GALENA INTERNATIONAL RESOURCES LTD.

FINANCIAL STATEMENTS

For the Year Ended
March 31, 2016

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Galena International Resources Ltd.

We have audited the accompanying financial statements of Galena International Resources Ltd., which comprise the statements of financial position as at March 31, 2016 and 2015 and the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 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, these financial statements present fairly, in all material respects, the financial position of Galena International Resources Ltd. as at March 31, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Galena International Resources Ltd.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada Chartered Professional Accountants

July 11, 2016

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GALENA INTERNATIONAL RESOURCES LTD.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	March 31 2016	March 31 2015
ASSETS		
Current		
Cash	$ 68,604	$ 99,508
Receivables (Note 4)	1,135	1,158
	$ 69,739	$ 100,666
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	$ 9,442	$ 7,681
Shareholders' equity		
Share capital (Note 7)	4,288,473	4,288,473
Reserves (Note 7)	39,193	39,193
Deficit	(4,267,369)	(4,234,681)
	60,297	92,985
	$ 69,739	$ 100,666

Nature and continuance of operations (Note 1)
Subsequent event (Note 13)

Approved and authorized by the Board on July 11, 2016

"Randy C. Turner"	*"Donald McInnes"*
Randy Turner, Director	Donald McInnes, Director

GALENA INTERNATIONAL RESOURCES LTD.

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

for the years ended March 31, 2016 and 2015 (Expressed in Canadian Dollars)

	2016	2015
EXPENSES		
Business development	$ 760	$ 857
Legal, audit and accounting	11,477	9,947
Management fees and corporate services	-	325
Office and miscellaneous	1,238	1,315
Regulatory and transfer agent fees	13,210	10,646
Travel	6,003	-
	(32,688)	(23,090)
Interest income	-	1,727
	-	1,727
Loss and comprehensive loss for the year	$ (32,688)	$ (21,363)
Basic and diluted loss per common share	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding	22,822,884	22,822,884

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

GALENA INTERNATIONAL RESOURCES LTD.
STATEMENTS OF CASH FLOWS
for the years ended March 31, 2016 and 2015 (Expressed in Canadian Dollars)

	2016	2015
Cash flows from operating activities		
Income (loss) for the year	$ (32,688)	$ (21,363)
Changes in non-cash working capital items:		
(Increase) decrease in receivables	23	1,701
Increase (decrease) in accounts payable and accrued liabilities	1,761	(2,969)
Net cash provided by (used in) operating activities	(30,904)	(22,631)
Change in cash during the year	(30,904)	(22,631)
Cash, beginning of the year	99,508	122,139
Cash, end of the year	$ 68,604	$ 99,508

Supplemental disclosure with respect to cash flows (Note 9)

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

GALENA INTERNATIONAL RESOURCES LTD.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital				
	Number	**Amount**	**Reserves**	**Deficit**	**Total**
Balance, March 31, 2014	22,822,884	$ 4,288,473	$ 42,207	$ (4,216,332)	$ 114,348
Reserves transferred on expired options	-	-	(3,014)	3,014	-
Loss for the year	-	-	-	(21,363)	(21,363)
Balance, March 31, 2015	22,822,884	4,288,473	39,193	(4,234,681)	92,985
Loss for the year	-	-	-	(32,688)	(32,688)
Balance, March 31, 2016	22,822,884	$ 4,288,473	$ 39,193	$ (4,267,369)	$ 60,297

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Galena International Resources Ltd. (the "Company") is incorporated under the Business Corporations Act, British Columbia and is considered to be in the exploration stage with respect to mineral properties.

The Company's head office and principal address is 1020 – 625 Howe Street, Vancouver, British Columbia, Canada, V6C 2T6. The Company's registered and records office is 2300 – 550 Burrard Street, Vancouver, British Columbia, Canada V6C 2B5.

These financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses. A number of alternatives including, but not limited to completing a financing, are being evaluated with the objective of funding ongoing activities and obtaining additional working capital. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. These uncertainties may cast significant doubt on the entity's ability to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

	2016	**2015**
Deficit	$ (4,267,369)	$ (4,234,681)
Working capital	$ 60,297	$ 92,985

2. BASIS OF PREPARATION

Statement of Compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of Presentation

These financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

2. BASIS OF PREPARATION *(continued)*

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based payments and recognition of deferred tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Valuation of share-based payments

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

3. SIGNIFICANT ACCOUNTING POLICIES

Foreign exchange

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors indentified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in net income/(loss).

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. Cash is included in this category.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment. Receivables are included in this category.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities are included in this category.

Share-based payments

The Company grants stock options to directors, officers, employees and/or consultants. The fair value of stock options is measured on the grant date, using the Black-Scholes option pricing model and is recognized over the vesting period of the related options. Consideration paid for the shares on the exercise of stock options is credited to share capital.

For vested options that have expired or were cancelled unexercised, the Company reverses the share-based payment reserve against deficit.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Mineral properties

The Company accounts for its mineral properties as exploration and evaluation assets in accordance with IFRS 6*, Exploration for and Evaluation of Mineral Resources*. The Company capitalizes mineral property acquisition costs, which include the cash consideration, option payments under an earn-in arrangement, and the fair value of common shares issued for mineral properties. The acquisition costs are deferred until the property is placed into production, sold or abandoned or determined to be impaired. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The Company expenses to operations all exploration and evaluation costs incurred prior to the determination of economically recoverable reserves. Exploration and evaluation expenditures relate to costs incurred for investigation and evaluation of potential mineral reserves and resources, including trenching, exploratory drilling, sampling, mapping, and other activities in searching for ore bodies under the properties, and evaluate the technical and commercial viability of developing mineral properties identified through exploration. Exploration and evaluation expenditures, net of any recoveries, are recorded on a property by property basis.

Provision for environmental rehabilitation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense. The Company does not have any significant environmental rehabilitation provision.

Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

New Standards not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the year ended, March 31, 2016:

- IFRS 9, Financial Instruments (effective for annual periods beginning on or after January 1, 2018), provides guidance on the classification and measurement of financial assets. It also introduces a new expected credit loss model for calculating impairment for financial instruments.

The Company does not anticipate any significant impact upon adoption of the issued standards and intends to adopt the new standards no later than the designated effective date.

FOR THE YEARS ENDED MARCH 31, 2016 and 2015 (Expressed in Canadian Dollars)

4. RECEIVABLES

The Company's receivables are as follows:

	March 31, 2016	March 31, 2015
GST receivable	$ 1,135	$ 1,158
Total	**$ 1,135**	**$ 1,158**

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are as follows:

	March 31, 2016	March 31, 2015
Trade payables	$ 1,942	$ 181
Accrued liabilities	7,500	7,500
Total	**$ 9,442**	**$ 7,681**

6. RELATED PARTY TRANSACTIONS

Key Management Personnel

Key management personnel includes those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Compensation paid or payable to key management personnel for services rendered are as follows:

	Year ended March 31, 2016	Year ended March 31, 2015
Management fees	$ -	$ 325
Total	**$ -**	**$ 325**

There were no amounts included in accounts payable and accrued liabilities at March 31, 2016 and 2015 due to companies controlled by officers and/or directors of the Company.

FOR THE YEARS ENDED MARCH 31, 2016 and 2015 (Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES

a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares are fully paid.

b) Issued share capital

There were no shares issued during the fiscal years ended March 31, 2016 and 2015.

c) Stock options

The Company, in accordance with its shareholder approved stock option plan, is authorized to grant options to directors, officers, employees and/or consultants, to acquire up to 10% of the issued and outstanding common shares. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. Options can be granted for a maximum term of ten years and vest on grant.

As at March 31, 2016, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Number of Shares	Exercise Price	Expiry Date
650,000	$ 0.15	October 4, 2017
650,000		

Stock option transactions are summarized as follows:

	March 31, 2016		March 31, 2015	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	650,000	$ 0.15	700,000	$ 0.15
Granted	-	-	-	-
Exercised	-	-	-	-
Expired/cancelled	-	-	(50,000)	0.05
Balance, end of year	650,000	$ 0.15	650,000	$ 0.15
Options exercisable, end of year	650,000	$ 0.15	650,000	$ 0.15

d) Options – Stock-based compensation

There were no stock options issued during the fiscal years ended March 31, 2016 and 2015.

FOR THE YEARS ENDED MARCH 31, 2016 and 2015 (Expressed in Canadian Dollars)

8. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of mineral properties in Canada and the United States.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash transaction for the years ended March 31, 2016 and 2015.

No cash was paid for income taxes or interest for the years presented.

10. INCOME TAXES

A reconciliation of current and deferred taxes at statutory rates with reported taxes follows:

		2016		2015
Income (loss) before income taxes	$	(32,688)	$	(21,363)
Income tax (recovery)expense	$	(8,000)	$	(6,000)
Changes in statutory tax rates and other		-		-
Permanent differences		-		-
Changes in unrecognized deductible temporary differences		(19,000)		(16,000)
Losses expiring		27,000		22,000
Income tax (expense) recovery	$	-	$	-

The unrecognized deductible temporary differences, unused tax losses and unused tax credits are as follows:

		2016	expiry dates		2015
Equipment	$	4,000	no expiry date	$	4,000
Allowable capital losses		804,000	no expiry date		804,000
Non-capital losses available for future periods		2,128,000	2017 to 2036		2,199,000

Tax attributes are subject to review and potential adjustment by tax authorities.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The fair value of cash is measured based on level 1 of the fair value hierarchy. The fair values of receivables and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by management under the direction and guidance of the Board of Directors. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Credit risk - Credit risk is the risk of a financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligation. The Company's receivables consist primarily of tax receivables due from federal and provincial government agencies. The Company does not have a significant concentration of credit risk with any single counter-party. The Company's cash is invested in interest bearing accounts at major Canadian chartered banks. Because of these circumstances, the Company does not believe it has a material exposure to credit risk.

Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The risk that the Company will realize a loss in cash is limited because the Company's deposits are redeemable on demand.

Liquidity risk - Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances, asset sales or a combination thereof. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Price risk - The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

12. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as equity, consisting of common shares, stock options and warrants.

The Company is dependent upon external financings to fund activities. In order to carry out any exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

13. SUBSEQUENT EVENTS

Subsequent to March 31, 2016 the Company announced that Mr. Mark N. J. Ashcroft, P. Eng. has been appointed President, Chief Executive Officer, and Director of the Company, effective June 24, 2016. In conjunction with his appointment, Mr. Ashcroft, through a wholly owned company MNJA Holdings Inc., agreed, subject to TSX Venture Exchange ("the Exchange") approval, to assign the Company an option (the "Option") granting it the right to earn a 100% interest in the Lipton Property, in consideration of the issuance of 500,000 common shares to Mr. Aschcroft.

13. SUBSEQUENT EVENTS *(continued)*

Under the terms of the Option, the Company may earn a 100% interest in the property by making aggregate cumulative cash payments of $1 million to be paid over a ten-year period. An initial $10,000 payment is due August 22, 2016. Thereafter, to maintain the Option the Company must make annual cash payments totalling $90,000 by June 2020 and file a minimum of two years of assessment work, with the remaining $900,000 in annual cash payments payable between June 2021 and June 2026. The Vendor will retain a 2% net smelter return half of which may be bought for $2.5 million.

The Company also announced that it intends to complete a non-brokered private placement (“the Private Placement”) of up to 13,000,000 units (“Units”) of the Company at a price of C$0.05 per Unit, for gross proceeds of up to $650,000. Each Unit will consist of one common share of the Company (“Common Share”) and one-whole Common Share purchase warrant (“Warrant”). Each full Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.10 for a period of 24 months from the closing date of the Private Placement.

The Company also granted 1,612,800 stock options to employees, officers and directors of the Company. Each stock option has an exercise price of $0.065 cents per share and are exercisable for a five year term from June 24, 2016.