BRAVADA
GOLD CORPORATION

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Condensed Consolidated Interim Financial Statements
Three Months Ended October 31, 2016 and 2015
(Expressed in Canadian Dollars)
(Unaudited)

Index | **Page**

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of the Company for the three months ended October 31, 2016 and comparatives for the three months ended October 31, 2015 were prepared by management and have not been reviewed or audited by the Company's auditors.

Bravada Gold Corporation

(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars, Unaudited)

	Note	Three Months Ended October 31, 2016	Three Months Ended October 31, 2015
Operating Expenses			
Administration	8	$ 15,000	$ -
Consulting	8	5,598	3,000
Exploration and evaluation, net of recoveries	6(f) & 8	(13,427)	3,098
Investor relations	8	33,034	-
Office and general	8	13,919	13,187
Professional fees	8	9,839	-
Regulatory fees and taxes		1,065	2,476
Shareholders' communications		147	1,364
Transfer agent		1,704	7,215
Travel and promotion		77	6,500
		66,956	**36,840**
Foreign exchange loss		6,157	439
Impairment of marketable securities	5	-	50,676
Impairment of mineral properties	6	9,218	96,229
Interest accretion		-	3,325
Interest expense		1,648	-
Operator fee income		(7,802)	(8,603)
		9,221	**142,066**
Net Loss for the Period		**76,177**	**178,906**
Other Comprehensive Loss			
Items that may be reclassified subsequently to profit or loss			
Unrealized loss on fair value of marketable securities	5	20,000	20,270
Net Loss and Comprehensive Loss for the Period		**$ 96,177**	**$ 199,176**
Loss per share - basic and diluted		$ 0.00	$ 0.01
Weighted average number of common shares outstanding		**34,451,874**	**14,527,274**

The accompanying notes form an integral part of these condensed consolidated interim financial statements

Bravada Gold Corporation

(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars, Unaudited)

As at	Note		October 31, 2016		July 31, 2016
Current Assets					
Cash		$	101,374	$	80,941
Receivables			11,507		28,180
Marketable securities	5		47,500		60,000
Prepaid expenses			9,424		11,553
			169,805		**180,674**
Non-Current Assets					
Mineral properties	6		20,000		27,500
Reclamation bonds	7		232,508		226,353
			252,508		**253,853**
		$	**422,313**	$	**434,527**
Current Liabilities					
Accounts payable and accrued liabilities		$	502,352	$	474,339
Due to related parties	8		372,152		347,202
			874,504		**821,541**
Deficit					
Share capital	9		14,641,924		14,610,153
Share-based payments reserve			4,737,207		4,737,978
Accumulated other comprehensive income			15,000		35,000
Deficit			(19,846,322)		(19,770,145)
			(452,191)		**(387,014)**
		$	**422,313**	$	**434,527**

Approved on behalf of the Board

"Joseph A. Kizis, Jr."	*"G. Ross McDonald"*
Joseph A. Kizis, Jr. Director	G. Ross McDonald Director

The accompanying notes form an integral part of these condensed consolidated interim financial statements

Bravada Gold Corporation

(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Changes in Deficit
Three Months Ended October 31, 2016 and 2015
(Expressed in Canadian Dollars, Unaudited)

	Share Capital		Share-based			
	Number of Shares	Amount	Payments Reserve	AOCI / (L)	Deficit	Total
Balance as at July 31, 2015	**11,970,210**	**$ 12,245,893**	**$ 4,750,811**	**$ 20,270**	**$ (18,296,774)**	**$ (1,279,800)**
Issued						
Private placements	6,774,998	203,250	-	-	-	203,250
Share issue costs	-	(2,267)	-	-	-	(2,267)
Unrealized loss on marketable securities	-	-	-	(20,270)	-	(20,270)
Net loss	-	-	-	-	(178,906)	(178,906)
Balance as at October 31, 2015	**18,745,208**	**$ 12,446,876**	**$ 4,750,811**	**$ -**	**$ (18,475,680)**	**$ (1,277,993)**
Balance as at July 31, 2016	**34,276,874**	**$ 14,610,153**	**$ 4,737,978**	**$ 35,000**	**$ (19,770,145)**	**$ (387,014)**
Issued						
Exercise of warrants	310,000	31,000	-	-	-	31,000
Fair value of warrants exercised	-	771	(771)	-	-	-
Unrealized loss on marketable securities	-	-	-	(20,000)	-	(20,000)
Net loss	-	-	-	-	(76,177)	(76,177)
Balance as at October 31, 2016	**34,586,874**	**$ 14,641,924**	**$ 4,737,207**	**$ 15,000**	**$ (19,846,322)**	**$ (452,191)**

The accompanying notes form an integral part of these condensed consolidated interim financial statements

Bravada Gold Corporation

(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
Three Months Ended October 31, 2016 and 2015
(Expressed in Canadian Dollars, Unaudited)

	2016	2015
Operating Activities		
Net loss for the period	**$ (76,177)**	**$ (178,906)**
Items not involving cash:		
Impairment of marketable securities	-	50,676
Impairment of mineral properties	9,218	96,229
Interest accretion	-	3,325
Unrealized foreign exchange	(7,101)	97
	(74,060)	**(28,579)**
Change in non-cash working capital items:		
Receivables	16,673	3,958
Prepaid expenses	2,129	2,602
Accounts payable and accrued liabilities	37,355	(27,287)
Due to related parties	24,950	(15,880)
	81,107	**(36,607)**
Cash Provided By (Used In) Operating Activities	**7,047**	**(65,186)**
Investing Activities		
Mineral property acquisition costs, net	(9,218)	(96,229)
Loan repayment	-	(15,000)
Cash Used in Investing Activities	**(9,218)**	**(111,229)**
Financing Activities		
Proceeds from issuance of shares, net	31,000	200,983
Cash Provided by Financing Activities	**31,000**	**200,983**
Foreign Exchange Effect on Cash	**946**	**-**
Increase in Cash During the Period	**29,775**	**24,568**
Cash, Beginning of Period	**59,111**	**13,463**
Cash, Held on Behalf of Exploration Partners	**12,488**	**-**
Cash, End of Period	**$ 101,374**	**$ 38,031**

Supplemental cash flow information (Note 11)

The accompanying notes form an integral part of these condensed consolidated interim financial statements

1. Nature of Operations and Going Concern

Bravada Gold Corporation (the "Company" or "BVA") is an exploration stage company incorporated under the laws of British Columbia on September 4, 2009. On January 7, 2011, the Company and Fortune River Resource Corp. entered into an amalgamation agreement and formed a new entity under the same name, Bravada Gold Corporation. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These condensed consolidated interim financial statements were prepared 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. As at October 31, 2016, the Company had a working capital deficiency of $704,699 (July 31, 2016 - $640,867). The Company incurred a net loss of $76,177 for the three months ended October 31, 2016 (2015 - $178,906) and had an accumulated deficit of $19,846,322 as at October 31, 2016 (July 31, 2016 - $19,770,145).

As at October 31, 2016, the Company does not have sufficient working capital to meet its administrative overheads and continue its exploration programs. The Company has relied mainly upon the issuance of share capital and short-term debt to finance its activities. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. In order to finance future activities the Company will be required to issue further share capital through private placements and the exercise of options and warrants or obtain additional short-term debt. There can be no assurance that such financing would be available on a timely basis under terms acceptable to the Company and, therefore, a material uncertainty exists which casts substantial doubt over the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

2. Basis of Preparation

These condensed consolidated interim financial statements were prepared in accordance with International Accounting Standards 34: *Interim Financial Reporting* using historical cost, except for cash flow information and financial instruments measured at fair value, and incorporate the financial statements of the Company and of the entities wholly-controlled by the Company: Bravo Alaska Inc., incorporated in Alaska, USA, and Rio Fortuna Exploration (U.S.), Inc., incorporated in Nevada, USA.

(Expressed in Canadian Dollars, Unaudited)

2. Basis of Preparation, continued

All intercompany transactions and balances have been eliminated upon consolidation. The functional and presentation currency of the Company and its subsidiaries is the Canadian dollar.

These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended July 31, 2016.

These condensed consolidated interim financial statements were approved by the Board of Directors for issue on December 29, 2016.

3. Summary of Significant Accounting Policies

The same accounting policies are used in the preparation of these condensed consolidated interim financial statements as for the most recent audited annual consolidated financial statements and reflect all the adjustments necessary for fair presentation in accordance with International Financial Reporting Standards ("IFRS") of the results for the interim periods presented.

4. Financial Instruments

Marketable securities measured at fair value were categorized as follows:

October 31, 2016			July 31, 2016		
Level 1	**Level 3**	**Total**	**Level 1**	**Level 3**	**Total**
$	**$**	**$**	**$**	**$**	**$**
37,500	10,000	47,500	50,000	10,000	60,000

The carrying values of accounts payable and accrued liabilities and amounts due to related parties approximate their fair values due to the short period to maturity. Reclamation bonds are non-interest-bearing, have no maturity date and their carrying values approximate fair value.

5. Marketable Securities

On July 25, 2011, the Company entered into an agreement and granted Terra Rossa Gold Ltd. ("Terra Rossa") an option to acquire an initial 51% interest in the Signal property (agreement terminated December 3, 2012). Terra Rossa had cumulatively issued 50,000 common shares to the Company.

On September 19, 2012, the Company entered into an agreement and granted Group Ten Metals Inc. (formerly Duncastle Gold Corp.) ("Group Ten") an option to acquire a 100% interest in the Drayton property. Group Ten has cumulatively issued 1,250,000 common shares to the Company.

On July 7, 2014, the Company entered into an agreement and granted SolidusGold Inc. (formerly Mantra Capital Inc.) ("SolidusGold") an option to acquire a 100% interest in the Wind Mountain property (agreement terminated August 4, 2015). SolidusGold had cumulatively issued 675,676 common shares to the Company, all of which were sold during the year ended July 31, 2016.

(Expressed in Canadian Dollars, Unaudited)

5. Marketable Securities, continued

Marketable securities as at October 31, 2016 were as follows:

	Terra Rossa $	Group Ten $	Solidus Gold $	Total $
Balance as at July 31, 2015	10,000	7,500	114,865	132,365
Additions	-	7,500	-	7,500
Impairments	-	-	(50,676)	(50,676)
Proceeds from sale	-	-	(60,811)	(60,811)
Realized gain on sale	-	-	16,892	16,892
Unrealized gain (loss)	-	35,000	(20,270)	14,730
Balance as at July 31, 2016	10,000	50,000	-	60,000
Additions	-	7,500	-	7,500
Unrealized gain (loss)	-	(20,000)	-	(20,000)
Balance as at October 31, 2016	**10,000**	**37,500**	**-**	**47,500**

6. Mineral Properties

Mineral property acquisition costs as at October 31, 2016 were as follows:

	Wind Mountain $	Quito $	Colorback $	Other $	Total $
Balance as at July 31, 2015	-	51,512	-	35,000	86,512
Additions, net of recoveries	59,014	(51,512)	7,959	171,399	186,860
Impairments	(59,014)	-	(7,959)	(178,899)	(245,872)
Balance as at July 31, 2016	-	-	-	27,500	27,500
Additions, net of recoveries	1,960	-	304	(546)	1,718
Impairments	(1,960)	-	(304)	(6,954)	(9,218)
Balance as at October 31, 2016	**-**	**-**	**-**	**20,000**	**20,000**

The Company continues to consider prevalent market conditions and the ability of the Company to raise sufficient financing to be indicators of impairment and, as a result, recorded an impairment provision against certain capitalized costs as above, in accordance with Level 3 of the fair value hierarchy. Other amounts remaining as at October 31, 2016 of $20,000 represent estimated recoverable amounts with respect to Drayton (July 31, 2016 - $27,500).

6. Mineral Properties, continued

(a) Wind Mountain

Pursuant to an option agreement dated February 27, 2006, the Company acquired a 100% interest in certain mineral claims located in northwestern Nevada.

These claims are subject to a 2% net smelter royalty ("NSR") of which the Company may purchase 1% for US$1,000,000 before commencement of commercial production.

On February 15, 2007, the Company signed a lease agreement, as amended, with a private vendor for the lease of an additional ten contiguous mineral claims. Pursuant to this agreement, the Company is required to make advance minimum royalty ("AMR") payments of US$25,000 on February 15 annually (paid in full to date).

These claims are subject to a 3% NSR on all production from the leased claims on the commencement of commercial production, of which 2% may be purchased at the rate of US$1,000,000 per percentage point.

(b) Quito

Pursuant to an option agreement dated May 27, 2011, as amended, the Company has the right to acquire certain unpatented mining claims in Lander County, Nevada.

The Company can earn a 70% interest in the property by incurring expenditures of US$2,500,000 as follows:

- commence an initial drill program on or before December 31, 2018 (completed August 2016);
- incur an aggregate US$750,000 of expenditures on or before December 31, 2018;
- incur an aggregate US$1,500,000 of expenditures on or before December 31, 2019; and
- incur an aggregate US$2,500,000 of expenditures and prepare and deliver a final report to the optionor on or before December 31, 2020.

Within 60 days after the Company completes the earn-in, the optionor will be required to choose from the following:

- establish a joint venture and elect to participate at 30%;
- should more than 2,000,000 ounces of gold have been delineated, establish a joint venture and elect to participate at 51% by paying the Company three times the Company's exploration expenditures ("Back-In Right"). The optionor will finance the Company's 49% portion of mine development costs as a Libor plus 1.5% interest loan to be recovered from 80% of the Company's share of proceeds of production; or
- elect to reduce to a 2% NSR and receive either US$500,000 of the Company's shares or US$500,000 cash at the Company's option.

On June 22, 2016, the Company entered into an earn-in agreement, formalizing an earlier letter of intent, granting Coeur Mining Inc. ("Coeur") the right to acquire the Company's option in the property which can range from 49% to 100% as described above.

6. Mineral Properties, continued

(b) Quito, continued

To earn into the initial option, Coeur's remaining commitments are to:

- Pay US$50,000 on or before June 22, 2017;
- Incur exploration expenditures in accordance with the underlying option agreement;
- Pay an amount as calculated by multiplying 10% by the amount of work payments made by the Company during the prior calendar year on or before February 15 of each year; and
- Assume and maintain the work bond of $73,400 beginning on January 1, 2018.

Prior to the end of the earn-in period, Coeur may elect to purchase the option by paying US$2,000,000, subject to a 2% NSR. Coeur may extend the option purchase period by 90 day increments by paying US$100,000 for each 90 day extension.

If Coeur elects to purchase the option and the underlying owner elects to exercise the Back-In Right, Coeur shall be entitled to the portion of the payment payable upon exercise of the Back-In Right that relates to amounts expended by Coeur during the earn-in period. If Coeur elects not to purchase the option and the underlying owner elects to exercise the Back-In Right, Coeur shall be entitled to the portion of the payment payable upon exercise of the Back-In Right that relates to amounts expended by Coeur during the earn-in period.

(c) Battle Mountain - Granite Mountain

Pursuant to an agreement dated June 28, 2004, the Company leased certain patented fee land in Lander County, Nevada. The Company paid a finder's fee of US $1,500, and granted an NSR of 0.5%, to an independent third party to acquire the option to this property.

Until either the commencement of commercial production or the Company forfeits its interest, the Company is required to make AMR payments, on a monthly basis, that will increase annually by 5%. The annual amount to be paid for the year ended July 31, 2014 was US$15,260 (US$1,226 paid), for the year ended July 31, 2015 was US$16,023 (unpaid), for the year ended July 31, 2016 was US$16,824 (unpaid) and for the year ended July 31, 2017 is US$17,665 (unpaid).

The land is subject to a 2% NSR on the commencement of commercial production, which the Company may reduce to 1% by paying US$1,000,000 prior to the commencement of commercial production.

(d) Battle Mountain - Colorback

Pursuant to a minerals lease agreement dated December 8, 2010, as amended, the Company had the right to lease certain lands and unpatented mining claims located in the Cortez Mining District in Nevada.

On December 15, 2016, the Company gave notice of termination of the underlying option agreement. All outstanding work commitments were waived by the option holder.

6. Mineral Properties, continued

(e) Other

Battle Mountain - Pete Hanson, South Lone Mountain, North Lone Mountain and Gabel Canyon

Pursuant to a finder's agreement dated November 1, 2003, the Company acquired a 100% interest in certain groups of mineral claims located in Eureka and Lander Counties, Nevada, subject to a 1% NSR.

The NSR may be reduced from 1% to 0.5% by paying US$3,000,000 at any time. In addition, any property that is staked or otherwise acquired directly by the Company within the area of interest is subject to a 0.5% NSR.

South Lone Mountain

On October 9, 2014, the Company entered into a lease with option to purchase agreement granting Nevada Zinc the option to acquire a 100% interest in the property.

Remaining minimum lease payments payable by Nevada Zinc are as follows:

- US$25,000 on October 9, 2017;
- US$30,000 on October 9, 2018;
- US$35,000 on October 9, 2019;
- US$40,000 on October 9, 2020;
- US$45,000 on October 9, 2021;
- US$50,000 on October 9, 2022; and
- US$55,000 on October 9, 2023.

In addition, Nevada Zinc is to issue a share bonus payment of 100,000 common shares should a National Instrument 43-101 resource estimate include at least 10% of the reported tonnage attributable to the property.

All lease payments will be applied to the final purchase price of US$329,200, after which AMR payments become due annually equal to the sum of fifty troy ounces of gold multiplied by the average price of troy ounces of gold for the twelve month period preceding the payment due date. Beginning on the fifth and each succeeding anniversary date, Nevada Zinc may satisfy 50% of any payment obligation via the issuance of common shares having a value equal to 50% of the payment due plus an additional 20% of the payment due, valued at weighted average market prices at the respective payment dates.

Upon commencement of commercial production, the Company will receive a 1.5% NSR for base metals and a 3.0% NSR for precious metals. Nevada Zinc will have the option to buy-down these royalties to a 1% NSR for base metals and a 1.5% NSR for precious metals for a cash payment of US$3,000,000.

6. Mineral Properties, continued

(e) Other, continued

Battle Mountain - Pete Hanson, South Lone Mountain, North Lone Mountain and Gabel Canyon, continued

North Lone Mountain

On March 1, 2015, the Company entered into an option agreement, as amended, granting Nevada Zinc the right to acquire a 50% interest in the property. To acquire the interest, Nevada Zinc must incur US$150,000 in exploration expenditures on or before June 17, 2017.

The Company will act as operator during the earn-in period and may charge up to 10% for overhead fees. In the event Nevada Zinc exercises the option, a joint venture will be formed to further explore and develop the property. Should either party be diluted to a 10% working interest, its interest will revert to a 1% NSR for base metals and a 1.5% NSR for precious metals.

Battle Mountain - SF

Pursuant to an agreement dated April 1, 2004, as amended, the Company has the right to earn a 100% interest in certain mineral claims located in Eureka County, Nevada.

To earn its interest, the Company is required to make remaining AMR payments of:

- US$30,000 on or before January 15, 2017;
- US$30,000 on or before June 15, 2017 plus interest of $6,000; and
- US$40,000 on or before January 15, 2018.

The claims are subject to a 1% NSR, which the Company may reduce to 0.5% by paying US$3,000,000 prior to the commencement of commercial production.

Battle Mountain - Mountain Boy (Signal and Temple)

Pursuant to an option agreement dated April 22, 2005, as amended, the Company had the right to earn a 100% undivided interest in a group of claims in Eureka County, Nevada.

The Company received notices of default from the underlying option holders and is now in the process of returning the properties.

Battle Mountain - Shoshone Pediment

The property consists of certain unpatented mining claims in Lander County, Nevada.

Rights to barite at the property were previously sold under a lease with option to purchase agreement whereby the Company will be entitled to receive a royalty of US $1.00 per ton of barite ore mined in excess of 150,000 tons. The Company reserves the rights to explore for, and mine, gold and other metals.

6. Mineral Properties, continued

(e) Other, continued

Highland

Pursuant to an option agreement dated June 12, 2002, as amended, the Company earned a 100% interest in certain mineral claims located in Lander County, Nevada. The Company subsequently staked additional claims, all of which are subject to the same terms and conditions.

The Company is required to make AMR payments of US$50,000 on or before May 13, 2014, and annually thereafter (unpaid).

The claims are subject to a 3% NSR, which the Company may reduce to 2% by paying US$1,000,000 prior to the commencement of commercial production.

The president of the Company holds a right to 20% of all property lease, purchase, advanced royalty or production royalty payments received by the optionors under the terms of the underlying agreement.

Drayton

Pursuant to an option agreement dated August 25, 2002, as amended, the Company earned a 100% interest in certain mineral claims located in the Patricia Mining Division of Ontario.

The claims are subject to a 3% NSR, which the Company may reduce to 2% by paying $1,500,000 and may be reduced further to 1.5% by payment of a further $1,500,000 prior to the commencement of commercial production.

On September 19, 2012, the Company entered into an agreement with Group Ten granting the sole right and option to acquire a 100% interest in the property.

To acquire the interest, Group Ten’s remaining commitments are to issue:

- 250,000 common shares on or before October 1, 2017; and
- 1,000,000 common shares on or before October 1, 2018.

Upon completion of the above, the Company would retain a 1% NSR in the property.

Baxter

Pursuant to an option agreement dated February 24, 2003, as amended, the Company earned a 100% interest in certain mineral claims located in Churchill and Nye Counties, Nevada.

The Company is required to make remaining AMR payments of US$25,000 on or before December 15, 2016 (paid subsequent to period end) and annually thereafter.

6. Mineral Properties, continued

(e) Other, continued

Baxter, continued

The claims are subject to a 3% NSR, which the Company may reduce to 2% by paying US$1,000,000, and further reduce to 1% by paying an additional US$2,000,000, any time prior to commencement of commercial production.

The president of the Company holds a right to 50% of all property leases, purchase, advanced royalty, or production royalty payments under the terms of the option agreement and during the three months ended October 31, 2016, received US$nil (year ended July 31, 2016 - received US$6,250).

On January 30, 2015, the Company entered into an option agreement with Kinross Gold Corporation ("Kinross") granting the sole right and option to acquire an initial 60% interest in the property. To acquire the initial interest, Kinross' remaining commitments are to:

- Pay US$25,000 on or before January 30, 2017 (received subsequent to period end);
- Pay US$25,000 on or before January 30, 2018;
- Pay US$25,000 on or before January 30, 2019;
- Pay US$25,000 on or before January 30, 2020; and
- Incur US$2,000,000 in exploration expenditures on or before January 30, 2020.

Upon exercise of the option to acquire the initial interest, Kinross has the sole right and option to acquire a further 15% interest in the property by incurring an additional US$2,000,000 in exploration expenditures within two years.

Upon Kinross completing its earn-in, the Company may then contribute to expenditures at its percentage of interest or be diluted. Should the Company's working interest reduce below 10%, the Company would convert its working interest to a 1% NSR.

East Manhattan

Pursuant to an option agreement dated October 25, 2007, the Company acquired a 100% interest in certain mineral claims located in Nye County, Nevada.

The optionor retains a 3% NSR, of which 1% can be purchased for US$1,000,000 any time prior to commencement of commercial production.

Millie

Pursuant to an option agreement dated November 30, 2010, as amended, the Company had the right to acquire a 100% interest in certain mining claims near Mill City, Nevada.

The Company received notice of default from the underlying option holder and is now in the process of returning the property.

(Expressed in Canadian Dollars, Unaudited)

6. Mineral Properties, continued

(e) Other, continued

Millie, continued

Pursuant to a lease with option to purchase agreement dated January 5, 2011, as amended, the Company has the right to acquire certain parcels of land near Mill City, Nevada.

The Company is required to make remaining annual lease payments of:

- US$3,000 on or before January 5, 2015 (unpaid);
- US$4,000 on or before January 5, 2016 (unpaid);
- US$5,000 on or before January 5, 2017;
- US$6,000 on or before January 5, 2018;
- US$7,000 on or before January 5, 2019; and
- US$8,000 on or before January 5, 2020 and each year until the option to purchase is exercised.

The Company is entitled to drill for twelve month periods upon payment of a bonus amount of $1,000 prior to commencement of drilling and the lands are subject to a 0.5% NSR payable upon commencement of commercial production.

The Company may purchase the land at a price of US$700 per acre adjusted annually for inflation from January 5, 2016.

(f) Exploration and Evaluation Expenditures

Exploration and evaluation expenditures incurred for the three months ended October 31, 2016 and 2015 were as follows:

	Wind Mountain		Quito		Other		Total	Total
	2016	2015	2016	2015	2016	2015	2016	2015
	$	$	$	$	$	$	$	$
Assays and analysis	-	8	-	-	-	8,137	-	8,145
Equipment, rentals and supplies	-	-	11,156	-	287	272	11,443	272
Geological and geophysics	-	447	41,121	-	-	-	41,121	447
Project supervision	3,749	5,493	6,846	1,954	1,385	4,985	11,980	12,432
Other	1,092	309	16	224	296	299	1,404	832
Recoveries	-	-	(65,076)	(2,395)	(26,901)	(28,879)	(91,977)	(31,274)
	4,841	**6,257**	**(5,937)**	**(217)**	**(24,933)**	**(15,186)**	**(26,029)**	**(9,146)**
General exploration							12,602	12,244
							(13,427)	**3,098**

7. Reclamation Bonds

The Company has posted reclamation bonds against any potential land restoration costs that may be incurred in the future on certain properties. The monies are held in trust and may be released after required reclamation is satisfactorily completed. As at October 31, 2016, amounts on deposit were $232,508 (US $173,371) (July 31, 2016 - $226,353 (US $173,371)).

8. Related Party Transactions

Except as disclosed elsewhere in these condensed consolidated interim financial statements, the Company entered into the following related party transactions:

(a) Fees were charged by a private company controlled by a director and officer of the Company as follows:

- $15,000 (2015 - $nil) for office space and administration services;
- $1,398 (2015 - $nil) for consulting services;
- $8,500 (2015 - $nil) for professional services;
- $2,430 (2015 - $nil) for investor relations services; and
- $463 (2015 - $nil) for mark-up on out of pocket expenses.

Accounts payable as at October 31, 2016 were $27,018 (July 31, 2016 - $19,957).

(b) Amounts payable, relating to consulting services charged by a director and officer of the Company, as at October 31, 2016 were $140,995 (July 31, 2016 - $140,995).

(c) Fees relating to consulting services of $3,000 (2015 - $3,000) were charged by an officer of the Company. Amounts payable as at October 31, 2016 were $11,750 (July 31, 2016 - $11,750).

(d) Fees relating to management, geological, and mining consulting services of US$18,750 (2015 - US$18,750) were charged by a director and officer of the Company. Amounts payable as at October 31, 2016, including outstanding expense claims, were $192,389 (US$143,456) (July 31, 2016 - $174,500 (US$133,655)).

These transactions were in the normal course of operations and were measured at the fair value of the services rendered. Amounts due to related parties are unsecured, non-interest-bearing and have no formal terms of repayment.

The key management personnel of the Company are the directors and officers of the Company.

An executive officer is entitled to termination benefits in the event of a change of control equal to one hundred percent of the compensation that would have been paid during the unexpired term of their agreement. The remaining balance payable under the agreement termination clause as at October 31, 2016 was US$262,500.

(Expressed in Canadian Dollars, Unaudited)

8. Related Party Transactions, continued

The Company has no long-term employee or post-employment benefits. Compensation awarded to key management, including amounts noted in (c) and (d) above, was as follows:

		2016		2015
Short-term benefits	$	27,585	$	27,677
Total	$	27,585	$	27,677

9. Share Capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

(b) Equity Issuances

Three months ended October 31, 2015

On September 11, 2015, the Company closed the first tranche of a non-brokered private placement and issued 4,524,998 units at a price of $0.03 per unit for gross proceeds of $135,750. On October 27, 2015, the Company closed the final tranche of this private placement and issued 2,250,000 units at a price of $0.03 per unit for gross proceeds of $67,500.

Each unit consisted of one common share and one share purchase warrant, with each warrant exercisable to purchase one common share for a period of five years at an exercise price of $0.05 per share.

(c) Stock Options

Stock options outstanding and exercisable as at October 31, 2016 were as follows:

Exercise Price	Expiry Date	Balance July 31, 2016	Balance October 31, 2016
$0.08	January 4, 2017	10,000	10,000
$1.00	June 6, 2017	97,500	97,500
$0.08	June 6, 2017	56,000	56,000
$0.08	August 29, 2019	505,500	505,500
$0.175	April 22, 2021	1,840,000	1,840,000
		2,509,000	**2,509,000**
Weighted average exercise price		$0.19	$0.19
Weighted average remaining contractual life (years)		4.14	3.89

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(d) Share Purchase Warrants

Share purchase warrants outstanding as at October 31, 2016 were as follows:

Exercise Price	Expiry Date	Balance July 31, 2016	Expired	Exercised	Balance October 31, 2016
$0.50	October 11, 2016	486,913	486,913	-	-
$0.05	September 11, 2020	4,524,998	-	-	4,524,998
$0.05	October 27, 2020	2,250,000	-	-	2,250,000
$0.10	March 31, 2021	7,334,380	-	300,000	7,034,380
$0.10	March 31, 2021	32,000	-	10,000	22,000
$0.10	April 15, 2021	3,665,620	-	-	3,665,620
		18,293,911	**486,913**	**310,000**	**17,496,998**
Weighted average exercise price		$0.09	$0.50	$0.10	$0.08
Weighted average remaining contractual life (years)		4.37			4.23

10. Segmented Information

The Company conducts its business as a single operating segment, being the acquisition and exploration of mineral properties. The Company's non-current assets were distributed by geographic location as follows:

	October 31, 2016		July 31, 2016	
	$	%	$	%
Canada	20,000	8%	27,500	11%
USA	232,508	92%	226,353	89%
	252,508	**100%**	**253,853**	**100%**

11. Supplemental Cash Flow Information

		2016		2015
Cash Items				
Income tax paid	$	-	$	-
Interest received	$	-	$	-
Interest paid	$	-	$	15,000
Non-Cash Items				
Investing Activities				
Fair value of common shares received	$	7,500	$	113,595

12. Events after the Reporting Period

Other than the transactions disclosed elsewhere in these condensed consolidated interim financial statements, the following events occurred subsequent to October 31, 2016:

- During November and December 2016, a total of 207,490 share purchase warrants with an exercise price of $0.10 per share were exercised for gross proceeds of $20,749.

- On December 12, 2016, the Company announced a non-brokered private placement to issue up to 5,000,000 units at a price of $0.20 per unit for gross proceeds of $1,000,000. Each unit will consist of one common share and one share purchase warrant, with each warrant exercisable to purchase one common share for a period of three years at an exercise price of $0.30 per share.

  The Company will make provision for an over-allotment option to allow a purchase of up to 10% additional units beyond the number of units in the offering.