferred Tax Liabilities	(642,993)
Deferred Quebec Mining Duties	(32,424)
Net Assets	798,308
Non-controlling Interest	(10,426)
Total	$ 787,882

The amount of net loss attributable to Magpie included in the consolidated statements of operations and comprehensive loss from the acquisition date through the period ended April 30, 2016 was $57,099.

NOTE 7 – INVESTMENTS IN ASSOCIATES

At April 30, 2016, the Company held 47% (2015 – 47%) equity interests in Lamêlée Iron Ore Ltd. ("Lamêlée") and 96% (2015 - 47%) equity interests in Magpie. Effective June 12, 2016, Magpie is accounted for as a subsidiary of the Company (Note 6).

The following table summarizes the changes to the carrying value of the Company's equity accounted for investments in associates:

Equity Investments in	Magpie $	Lamelee $	Total $
Balance, April 30, 2015	873,845	5,733,066	6,606,911
Share of equity loss for the year	(59,658)	(572,558)	(632,216)
Dilution gain (loss)	-	344,743	344,743
Impairment loss	-	(2,864,000)	(2,864,000)
Balance, April 30, 2015	814,187	2,641,251	3,455,438
Share of equity loss for the year	(11,253)	(3,517,628)	(3,528,881)
Reversal of prior impairment loss (Impairment loss)	(565,052)	1,370,877	805,825
Elimination of investment in Magpie on June 12, 2015 (Note 6)	(237,882)	-	(237,882)
Balance, April 30, 2016	-	494,500	494,500

As at April 30, 2016, the market price of 43,000,000 Lamelee's share is $430,000 (2015 - $1,290,000). Subsequent to April 30, 2016, the Company has returned to Lamêlée 43,000,000 common shares it held in the capital of Lamêlée in exchange for 59 mining claims designated as Lac Lamêlée Property (Note 8). At the date the shares were returned, the fair value associated with Lamelee shares was $494,500, representing an observable indication that the impairment loss recognized in fiscal 2015 have decreased during the year.

Summarized financial information about the associates as at April 30, 2016 as below:

	Lamelee **$**
Current assets	27,105
Non-current assets	559,000
Current liabilities	(80,857)
Non-current liabilities	-
Share capital	(10,103,357)
Net loss	7,431,111

NOTE 8 – EXPLORATION AND EVALUATION ASSETS

The Company's active mineral exploration properties interests are detailed below and in Schedule I – Summary of Deferred Costs on Exploration and Evaluation Assets.

(a) 100% owned claims in the Province of New Brunswick

The Company has a 100% ownership interest in numerous claims in the Province of New Brunswick, including the Bear Lake, Becagiumec Lake, Lawrence Peak, Nason Brook, Northeast Lake and Oxford Brook.

The capitalized costs associated with claims including Downs Gulch, Eighteen Mile Brook, Larry's Gulch, Murray Lake and Stillwater were determined to no longer be feasible and were written-off during the year (Note 8 (f)).

Certain of the properties are subject to the following royalties or option agreements:

Northwest Gold claims

In November, 2014, the Company entered into an option agreement to acquire 243 claim units located in northwest New Brunswick. The Company may earn a 100% interest in these claims by:

(i) paying a total of $505,000 to the Optionor over three years ($25,000 paid)
(ii) spending $675,000 on exploration and development over three years ($102,496 incurred)

The Optionor retains a 2% NSR of which 1% may be bought back for $1,000,000.

During the year ended April 30, 2016, the Company has determined that this project was no longer feasible, terminated the option agreement and has written off all associated costs.

Oxford Brook claims

In November, 2014, the Company entered into an option agreement to acquire 198 claim units located in northwest New Brunswick. The Company may earn a 100% interest in these claims by:

(i) paying a total of $120,000 to the Optionor over three years ($12,500 paid)
(ii) spending $225,000 on exploration and development over four years ($126,529 incurred)

The Optionor retains a 2% NSR of which 1% may be bought back for $1,000,000.

(b) 100% owned claims in the Province of Quebec

The Company has a 100% ownership interest in numerous claims in the Province of Quebec, including the Beauce, Bornite Hill, Bruno Hill, Chapais, Chibougamau Lithium, Clinton, Flavel West, Gaspe Bay Group, Inverness, Jasper, Kinross, Lac Buit, Lac Masketsi, New Richmond, Noranda, Opal & Anorthosite, Portage Lake, St. Gabriel, Stoke Mountain and Superior Quartz properties.

The capitalized costs associated with claims Abitibi Group, Coaticook, Fortet Troilus, Kalko, Lac Au Vent and Transterre were determined to no longer be feasible and were written-off during the year (Note 8 (f)).

NOTE 8 – EXPLORATION AND EVALUATION ASSETS - Continued

(b) 100% owned claims in the Province of Quebec – Continued

Certain of the properties are subject to the following royalties or option agreements:

Beauce claims

The Company earned a 100% interest in 32 mineral claims which are subject to a royalty interest of 1.5% net smelter return, of which the Company may retire 1% net smelter returns by the payment of $1,000,000 to the prior vendor. The Company currently holds a total of 114 claim units (2015: 372), including those that were acquired by staking.

In January, 2015, the Company entered into an agreement with Uragold Bay Resources regarding the sale of 32 claims through:

i) The issuance to Fancamp of 8,000,000 Uragold Bay Resources Units. Each unit consisting of one common share and 1 common share purchase warrant, exercisable at prices from $0.20 to $0.40 for a 60 month period (issued)
ii) Making a cash payment to Fancamp of $25,000 within six months of signing the definitive agreement (received)
iii) Uragold will finance $400,000 worth of exploration work on the claims over a 4 year period

Fancamp has been granted a 3.5% Gross Metal Royalty on any gold production extracted from the 32 claim block.

Clinton claims

In December 2009, the Company entered into an option agreement to acquire 117 claim units located in Southern Quebec, near the Maine border. The Company has earned a 100% interest in these claims by:

(i) paying a total of $100,000 to the Optionor over three years (paid)
(ii) issuing a total of 500,000 common shares over three years (issued)
(ii) spending $950,000 on exploration and development over three years (incurred)

The Optionor retains a 2% NSR of which 1% may be bought back for $1,000,000. The Company currently holds 46 claim units (2015: 120).

Kalko Property claims

In May, 2014, the Company entered into an option agreement to acquire 78 claim units located in the Labrador Trough area, Quebec. To earn a 100% interest in these claims the Company will:

(i) pay a total of $310,000 over four years ($20,000 paid)
(ii) spend $600,000 on exploration and development over four years (30,979 incurred)

A 2% NSR Royalty payable to the vendors underlies the property, of which 1% may be bought back for $0.5 million before May 2018 or $1.5 million afterward. The Company has abandoned this option as a prospecting program carried out in August 2014 failed to identify PGM targets in bedrock and wrote-off all costs associated with these claims.

NOTE 8 – EXPLORATION AND EVALUATION ASSETS - Continued

(b) 100% owned claims in the Province of Quebec – Continued

Lac Lamelee Property claims

In February 2011, the Company entered into a purchase agreement to acquire the additional 50% interest in 29 claims designated as Lac Lamêlée Property, located in the Fermont district of New Quebec, through the transfer of 375,000 shares of Champion Minerals Inc. to its partner. The Company owns 100% interest in these claims as at April 30, 2012. The vendor retained a 1.5% NSR, of which 0.5% may be bought back for $1,500,000. Champion Iron Mines Ltd. retains a right of first refusal over Fancamp's interest in this property.

On December 20, 2013, the Company completed the sale of the Lac Lamelee property to Lamelee Iron Ore Ltd and retained 1.5% NSR. Subsequent to April 30, 2016, Lamêlée has returned to the Company the Lac Lamêlée Property, which includes 59 mining claims (Note 7). The Company also received the original 1.5% NSR through the asset acquisition (Note 6) and holds a 3.0% NSR on this property at April 30, 2016.

Lemoine Township claims

The Lemoine claims are subject to a royalty interest of 1.5% of net smelter returns, of which the Company may retire 1% net smelter returns by the payment of $1,000,000. There are no capitalized amounts associated with these claims.

Magpie Property claims

In fiscal 2016, as part of the asset acquisition of Magpie (see Note 6) the Company acquired an interest in mineral claims in the Province of Quebec. At April 30, 2016, the Company held 100% interest in 70 mining claims. Some of the mineral claims are subject to a 2% NSR retained by then prior vendors.

MTK Property claims

In December, 2012, the Company entered into an option agreement to acquire 48 claim units located in the Chapais district of Quebec. To earn a 100% interest in these claims the Company will:

(i) pay a total of $80,000 to the Optionors over three years ($35,000 paid)
(ii) issue a total of 550,000 common shares over three years (200,000 issued)

The Optionors will retain a 1.5% NSR of which 1% may be bought back for $1,000,000.

During fiscal 2015, the Company abandoned these claims and wrote-off all costs associated with these claims.

Phoenix Property claims

In December, 2012, the Company entered into an option agreement to acquire 31 claim units located in the Chapais district of Quebec. To earn a 100% interest in these claims the Company will:

(i) pay a total of $280,000 over four years ($25,000 paid)
(ii) issue a total of 1,300,000 common shares over four years (100,000 issued)
(iii) spend $2,100,000 on exploration and development over four years ($108,220 incurred)

NOTE 8 – EXPLORATION AND EVALUATION ASSETS - Continued

(b) 100% owned claims in the Province of Quebec – Continued

Phoenix Property claims - Continued

The Optionors will retain a 1.5% NSR of which 0.75% may be bought back for $1,000,000.

In agreement with the Vendors, payments due at the end of year one and two were deferred to December 2015. The Company has determined that the project is no longer feasible, terminated the option agreement and has written off all associated costs.

Stoke Mountain claims

In December 2009, the Company entered into an option agreement to acquire 44 claim units located in the Eastern Townships of Quebec. The Company has earned a 100% interest by:

(i) paying a total of $65,000 to the Optionor over three years (paid)
(ii) issuing a total of 275,000 common shares over three years (issued)
(iii) spending $600,000 on exploration and development over three years (incurred)

The Optionor will retain a 2% NSR, of which 1% may be bought back for $1,000,000.

The Company currently holds 156 claim units (2015: 156), including those that were acquired by staking.

(c) 100% owned claims in the Province of Ontario

The capitalized costs associated with claims Desolation Lake and Norway Lake were determined to no longer be feasible and were written-off during the year (Note 8 (f)).

McFaulds Fancamp claims

The Company owns 100% interest in 4 claim units. The McFaulds Fancamp claims are subject to a royalty interest of 2% net smelter returns, of which the Company may retire 1.5% net smelter returns by the payment of $1,500,000.

On March 5, 2012, the Company entered into a letter of intent with Bold Ventures Inc. (“Bold”) whereby Bold can earn up to a 50% interest in the McFaulds Lake claims by making option payments totaling $1,500,000 and spending $8,000,000 on exploration over a three year period, commencing on the execution of a memorandum of understanding or other necessary agreements from local First Nation groups. Bold has the right to elect to earn a further 10% interest by delivering a positive feasibility study and making a further $700,000 option payment.

Further to the letter of intent, the Earn-in Option Agreement was signed May 7, 2012. On October 31, 2012, a Memorandum of Understanding between Bold Ventures Inc. and Marten Falls First Nation was signed.

On January 14, 2013, the Company announced the signing of an agreement (the “Amended Agreement”) with Bold Ventures Inc. (“Bold”). The Amendment Agreement extends the terms of the original Earn-In Option Agreement, giving Bold two options permitting Bold to earn up to a 100%

NOTE 8 – EXPLORATION AND EVALUATION ASSETS – Continued

(c) 100% owned claims in the Province of Ontario - Continued

McFaulds Fancamp claims - Continued

working interest in the Koper Lake Project (the "Project"). The additional two options apply for a period of 90 days following the date Bold earns its 60% interest.

In the first additional option, Bold can earn a further 20% interest in the Property by paying Fancamp $15,000,000 payable in equal installments over 3 years with half of the amount payable in cash and the balance payable, at Bold's option, through the issuance of common shares of Bold at the market price at the time the shares are issued. At that point, Fancamp would retain a 20% carried interest in the Koper Lake Project.

If the first option is exercised, Bold would then have the additional option to acquire from Fancamp the 20% carried interest in exchange for a Gross Metal Royalty ("GMR") payable to Fancamp. Execution of the additional option would result in Bold holding a 100% interest in the Koper Lake Project. The GMR would entitle Fancamp to be paid 2% of the total revenue from the sale of all metals and mineral products from the Property from the commencement of Commercial Production. Once all of the capital costs to bring the Project to the production stage have been recovered, the GMR may be scaled up to a maximum of 4% of the total revenue from the sale of all metals and mineral products from the Property contingent upon the prices of products sold from the Property.

On March 4, 2013, Bold signed an option and joint venture agreement with KWG Resources Inc. ("KWG") to option its interests in Koper Lake. Under the terms of the option agreement, Bold would act as operator of the exploration programs which are to be financed by KWG. KWG would also make the option payments due under the agreement with Fancamp. KWG could acquire an 80% interest in chromite produced from Koper Lake by financing 100% of the costs to a feasibility study leaving Bold and its co-venturer with a 20% carried interest, pro rata. For nickel and other non-chromite minerals identified during the exploration programs, the parties have agreed to form a joint venture in which KWG would have a 20% participating interest and Bold and its co-venturer would have an 80% participating interest, pro rata. KWG would have a right of first refusal to purchase all ores or concentrates produced by such joint venture whenever its interest in the joint venture exceeds 50%.

The Company received $300,000 in fiscal 2013, 10,000,000 common shares of KWG Resources Inc. at $0.05 per share with a fair value of $500,000 in fiscal 2014, and 35,000,000 common shares at $0.02 per share with a fair value of $700,000 in fiscal 2015.

On October 29, 2015, the Company extended for one year all obligations and dates under the various agreements. As consideration for the extension, Fancamp has received 25,000,000 common shares of KWG, at a deemed value of $500,000, of which $300,000 is applied as a reduction of the required exploration expenditures under option agreement.

(d) 50% owned claims in the State of Maine (Alder Pond)

On September 4, 2013, the Company entered into a 25 year lease agreement on a 4,950 acre property located in Maine, USA. To maintain the lease on this property the Company will:

(i) pay $75,000 on signing (paid) *and* spend $250,000 on exploration and development in year 1
(ii) pay $100,000 *or* spend $300,000 on exploration and development per year in years 2-10
(iii) pay $200,000 per year in years 11-25.

NOTE 8 – EXPLORATION AND EVALUATION ASSETS - Continued

(d) 50% owned claims in the State of Maine (Alder Pond)

An addendum to these lease terms was agreed to on September 24th,2014 whereby the lease was altered as follows;

(i) pay $75,000 on signing (paid) *and* spend $250,000 on exploration and development in year 1
(ii) pay $100,000 *or* spend $325,000 on work expenditures by September 4th 2015.
(iii) pay $100,000 or $500,000 on work expenditures to September 4th 2016.
(iv) pay $100,000 or $300,000 on work expenditures by September 4th 2017, each year to September 4th 2023.
(v) pay $200,000 per year to September 2038.

The Company has determined that this project is no longer feasible and has written off all associated costs in the year ended April 30, 2015.

(e) Mineral property royalty interests

Johan Beetz claims

The Company retains a 3.0% net smelter royalty for the first two years of commercial production, increasing to 5% thereafter. The Company is entitled to receive quarterly advance royalty payments of $25,000 commencing January 1, 2008, $Nil (2015 - $Nil) which have been received during the year ended April 30, 2016. Due to the uncertainty of receiving advanced royalty payments, no amounts receivable have been recorded by the Company.

Fermont Properties claims

During the year ending April 30, 2016, the Company acquired an additional 1.5% NSR (2015 – 1.5% NSR) in the Fermont properties claims as part of the asset acquisition. This 1.5% NSR was sold to Champion, a non-arm's length party, for $50,000 in cash and non-interest bearing promissory note of $250,000 (Note 6). At April 30, 2016, the Company holds their original1.5% net smelter royalty on these properties.

Lac La Blache claims

The Lac La Blache claims are subject to a royalty interest of 2.0% of net smelter returns, rising to 4% two years following production. The Company also receives an annual advance royalty payment of $100,000. There are no capitalized amounts associated with these claims.

(f) Impairment of mineral properties interests

During year ended April 30, 2016, the Company recorded an impairment loss of $1,421,421 (2015 - $1,062,851) on its exploration and evaluation assets for those properties management decided to abandon.

NOTE 9 - SHARE CAPITAL

(a) Authorized: Unlimited common shares without par value

Issued:

On May 8, 2014, the Company issued 515,083 common shares, at a price of $0.06, pursuant to the exercise of agents warrants.

In July, 2014 the TSX Venture Exchange approved the Company to purchase under a Normal Course Issuer Bid ("NCIB"), up to 10% of the public float, which was equal to 10,310,745 common shares, over the twelve month period ending July, 2015. In July, 2014, under the approved NCIB, 1,595,000 common shares were repurchased and cancelled at an average price of $0.06 per share for $99,670. In August, 2014, 200,000 common shares were repurchased and cancelled at an average price of $0.06 per share for $12,000. The NCIB was terminated in January, 2015.

On June 12, 2015, the Company issued 10 million common as a consideration for the asset acquisition (Note 6).

(b) Share purchase warrants

The following is a continuity of the warrants outstanding:

	Warrants	Weighted Average Exercise Price
April 30, 2014	17,891,665	$ 0.38
Expired	(7,891,665)	0.10
April 30,2015	10,000,000	$ 0.60
Expired	(10,000,000)	0.60
April 30, 2016	-	$ -

(c) Management incentive options

The Company's stock option plan provides for the granting of stock options totaling in aggregate up to 10% of the Company's total number of shares issued and outstanding on a non-diluted basis. The stock option plan provides for the granting of stock options to regular employees and persons providing investor relation services or consulting services up to a limit of 5% and 2% respectively of the Company's total number of issued and outstanding shares per year. The stock options are fully vested on the date of grant, except stock options granted to consultants or employees performing investor relation activities, which vest over 12 months. The option price must be greater or equal to the discounted market price on the grant date and the option expiry date cannot exceed five years after the grant date.

NOTE 9 - SHARE CAPITAL – Continued

A summary of the options granted under the Company's plan as at April 30, 2016 and 2015 and the changes during the period then ended is as follows:

	No. of Shares	Weighted average exercise price ($)
Outstanding, April 30, 2014	10,820,000	0.32
Granted	3,675,000	0.13
Expired	(650,000)	0.52
Cancelled	(2,200,000)	0.23
Outstanding, April 30, 2015	11,645,000	0.27
Expired	(600,000)	0.40
Outstanding, April 30, 2016	11,045,000	0.26

The weighted average remaining contractual life for the management incentive options outstanding as at April 30, 2016 is 1.99 years (2015 – 2.87 years).

The fair value of the options were estimated at the dates of granting using the Black-Scholes option pricing model with the following assumptions:

	2016	2015
Volatility rate	-	74-109%
Risk-free interest rate	-	1.36-1.64%
Dividend yield rate	-	0.00%
Weighted average life	-	5 years

Volatility is based on the historic price changes over a term comparable to the life of the option. These grants vest immediately, with the exception of options granted to investor relations personnel which vest over a one year period.

A summary of stock options outstanding and exercisable is as follows:

Exercise price per share $	Expiry date	Number of options outstanding and exercisable 2016	2015
0.40	November 3, 2015		600,000
0.75	May 25, 2016	1,700,000	1,700,000
0.36	January 19, 2017	870,000	870,000
0.25	September 4, 2017	1,000,000	1,000,000
0.20	December 17, 2017	1,500,000	1,500,000
0.10	October 25, 2018	2,500,000	2,500,000
0.15	May 2, 2019	2,250,000	2,250,000
0.10	December 22, 2019	1,225,000	1,225,000
		11,045,000	11,645,000

Subsequent to the April 30, 2016, 1,700,000 stock options expired unexercised.

NOTE 10 - RELATED PARTY TRANSACTIONS AND BALANCES

Peter H. Smith	Director, Chairman, President, CEO
Mel de Quadros	Director, AC, CC
Gilles Dubuc	Director, AC, CC (to January, 2015)
Paul Ankcorn	Director, AC, CC
Ashwath Mehra	Director
Debra Chapman	Director, CFO
Fouad Kamaleddine	Director, VP Research and Development
Mike Flanagan	VP, Exploration
Mark Billing	Director, AC, CC

AC = Audit Committee, CC = Compensation Committee

Transactions and balances with related parties not disclosed elsewhere in these consolidated financial statements comprise of the following:

Transactions for the years ended April 30:	2016	2015
	$	$
Professional geological fees paid or paybale to P.H. Smith	82,000	103,500
Rent paid or payable to P.H. Smith	24,000	24,000
Reimbursement of acquisition, exploration and office expenses paid or payable to P.H. Smith	99,832	169,478
Professional management fees paid or payable to D. Chapman	67,750	59,500
Reimbursement of office expenses and filing fees paid or payable to D. Chapman	8,215	17,967
Professional management fees paid or payable to F. Kamaleddine	74,105	40,800
Reimbursement of acquisition, exploration and travel expenses paid or payable to F. Kamaleddine	33,496	-
Professional consulting, directors and committee fees paid or payable to M. de Quadros	34,000	24,000
Directors and committee fees paid or payable to G. Dubuc	-	18,000
Directors and committee fees paid or payable to P. Ankcorn	24,000	24,000
Directors and committee fees paid or payable to M. Billings	17,000	6,000
Directors fees paid or payable to A. Mehra	12,000	12,000
Professional geological fees paid or payable to M. Flanagan	104,803	112,340
Reimbursement of acquisition, exploration and office expenses paid or payable to M. Flanagan	27,545	52,274

Balance with related parties as of April 30	2016	2015
	$	$
Amounts due to directors and officers	(277,431)	(53,331)
Advances to The Magpie Mines Inc.	-	972,522

Transactions with related parties are measured at the exchange amount of consideration established and agreed to by the related parties.

NOTE 11 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Fair Value

The Company classifies its fair value measurements in accordance with the three level fair value hierarchies as follows:

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets;

Level 2 - Observable 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 - Fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

The Company's financial instruments include cash and cash equivalents, marketable securities, other receivable, advance to The Magpie Mines Inc., accounts payable and accrued liabilities and due to directors. The fair values of other receivable, due to directors and accounts payable and accrued liabilities approximate their carrying values because of their short term nature.

The following table summarizes the carrying values of the Company's financial instruments:

	April 30, 2016	April 30, 2015
	$	$
Financial assets at fair value through profit or loss (i)	5,747,854	4,299,988
Loans and receivables (ii)	100,774	1,015,736
Other financial liabilities (iii)	456,986	363,441

(i) Cash and cash equivalents and marketable securities
(ii) Other receivables and advance to The Magpie Mines Inc.
(iii) accounts payable and accrued liabilities and due to directors

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:

	April 30, 2016		**April 30, 2015**	
	Cash & Cash Equivalent	Marketable Securities	Cash & Cash Equivalent	Marketable Securities
	$	$	$	$
Level 1	150,861	4,818,662	84,601	3,945,707
Level 2	-	778,331	-	269,680
Level 3	-	-	-	-

There has been no changes between Levels during the year.

NOTE 11 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - Continued

Financial Risk Management

The Company's activities expose it to a variety of financial risks including credit risk, foreign exchange risk, interest rate risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to other receivable is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash that might be raised from equity financings. As at April 30, 2016, the Company had a cash balance of $150,861 (2015 $84,601), marketable securities of $2,824,993 (2015-$3,240,054), sales taxes refundable of $49,550 (2015 – $30,262), accrued mining duty receivable of $122,270 (2015 - $108,650), accrued exploration tax credits receivable of $80,090 (2015 - $192,588), accounts payable and accrued liabilities of $179,555 (2015 - $310,110) and due to directors of $277,431 (2015 - $53,331). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company believes that these sources will be sufficient to cover the expected short and long term cash requirements.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate even through the Company has cash balances, and its current policy is to invest excess cash in certificate of deposit or money market funds of major Canadian chartered banks. The money market fund included in cash equivalents bear interest at a fixed rate, and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would not have a significant impact. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

Foreign currency risk

The Company is not exposed to any significant foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

NOTE 12 – CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain investor and market confidence and a flexible capital structure which will allow it to execute on its capital expenditure program, which includes expenditures primarily in the exploration and evaluation assets, which may or may not be successful. Therefore, the Company monitors the level of risk incurred in its capital expenditures to balance the equity in its capital structure.

NOTE 12 – CAPITAL MANAGEMENT - Continued

The Company manages its common shares as capital. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to explore and develop its projects for the benefit of its stakeholders. The Company is not subject to any externally imposed capital requirement.

The properties in which the Company currently has interest are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs and facilitate the management of capital, the Company may issue new equity, incur additional debt, option its properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. The Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the exploration and development of its mineral properties. The Board of Directors has not established quantitative capital structure criteria for management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business. There has been no change in the Company's capital management policy from the prior year.

NOTE 13 – INCOME TAXES

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the consolidated statements of operations for the years ended April 30, 2016 and 2015:

	2016	**2015**
Loss Before Taxes	(5,176,197)	(17,301,167)
Statutory Tax Rate	26.00%	26.00%
Expected Income Tax Recovery	(1,345,812)	(4,498,303)
Non-Deductible Items	303,224	3,813,072
Change in Estimates	626,964	(13,683)
Flow Through Share Renouncement	-	143,180
Flow Through Share Renounce Impact on Flow Through Share Premium	-	(58,910)
Asset Acquisition	(449,379)	-
Change in Deferred Tax Asset not Recognized	23,512	275,187
Deferred Tax Recovery	(841,491)	(339,457)

NOTE 13 – INCOME TAXES - Continued

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax assets (liabilities) at April 30, 2016 and 2015 are comprised of the following:

	2016	2015
Non Capital Loss Carryforwards	1,047,815	1,001,960
Equipment	(20,561)	20,118
Capital Loss Carryforwards	119,317	-
Financial Instruments	179,382	275,187
Financing Costs	22,141	68,057
Exploration and Evaluation Assets	(3,352,579)	(3,216,935)
	(2,004,485)	(1,851,613)
Deferred Tax Asset not Recognized	(298,699)	(275,187)
Net Deferred Tax Liabilities	(2,303,184)	(2,126,800)

The Company has non capital loss carryforwards of approximately $4,054,807 (2015-$3,853,691) which can be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expiry	2016
2028	42,087
2030	10,337
2031	341,256
2032	396,012
2033	1,112,713
2034	188,523
2035	570,606
2036	1,393,273
Total	4,054,807

NOTE 14 – CHANGE IN PRESENTATION

The Company has reclassified certain prior period revenue amounts in the statement of operations to conform with the current year presentation.

NOTE 15 – SUBSEQUENT EVENTS

Subsequent to the year end, the Company settled a total of $144,620 of debt owed to certain insiders of the Company, by the issuance of a total of 2,892,393 common shares at a deemed price of $0.05 per common share.

Please also refer to Note 7 for subsequent return of shares of Lamêlée.

Fancamp Exploration Ltd.
Schedule I - Summary of Deferred Costs on Exploration and Evaluation Assets

The following is a summary of exploration and evaluation costs deferred during the year ended April 30, 2016:

	As At April 30, 2015			During the Year Ended Ended April 30, 2016				As At April 30, 2016		
	Deferred Acquisition Costs	Deferred Exploration Expenditures	Total	Acquisition Costs Incurred	Option and Other Payments (Received)	Exploration Expenditures Net of Exploration Tax Credits	(Write Downs) (Write Offs) Income/Sales	Deferred Acquisition Costs	Deferred Exploration Expenditures	Total
100% Owned										
Abitibi Group, PQ	$ 6,239	$ 8,500	$ 14,739	-	-	1,299	(16,038)	$ -	$ -	$ -
Beauce, PQ	65,321	1,035,000	1,100,321		(25,000)	3,559	(899,187)	11,941	167,752	179,693
Bornite Hill, PQ	497	-	497			2,267		497	2,267	2,764
Bruno Hill, PQ	1,326	-	1,326	1,269		2,486		2,595	2,486	5,081
Chapais, PQ	1,602	-	1,602					1,602	-	1,602
Chibougamau Lithium, PQ	-	-	-	5,549		1,440		5,549	1,440	6,989
Clinton, PQ	156,390	1,026,551	1,182,941	111		68,185	(96,441)	60,060	1,094,736	1,154,796
Coaticook, PQ	-	-	-	442			(442)	-	-	-
Flavel West, PQ	-	-	-	221				221	-	221
Fortet Troilus, PQ	811	877	1,688				(1,688)	-	-	-
Gaspe Bay Group, PQ	31,963	1,811,078	1,843,041	(203)	(293,534)	603,567		31,760	2,121,111	2,152,871
Inverness, PQ	657	156	813			727		657	883	1,540
Jasper, PQ	-	-	-	221		4,018		221	4,018	4,239
Kalko, PQ	-	-	-			222	(222)	-	-	-
Kinross, PQ	2,520	1,380	3,900	4,937		2,899		7,457	4,279	11,736
Lac au Vent, PQ	-	-	-			4,857	(4,857)	-	-	-
Lac Buit, PQ	-	-	-			1,440		-	1,440	1,440
Lac Masketsi, PQ	-	-	-	239				239	-	239
Magpie, PQ	-	-	-	2,110,590		(112,143)		2,110,590	(112,143)	1,998,447
New Richmond, PQ	-	-	-	663		360		663	360	1,023
Noranda, PQ	884	-	884					884	-	884
Opal & Anorthosite, PQ	-	-	-	298				298	-	298
Phoenix, PQ	36,250	108,220	144,470			338	(144,808)	-	-	-
Portage Lake, PQ	500	22,814	23,314	1,189		767		1,689	23,581	25,270
St. Gabriel, PQ	-	-	-	442				442	-	442
Stoke Mountain, PQ	94,761	2,208,921	2,303,682			22,616		94,761	2,231,537	2,326,298
Superior Quartz, PQ	-	-	-	497				497	-	497
Transterre, PQ	995	-	995				(995)	-	-	-
Baie Comeau, PQ	1	-	1					1	-	1
Johan Beetz, PQ	1	-	1					1	-	1
Longue Pointe de Mingan, PQ	-	1	1					-	1	1
Villebon, PQ	1	-	1					1	-	1
Bear Lake, NB	-	-	-			80		-	80	80
Becagiumec Lake, NB	-	3,755	3,755			35,876		-	39,631	39,631
Downs Gulch, NB	3,120	-	3,120				(3,120)	-	-	-
Eighteen Mile Brook, NB	-	-	-	1,360		1,574	(2,934)	-	-	-
Larry's Gulch, NB	1,440	-	1,440				(1,440)	-	-	-
Lawrence Peak, NB	-	7,316	7,316			7,211		-	14,527	14,527
McNair Brook, NB	-	-	-			80	(80)	-	-	-
Murray Lake, NB	-	346	346			30,371	(30,717)	-	-	-
Nason Brook, NB	6,710	226,261	232,971			570		6,710	226,831	233,541
Northeast Lake, NB	-	1,487	1,487			13,716		-	15,203	15,203
Northwest Gold, NB	30,340	41,484	71,824		(1,150)	62,162	(132,836)	-	-	-
Oxford Brook, NB	10,200	22,503	32,703	8,050	(56,400)	160,427		18,250	126,530	144,780
Stillwater, NB	1,680	-	1,680				(1,680)	-	-	-
Desolation Lake, ON	1	26,442	26,443			1,888	(28,330)	1	-	1
McFaulds Fancamp, ON	1,291	6,193,204	6,194,495		(500,000)	4,331		1,291	5,697,535	5,698,826
Norway Lake, ON	1,921	4,031	5,952				(5,952)	-	-	-
Alder Pond, Maine	-	-	-	31,880		17,774	(49,654)	-	-	-
	$ 457,422	$ 12,750,327	$ 13,207,750	2,167,755	(876,084)	944,964	(1,421,421)	$ 2,358,878	$ 11,664,085	$ 14,022,963

Fancamp Exploration Ltd.
Schedule I - Summary of Deferred Costs on Exploration and Evaluation Assets

The following is a summary of exploration and evaluation costs deferred during the year ended April 30, 2015:

	As At April 30, 2014			Exploration and Evaluation Expenditures Incurred During the Year Ended Ended April 30, 2015				As At April 30, 2015		
	Deferred Acquisition Costs	Deferred Exploration Expenditures	Total	Acquisition Costs Incurred	Option and Other Payments (Received)	Exploration Expenditures Net of Exploration Tax Credits	(Write Downs) (Write Offs) Income/Sales	Deferred Acquisition Costs	Deferred Exploration Expenditures	Total
100% Owned										
Abitibi Group, PQ	$ 6,239	$ 8,500	$ 14,739	$ -	$ -	$ -		$ 6,239	$ 8,500	$ 14,739
Beauce, PQ	79,108	1,149,187	1,228,295	1,518	(141,840)	21,050	(8,702)	65,321	1,035,000	1,100,321
Bornite Hill, PQ	-	-	-	497				497	-	497
Bruno Hill, PQ	-	-	-	1,326				1,326	-	1,326
Chapais, PQ	-	-	-	1,602				1,602	-	1,602
Clinton, PQ	196,475	881,627	1,078,102	387		144,924	(40,472)	156,390	1,026,551	1,182,940
Fortet Troilus, PQ	811	-	811			877		811	877	1,688
Gaspe Bay Group, PQ	40,197	1,189,929	1,230,126	15,080		621,149	(23,314)	31,963	1,811,078	1,843,041
Inverness, PQ	-	-	-	657		156		657	156	813
Kalko, PQ	-	-	-	20,000		28,695	(48,694)	-	-	-
Kinross, PQ	-	-	-	2,520		1,380		2,520	1,380	3,900
MTK, PQ	52,138	276,491	328,629			146,961	(475,589)	-	-	-
Noranda, PQ	-	-	-	884				884	-	884
NE Appalachia Group, PQ	9,698	231,448	241,146				(241,146)	-	-	-
Phoenix, PQ	36,250	100,436	136,686			7,784		36,250	108,220	144,470
Portage Lake, PQ	2,782	21,523	24,305			1,291	(2,282)	500	22,814	23,314
Stoke Mountain, PQ	109,944	2,193,749	2,303,693			15,172	(15,183)	94,761	2,208,921	2,303,681
Transterre, PQ	-	-	-	995				995	-	995
Becagiumec Lake, NB	-	-	-			3,755		-	3,755	3,755
Downs Gulch, NB	-	-	-	3,120				3,120	-	3,120
Larry's Gulch, NB	-	-	-	1,440				1,440	-	1,440
Lawrence Peak, NB	-	-	-			7,316		-	7,316	7,316
Murray Lake, NB	-	-	-			346		-	346	346
Nason Brook, NB	8,410	209,576	217,986	(1,700)		16,685		6,710	226,261	232,971
Northeast Lake, NB	-	-	-			1,487		-	1,487	1,487
Northwest Gold, NB	-	-	-	30,340		41,484		30,340	41,484	71,824
Oxford Brook, NB	-	-	-	10,200		22,503		10,200	22,503	32,703
Stillwater, NB	-	-	-	1,680				1,680	-	1,680
McFaulds Fancamp, ON	1,290	7,015,594	7,016,884		(822,390)			1,290	6,193,204	6,194,494
Norway Lake, ON	3,201	4,031	7,232				(1,280)	1,921	4,031	5,952
Alder Pond, Maine	80,130	39,731	119,861			86,328	(206,188)	-	-	-
Jointly Held										
Baie Comeau, PQ	1	-	1					1	-	1
Desolation Lake, ON	1	-	1			26,442		1	26,442	26,443
Dieter Lake, PQ	1	-	1					1	-	1
Johan Beetz, PQ	1	-	1					1	-	1
Longue Pointe de Mingan, PQ	-	1	1					-	1	1
Villebon, PQ	1	-	1					1	-	1
Royalty Interests										
Fancamp, PQ	1	-	1					1	-	1
Mountain, PQ	1	-	1					1	-	1
	$ 626,680	$ 13,321,823	$ 13,948,503	$ 90,545	$ (964,230)	$ 1,195,784	$ (1,062,851)	$ 457,422	$ 12,750,327	$ 13,207,750

Fancamp Exploration Ltd.
Schedule II - Exploration Expenditures on Exploration and Evaluation Assets
April 30, 2016 and 2015

Incurred in the Year Ended April 30, 2016:

	Camp Drilling Assays	Engineering, Consulting, and Sundry	Prospecting, Ground, Air Surveys	Exploration Tax Credits	Total 2016
Abitibi	$ -	$ -	$ 1,804	$ (505)	$ 1,299
Beauce	985	2,861		$ (287)	3,559
Bornite Hill			3,148	$ (881)	2,267
Bruno Hill		1,500	1,952	$ (966)	2,486
Chibougamau Lithium		2,000		(560)	1,440
Clinton	1,087	8,332	450	58,316	68,185
Gaspe Bay Group	148,853	49,752	448,982	(44,020)	603,567
Inverness		7	1,000	(280)	727
Jasper			5,581	(1,563)	4,018
Kalko		222			222
Kinross		2,010	1,993	(1,104)	2,899
Lac au Vent		104	6,601	(1,848)	4,857
Lac Buit		2,000		(560)	1,440
Magpie	3,450	(115,648)	55		(112,143)
New Richmond			500	(140)	360
Phoenix		338			338
Portage Lake		47	1,000	(280)	767
Stoke Mountain	1,087	14,293	700	6,536	22,616
Bear Lake		80			80
Becagiumec Lake	5,987	12,226	17,663		35,876
Eighteen Mile Brook	534	80	960		1,574
Law rence Peak	1,166	813	5,232		7,211
McNair Brook		80			80
Murray Lake	12,302	830	17,239		30,371
Nason Brook	100	470			570
Northeast Lake	3,837	213	9,666		13,716
Northw est Gold	9,216	2,976	49,970		62,162
Oxford Brook	25,766	27,605	107,056		160,427
Desolation Lake	1,888				1,888
McFaulds Lake	4,331				4,331
Alder Pond		17,774			17,774
	$ 220,589	$ 30,965	$ 681,552	$ 11,858	$ 944,964

Incurred in the Year Ended April 30, 2015:

	Camp Drilling Assays	Engineering, Consulting, and Sundry	Prospecting, Ground, Air Surveys	Exploration Tax Credits	Total 2015
Beauce	$ 4,478	$ 15,910	$ 4,616	$ (3,954)	$ 21,050
Clinton	144,807	21,152	15,085	(36,121)	144,923
Frotet Troilus		877			877
Gaspe Bay Group	228,456	28,707	506,549	(142,562)	621,149
Inverness	226			(70)	156
Kalko	24,979		6,000	(2,285)	28,694
Kinross		1,500	500	(620)	1,380
MTK	107,832	22,039	19,518	(2,429)	146,961
Phoenix		4,000	7,281	(3,497)	7,784
Portage Lake	1,773			(481)	1,292
Stoke Mountain	1,786	11,713	2,242	(570)	15,171
Becagiumec Lake			3,755		3,755
Law rence Peak			7,316		7,316
Murray Lake			346		346
Nason Brook	3,131	1,745	11,809		16,685
Northeast Lake			1,487		1,487
Northw est Gold	8,835	4,931	27,718		41,484
Oxford Brook	8,288	4,113	10,103		22,503
Desolation Lake	26,281	160			26,441
Alder Pond	53,482	31,065	1,781		86,327
	$ 614,353	$ 147,910	$ 626,105	$ (192,588)	$ 1,195,784