AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Three and Nine Months Ended September 30, 2015

(*Expressed in Canadian Dollars)*

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING AND NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Aurania Resources Ltd. (the "Company") for the nine months ended September 30, 2015 are the responsibility of the Company's Management and have been prepared by Management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed consolidated interim financial statements in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board for condensed consolidated interim financial statements.

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professionals Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

AURANIA RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)
(*Expressed in Canadian Dollars*)

AS AT	September 30, 2015	December 31, 2014
	$	$
ASSETS		
Current assets		
Cash	**17,876**	211,340
Prepaid expenses and receivables	**13,646**	2,857
Total assets	**31,522**	214,197
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade and other payables (note 9)	**66,919**	34,367
Promissory note (note 6)	**112,500**	-
Total liabilities	**179,419**	34,367
SHAREHOLDERS' (DEFICIENCY) EQUITY		
Share capital (note 7)	**229**	229
Share premium	**5,485,705**	5,485,705
Warrants (note 8)	**-**	73,500
Contributed surplus (note 8)	**586,017**	570,952
Deficit	**(6,219,848)**	(5,950,556)
Total shareholders' (deficiency) equity	**(147,897)**	179,830
Total liabilities and shareholders' (deficiency) equity	**31,522**	214,197

Nature of operations and business continuance (note 1)
Commitments and contingencies (note 11)

APPROVED BY THE BOARD:

Signed, "Marvin K. Kaiser", Director

Signed, "Keith M. Barron", Director

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

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' (DEFICIENCY) EQUITY (Unaudited)

(*Expressed in Canadian Dollars)*

	ISSUED CAPITAL		RESERVES				
	Common Shares #	Share Capital $	Share Premium $	Warrants $	Contributed Surplus $	Accumulated Deficit $	Total Shareholders' (Deficiency) Equity $
Balance - December 31, 2013	**22,759,735**	**229**	**5,485,705**	**73,500**	**432,127**	**(5,327,921)**	**663,640**
Stock-based compensation (note 8)	-	-	-	-	116,430	-	116,430
Net (loss) for the period	-	-	-	-	-	(531,202)	(531,202)
Balance – September 30, 2014	**22,759,735**	**229**	**5,485,705**	**73,500**	**548,557**	**(5,859,123)**	**248,868**
Stock-based compensation	-	-	-	-	22,395	-	22,395
Net (loss) for the period	-	-	-	-	-	(91,433)	(91,433)
Balance - December 31, 2014	**22,759,735**	**229**	**5,485,705**	**73,500**	**570,952**	**(5,950,556)**	**179,830**
Stock-based compensation (note 8)	-	-	-	-	24,038	-	24,038
Expiry of broker warrants and options (note 8)	-	-	-	(73,500)	(8,973)	82,473	-
Net (loss) for the period	-	-	-	-	-	(351,765)	(351,765)
Balance – September 30, 2015	**22,759,735**	**229**	**5,485,705**	**-**	**586,017**	**(6,219,848)**	**(147,897)**

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

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)

(*Expressed in Canadian Dollars)*

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	**2015**	2014
	$	$	**$**	$
Expenses:				
Bank charges and interest	**441**	783	**1,725**	1,737
Exploration expenditures (note 4)	**16,333**	36,483	**47,030**	109,585
Insurance	**1,634**	2,377	**5,485**	8,470
Investor relations and travel (note 9)	**18,467**	8,777	**33,585**	34,035
Office and general (note 9)	**27,608**	34,244	**104,586**	106,678
Management and directors fees (note 9)	**31,950**	31,950	**95,850**	95,850
Professional and administrative fees (note 9)	**10,544**	14,954	**17,617**	30,761
Regulatory and transfer agent fees	**8,094**	8,814	**23,429**	30,679
Stock-based compensation (note 8)	**-**	23,024	**24,038**	116,430
Total expenses	**115,071**	161,406	**353,345**	534,225
Other (income) expenses:				
Interest income	**-**	(468)	**(106)**	(2,164)
(Gain) loss on foreign exchange	**(1,118)**	2,572	**(1,474)**	(859)
Net loss and comprehensive loss for the period	**113,953**	163,510	**351,765**	531,202
Basic and diluted loss per share	**$0.005**	$0.007	**$0.015**	$0.023
Weighted average common shares outstanding – basic and diluted	**22,759,735**	22,759,735	**22,759,735**	22,759,735

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

AURANIA RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

Expressed in Canadian dollars

	Nine months ended September 30,	
	2015	2014
	$	$
Cash flows from the following activities:		
Operating		
Net (loss) for the period	**(351,765)**	(531,202)
Non-cash items:		
Stock-based compensation	**24,038**	116,430
Net change in non-cash working capital (note 5)	**21,653**	(186,524)
Net cash used in operating activities	**(305,964)**	(601,296)
Financing		
Promissory notes (note 6)	**112,500**	-
Net cash provided by financing activities	**112,500**	-
(Decrease) in cash	**(193,464)**	(601,296)
Cash – beginning of period	**211,340**	892,486
Cash – end of period	**17,876**	291,190

Supplemental cash flow information (note 5)

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

1. NATURE OF OPERATIONS AND BUSINESS CONTINUANCE

Aurania Resources Ltd. (the "Company") was incorporated under *the Companies Act 1981, Bermuda,* on June 26, 2007 under the name "Urania Ltd." Aurania is an exploration company engaged in the search for mineral resources which could be economically and legally extracted or produced.

Through its 100% wholly-owned subsidiary AuroVallis Sàrl ("AVS"), the Company is engaged in the exploration and development of certain exploration property interests in Switzerland (the "Properties"), more particularly described in note 4. The Company is exploring the Properties under government-granted permits and has not yet determined whether these Properties contain resources that may be economically recoverable.

Although the Company has taken steps to verify title to the Properties on which it is conducting exploration, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance of regulatory requirements.

As at September 30, 2015, the Company had cash of $17,876 (December 31, 2014 - $211,340) and current trade payables of $66,919 (December 31, 2014 - $34,367). Further, the Company had an accumulated deficit of $6,302,321 (December 31, 2014 - $5,950,556) and working capital deficiency of $147,897 (December 31, 2014 – surplus of $179,830).

During the nine months ended September 30, 2015, the Company received $112,500 as a short-term loan. See also note 6, *Promissory Note* and note 12 – *Subsequent Event*.

The Company's ability to continue operations and fund its future exploration property expenditures is highly dependent on Management's ability to secure additional financing. Management acknowledges that while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These interim financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material. As a result of the financial matters discussed in the preceding paragraphs, there is a material uncertainty that results in significant doubt regarding the ultimate applicability of the Company's going concern assumption.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34 - *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the IAS Board.

The accounting policies applied in these condensed consolidated interim financial statements are based on IFRS policies issued and outstanding as of the date the Board of Directors approved the statements (November 27, 2015). The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as those applied in note 2 of the Company's most recent annual consolidated financial statements for the year ended December 31, 2014 and have been consistently applied throughout all periods presented, as if these policies had always been in effect. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2015 could result in the restatement of these condensed consolidated interim financial statements.

(b) Basis of presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis using the accrual basis of accounting except for cash flow information. All amounts have been expressed in Canadian dollars, the functional currency, unless otherwise stated. The abbreviation CHF represents Swiss francs.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(c) Basis of consolidation

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary AVS, incorporated under the laws of Switzerland. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

(d) Significant accounting judgments and estimates

The application of the Company's accounting policies in compliance with IFRS requires the Company's Management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. 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 in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

i). the inputs used in accounting for valuation of warrants and options which are included in the condensed consolidated interim statement of financial position;

ii). the inputs used in accounting for stock-based compensation expense in the condensed consolidated interim statement of loss;

iii). the nil provision for decommissioning and restoration obligations which are included in the condensed consolidated interim statement of financial position;

iv). the existence and estimated amount of contingencies (note 11).

(e) Changes in Accounting Policies

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2015. These changes were made in accordance with the applicable transitional provisions. The nature and effect of the changes are explained below.

IFRS 8 - Operating Segments ("IFRS 8") was amended to require an entity to disclose the judgments made by management in aggregating segments. IFRS 8 was also amended to clarify that an entity needs to present a reconciliation between the total reporting segment's assets to the entities' total assets if this information is usually provided to the chief operating decision maker.

The Company conducted a review of the amendment to this standard and determined that it did not result in any material change to the consolidated financial statements.

IFRS 13 – Fair Value Measurement ("IFRS 13") was amended to clarify that the exception which allows fair value measurements of a group of financial assets and liabilities on a net basis applies to all contracts within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or liabilities as defined in IAS 32.

The Company conducted a review of the amendment to this standard and determined that it did not result in any material change to the consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

IAS 24 – Related Party Disclosures (“IAS 24”) was amended to clarify that an entity providing key management services to the reporting entity or the parent of the reporting entity is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity.

The Company conducted a review of the amendment to this standard and determined that it did not result in any material change to the consolidated financial statements.

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2016, with early adoption permitted, and have not been applied in preparing these unaudited condensed consolidated interim financial statements. Management has not yet considered the potential impact of their adoption and does not plan to adopt these standards early.

IFRS 9 - Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 10 - Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

IAS 1 - **Presentation of Financial Statements (“IAS 1”)** was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Company considers the capital that it manages to include share capital, share premium, warrants, contributed surplus and deficit, which at September 30, 2015 was a deficiency of $147,897 (December 31, 2014 - surplus of $179,830). The Company manages its capital structure and makes adjustments to it, based on the funds needed in order to support the acquisition, exploration and development of mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the nine months ended September 30, 2015.

The Company’s continued existence is dependent upon the ability to obtain the necessary financing to complete exploration and development, obtain necessary government approvals and attain profitable production. Management continues to evaluate and assess new project opportunities consistent with its growth strategy.

During the nine months ended September 30, 2015, a director and principal shareholder of the Company advanced $112,500 (2014 - $nil) to the Company, in the form of an unsecured, non-interest bearing

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

***Financial risk management,* Continued**

promissory note. At September 30, 2015, the Company does not have sufficient funds to continue operating in the normal course and continues to rely on short term loans to meet its ongoing financial commitments. See also notes 6 and 12.

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk). Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures during the reporting period.

(a) Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company has no significant concentration of credit risk arising from its operations. Cash is held at select Canadian and Swiss financial institutions, from which management believes the risk of loss to be remote.

The Company does not have any material risk exposure to any single debtor or group of debtors.

(b) Liquidity risk

Liquidity risk arises through an excess of financial obligations over financial assets at any point in time. The Company's approach to managing liquidity risk is to maintain sufficient readily available cash to continue operations and meet its financial obligations as they become due. As the Company has no producing assets, continued operations are dependent upon its ability to raise adequate financing in the market, through debt or by the disposition of assets.

As at September 30, 2015, the Company had $17,876 in cash to settle $66,919 of trade and other payables and a promissory note debt of $112,500 (December 31, 2014 - $211,340 in cash to settle $34,367 of trade payables. Working capital will continue to fluctuate until the Company has achieved profitable levels of operations and profitability will not occur within the next twelve months; therefore Management will need to raise additional funds to finance corporate and exploration expenditures.
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(c) Market risk

Market risk is the risk related to changes in the market prices, such as fluctuations in foreign exchange rates and interest rates that will affect the Company's net earnings or the value of its financial instruments.

(i) Interest rate risk

Cash balances are deposited in highly-accessible and low-interest bank accounts that are used for short-term working capital requirements. The Company regularly monitors compliance to its cash management policy.

(ii) Foreign currency risk

Certain of the Company's expenses are incurred in Swiss francs ("CHF") and are therefore subject to gains or losses due to fluctuations in this currency. Management believes that the foreign exchange risk derived from currency conversions is best served by not hedging its foreign exchange risk. At September 30, 2015 and December 31, 2014, the Company's exposure to foreign currency risk with respect to amounts denominated in CHF, was substantially as follows:

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

***Market risk,* Continued**

In Canadian $ equivalents	**September 30, 2015**	December 31, 2014
Cash	**$7,038**	$9,683
Trade and other payables	**(1,544)**	(5,254)
Net exposure	**$5,494**	$4,429

(d) Commodity price risk

Commodity price risk is defined as the potential adverse future impact on earnings and economic value due to commodity price movements and volatility. The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of gold, uranium, and other metal commodities.

Commodity prices have fluctuated significantly in recent years. There is no assurance that these metals will be produced in the future or that a profitable market will exist for them. As of September 30, 2015 and December 31, 2014 the Company was not a metals commodity producer.

(e) Sensitivity analysis

As of September 30, 2015 and December 31, 2014, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to their short-term nature.

Based on Management's knowledge and experience of the financial markets, the Company believes that a 10% strengthening of the Canadian dollar against the Swiss franc ("CHF") would have decreased the net asset position of the Company as at September 30, 2015 by $550 (December 31, 2014 - $443). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

4. EXPLORATION EXPENDITURES

The Company, through its wholly-owned subsidiary AVS, holds a 100% interest in three exploration permits in Switzerland in the Canton of Valais (the "Canton") subject to a 3% gross value royalty payable to the Canton and a 0.75% gross value royalty payable to the surface rights holders, described as follows:

a) ***Mont Chemin Project (gold-silver)***
On July 11, 2008, the Company was granted a five-year exploration permit known as the "Perimetre de Tête-des Éconduits – Mont Chemin *Permis de fouille"* by a government department of the Canton.

b) ***Siviez Project (uranium-copper-gold-silver)***
On June 24, 2009, the Company was granted a five-year exploration permit known as the "Siviez-Plan du Fou – Col. des Mines *Permis de fouille"* by a government department of the Canton.

c) ***Marécottes Project (uranium)***
On July 11, 2008 the Company was granted a five-year exploration permit known as the "Perimetre de la Creusaz (Marécottes) Balaye (Finhaut) *Permis de fouille"* by a government department of the Canton.

Permit Status

The Canton Authority has recently agreed to issue new five-year permits for these projects. In order to maintain their validity until maturity, the Company must satisfy certain financial and technical requirements throughout their duration. Generally, the new proposed conditions have been reduced compared those contained in the original permits, however, Management is currently preparing a counter proposal of the terms of the new permits. Whilst the negotiations of the permit terms are pending, the permits are 'frozen' in order to maintain the validity of the permits and the priority of the Company to the rights and entitlements contained therein.

(Expressed in Canadian Dollars)

4. EXPLORATION EXPENDITURES, Continued

The following table summarizes the cumulative exploration expenditures related to the Properties from inception:

	Cumulative Balance, December 31, 2013 $	Additions Expensed $	Cumulative Balance December 31, 2014 $	Additions Expensed $	Cumulative Balance September 30, 2015 $
Siviez					
Geology field studies	**720,069**	28,858	**748,927**	3,660	**752,587**
Geophysics	**122,937**	-	**122,937**	-	**122,937**
Property maintenance	**18,873**	12,575	**31,448**	8,080	**39,528**
Technical studies	**25,428**	-	**25,428**	-	**25,428**
Drill program	**189,186**	(12,652)	**176,534**	-	**176,534**
Environment study	**38,784**	-	**38,784**	-	**38,784**
	1,115,277	28,781	**1,144,058**	11,740	**1,155,798**
Marécottes					
Geology field studies	**475,617**	4,429	**480,046**	2,953	**482,999**
Geophysics	**67,900**	-	**67,900**	-	**67,900**
Property maintenance	**14,567**	1,577	**16,144**	1,039	**17,183**
Technical studies	**24,807**	-	**24,807**	-	**24,807**
	582,891	6,006	**588,897**	3,992	**592,889**
Mont Chemin					
Geology field studies	**359,380**	49,123	**407,503**	35,212	**442,715**
Geophysics	**89,738**	-	**89,738**	-	**89,738**
Drill program	**418,705**	(21,305)	**397,400**	-	**397,400**
Property, permit maintenance	**20,033**	12,809	**32,842**	(3,914)	**28,928**
Technical studies	**43,573**	-	**43,573**	-	**43,573**
	930,429	40,627	**971,056**	31,298	**1,002,354**
	2,628,597	75,414	**2,704,011**	47,030	**2,751,041**

5. SUPPLEMENTAL CASH FLOW INFORMATION

For the nine months ended September 30,	**2015** **$**	2014 $
Net changes in non-cash working capital:		
Prepaid expenses and receivables	**(10,789)**	(23,066)
Trade and other payables	**32,552**	(163,458)
	21,763	(186,524)
Interest paid	**-**	-
Corporate taxes paid	**-**	-

6. PROMISSORY NOTE

During the nine months ended September 30, 2015, the Company received a total of $112,500 (2014 - $nil) from a company that is a significant Aurania shareholder and is controlled by the Chairman and President, (the "Lender"). These advances are evidenced by an unsecured, non-interest bearing promissory note, and are repayable within 30 days of a written notice of demand by the Lender.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL

a) Authorized share capital at September 30, 2015 and December 31, 2014 is 1,000,000,000 common shares with a par value of $0.00001 per share. All shares issued are fully paid.

b) Issued and outstanding common shares at September 30, 2015 and December 31, 2014 - 22,759,735.

In accordance with National Policy 46-201 and the TSXV regulations, a total of 13,427,873 common shares, owned or controlled by the Company's principals, were deposited into escrow, to be automatically time-released over the 36 month period following April 17, 2013 (date of listing). To September 30, 2015 a total of 9,397,465 (December 31, 2014 - 7,742,779) escrowed shares have been released and therefore 4,030,408 (December 31, 2014 - 6,335,094) escrowed shares are still held for release.

Further, applicable Exchange seed share restrictions were imposed in connection with the Company's 2013 IPO and a total of 660,000 seed shares were also subject to hold periods for resale. 10,000 of these seed shares were released by August 11, 2013. The balance of 650,000 seed shares have also been automatically time-released over the 36 month period following the date of listing. To September 30, 2015 a total of 454,901 (December 31, 2014 – 357,498) escrowed seed shares have been released and therefore 195,099 (March 31, 2015 – 292,502) escrowed seed shares are still held for release.

8. STOCK-BASED COMPENSATION

The Company maintains a stock option plan (the "Plan") for the benefit of directors, officers, employees and consultants. The maximum number of common shares reserved for issuance with respect to the Plan cannot exceed 10% of the issued and outstanding common shares of the Company at the date of grant. Stock options generally vest 1/3 annually.

(i) During the nine months ended September 30, 2015 and 2014, there were no new issuances of stock options under the Plan.

(ii) On May 13, 2015, 30,000 stock options were terminated.

(iii) On April 11, 2015, 350,000 broker warrants expired, unexercised.

(iv) The following summarizes the stock options/broker warrant activity during the nine months ended September 30, 2015 and year ended December 31, 2014:

	Number of Options/Broker Warrants	Weighted Average Exercise Price	Estimated Fair Value at Grant/Issue Date
Balance - December 31, 2013 and 2014	2,210,000	**$0.40**	$620,489
Expired or terminated	(380,000)	**$0.40**	$(82,473)
Balance - September 30, 2015	**1,830,000**	**$0.40**	**$538,016**

(v) The following summarizes the stock options/broker warrants outstanding at September 30, 2015:

Issued Number of Options and Broker Warrants	Exercisable Number of Options and Broker Warrants	Exercise Price	Expiry Date	Estimated Fair Value at Grant/Issue Date
80,000	80,000	$0.40	July 13, 2016	$16,832
1,750,000	1,750,000	$0.40	April 11, 2018	$521,184
1,830,000	**1,830,000**			**$538,016**

8. STOCK-BASED COMPENSATION, Continued

The weighted average contractual life remaining for stock options as at September 30, 2015 is 2.45 (December 31, 2014 – 3.3) years. The above stock options and broker warrants were not included in the computation of diluted net loss per share for the periods presented as they are anti-dilutive.

9. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties:

a) During the nine months ended September 30, 2015:

(i) a total $45,000 (2014 - $45,000), plus applicable taxes was charged to the Company by the CFO on account of management consulting fees. Included in trade and other payables at September 30, 2015 is $14,544 (2014 - $5,650) owed to the CFO. This amount is unsecured, non-interest bearing and due on demand.

(ii) a total of $45,000 (2014 - $45,000) was recorded for directors' fees. Included in trade and other payables at September 30, 2015 is $14,475 (2014 - $3,750). This amount is unsecured, non-interest bearing and due on demand.

(iii) the Company incurred $142,200 (2014 – 135,000) of service costs that were payable to Geosource Exploration Ltd. ("Geosource"), a company controlled by the Chairman and President. These costs were approved by the Board of Directors under an agreement in effect since January 1, 2013 (note 11). These costs were allocated in the interim financial statements as follows: $101,200 to office and general ($79,200 rent), $32,000 to investor relations and $9,000 to administration fees. Included in trade and other payables at September 30, 2015 is $15,800 (2014 - $nil) owed to Geosource.

(iv) a company controlled by the Chairman and President provided $112,500 (2014 - $nil) of short term advances to the Company in the form of promissory notes (notes 6 and 12).

b) During the three months ended September 30, 2015:

(i) a total $15,000 (2014 - $15,000), plus applicable taxes was charged to the Company by the CFO on account of management consulting fees.

(ii) a total of $15,000 (2014 - $15,000) was recorded for directors' fees.

(iii) the Company incurred $47,400 (2014 - $45,000) of service costs that were payable to Geosource. These costs were allocated in the interim financial statements as follows: $26,400 office and general expense (rent), $15,000 to investor relations and $6,000 to administration fees.

(iv) a company controlled by the Chairman and President provided $85,800 (2014 - $nil) of short term advances to the Company in the form of promissory notes (notes 6 and 12).

c) Key Management Compensation

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and nonexecutive) of the Company.

(Expressed in Canadian Dollars)

c) Key Management Compensation, Continued

The remuneration of key management and directors of the Company (net of applicable taxes) was as follows:

For the nine months ended September 30,	2015	2014
Management fees (note 9(a)(i))	**$45,000**	$45,000
Directors' fees (note 9(a)(ii))	**45,000**	45,000
Stock-based compensation value	**19,230**	113,042
	$109,230	$203,042

For the nine months ended September 30, 2015, a total of $19,230 (2014 - $113,042) was the amortized expense attributed to the value of (key personnel) options vested during the reporting period.

10. SEGMENTED INFORMATION

At September 30, 2015, the Company's operations comprised a single reporting operating segment engaged in mineral exploration in Switzerland. Cash of $10,838 (December 31, 2014 - $201,657) is held in Canadian chartered banks, with the balance of $7,038 (December 31, 2014 - $9,683) being held in Swiss chartered banks.

11. COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

The Company's exploration activities are subject to various federal, cantonal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations.

One of the key requirements of the original five-year exploration permits for the Company's Swiss projects, included the establishment of a bank guarantee of CHF 500,000 (Cdn$661,000) for environment remediation. This requirement, together with other financial and technical conditions, to maintain the validity of new five-year permits, is currently being renegotiated with the Canton authority. *See note 4 - Exploration Expenditures.* Accordingly, the bank guarantee has been withdrawn by the Company however in the interim, the Company has lodged a CHF 2,400 deposit with the Forestry Authority for any potential reforestation costs and is unaware of any other known environmentally assessed costs.

Service Costs and Consulting Agreements

Effective January 1, 2013, the Company entered into a service costs agreement with Geosource, a company of which Dr. Keith Barron is principal shareholder, at a monthly cost of $15,800. This agreement may be terminated by the Company with 90 days' written notice of the Company's intention to terminate the agreement.

Since January 1, 2013, the CFO and Project Manager of the Company have been providing services pursuant to annual, renewable consulting agreements. Accordingly, the CFO is remunerated at the rate of $60,000 per annum (plus applicable taxes) and the Project Manager is contracted on an 'as needed' basis and compensated at a rate of CHF 545 (Cdn$750) per diem. Early termination of the contracts requires 90 days' written notice by the party terminating the agreement therein.

12. SUBSEQUENT EVENT

Subsequent to September 30, 2015 the Company has received further short term loans totaling $9,600 from the Lender. These loans are unsecured, non-interest bearing and due on demand with 30 days' notice from the Lender. See also note 6 – *Promissory Note*.