AURANIA

AURANIA RESOURCES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

Years Ended December 31, 2016 and 2015

(*Expressed in Canadian Dollars)*

INDEX PAGE

UHY McGovern Hurley LLP
Chartered Professional Accountants

251 Consumers Road, Suite 800
Toronto, Ontario
M2J 4R3
Canada

Tel 416-496-1234
Fax 416-496-0125
Email info@uhymh.com
Web www.uhymh.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Aurania Resources Ltd.

We have audited the accompanying consolidated financial statements of Aurania Resources Ltd. and its subsidiary, which comprise the consolidated statements of financial position as at December 31, 2016 and 2015, and the consolidated statements of changes in shareholders' (deficiency) equity, consolidated statements of loss and comprehensive loss and consolidated statements of cash flows for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Aurania Resources Ltd. and its subsidiary as at December 31, 2016 and 2015, and their financial performance and 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 consolidated financial statements which indicates that Aurania Resources Ltd. had a working capital deficiency as at December 31, 2016 and continuing losses for the year ended December 31, 2016. These conditions along with other matters set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the ability of Aurania Resources Ltd. to continue as a going concern.

UHY McGOVERN HURLEY LLP

UHY McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

TORONTO, Canada
April 13, 2017

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

As at December 31,	2016	2015
	$	$
ASSETS		
Current assets		
Cash	3,942	7,753
Prepaid expenses and receivables	2,512	2,070
Total assets	6,454	9,823
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Trade and other payables (note 10)	260,611	88,004
Promissory note (note 6)	380,740	162,100
Total liabilities	641,351	250,104
SHAREHOLDERS' DEFICIENCY		
Share capital (note 7)	229	229
Share premium	5,485,705	5,485,705
Contributed surplus	692,868	586,017
Deficit	(6,813,699)	(6,312,232)
Total shareholders' deficiency	(634,897)	(240,281)
Total liabilities and shareholders' deficiency	6,454	9,823

Nature of operations and business continuance (note 1)

Commitments and contingencies (note 12)

Subsequent events (note 13)

APPROVED BY THE BOARD:

Signed, "Marvin K. Kaiser", Director

Signed, "Keith M. Barron", Director

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

AURANIA RESOURCES LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' (DEFICIENCY) EQUITY

(*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, 2014	**22,759,735**	**229**	**5,485,705**	**73,500**	**570,952**	**(5,950,556)**	**179,830**
Stock-based compensation (note 8(iii))	-	-	-	-	24,038	-	**24,038**
Expiry of broker warrants and options (note 8(v))	-	-	-	(73,500)	(8,973)	82,473	**-**
Net loss for the year	-	-	-	-	-	(444,149)	**(444,149)**
Balance - December 31, 2015	**22,759,735**	**229**	**5,485,705**	**-**	**586,017**	**(6,312,232)**	**(240,281)**
Stock-based compensation (note 8(i))	-	-	-	-	123,683	-	**123,683**
Expiry of options (note 8(ii))	-	-	-	-	(16,832)	16,832	**-**
Net loss for the year	-	-	-	-	-	(518,299)	**(518,299)**
Balance - December 31, 2016	**22,759,735**	**229**	**5,485,705**	**-**	**692,868**	**(6,813,699)**	**(634,897)**

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

AURANIA RESOURCES LTD.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(*Expressed in Canadian Dollars*)

For the years ended December 31,	2016	2015
	$	$
Expenses		
Bank charges and interest	1,621	2,024
Exploration expenditures *(notes 4 and 10)*	76,191	34,312
Insurance	6,480	7,118
Investor relations *(note 10)*	26,644	34,690
Office and general *(note 10)*	72,320	144,278
Management and directors' fees *(note 10)*	128,654	127,800
Professional and administrative fees *(note 10)*	40,343	30,699
Regulatory fees and transfer agent	36,855	39,299
Stock-based compensation (*notes 8 and 10)*	123,683	24,038
Total expenses	512,791	444,258
Other expenses/income:		
Interest (income)	-	(119)
Loss on foreign exchange	5,508	10
Loss and comprehensive loss for the year	518,299	444,149
Basic and diluted loss per share	$0.02	$0.02
Weighted average common shares outstanding - Basic and diluted	22,759,735	22,759,735

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

AURANIA RESOURCES LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian dollars)

For the years ended December 31,	**2016**	2015
	$	$
Cash flows from the following activities:		
Operating		
Net (loss) for the year	**(518,299)**	(444,149)
Non-cash items:		
Stock-based compensation	**123,683**	24,038
Net change in non-cash working capital (note 5)	**172,165**	54,424
Net cash used in operating activities	**(222,451)**	(365,687)
Financing		
Promissory note (note 6)	**218,640**	162,100
Net cash provided by financing activities	**218,640**	162,100
(Decrease) in cash	**(3,811)**	(203,587)
Cash – beginning of year	**7,753**	211,340
Cash – end of year	**3,942**	7,753

Supplemental cash flow information (note 5)

The accompanying notes are an integral part of these consolidated 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.". On December 22, 2010, the Company changed its name to "Urania Resources Ltd." and on March 21, 2012, the Company further changed its name to Aurania Resources Ltd. On February 18, 2011, the Company was extra-provincially registered in the Province of Ontario. The registered head office of the Company is located at 31 Victoria Street, Hamilton, HM10, Bermuda.

These consolidated financial statements for the years ended December 31, 2016 and 2015 were approved and authorized for issue by the Board of Directors on April 13, 2017.

Aurania Resources Ltd. is a junior exploration mining company engaged in the identification, evaluation, acquisition and exploration of mineral property interests, with a focus on precious metals.

Historically, through its 100% wholly-owned subsidiary AuroVallis Sàrl ("AVS"), the Company has been exploring certain exploration property interests in Switzerland, more particularly described in *note 4 – Exploration Expenditures*.

Subsequent to December 31, 2016, the Company announced that it has entered into a definitive purchase and sale agreement to acquire Ecuasolidus S.A. ("ESA"), an Ecuador-based company, owned by the principal shareholder of the Company, in order to acquire all the rights, title and interest in 42 mineral exploration licenses in Ecuador. *See note 13 - Subsequent Events.*

The business of mineral exploration involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's continuing existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title to and beneficial interest in exploration property interests and the ability to obtain the necessary financing to complete exploration. 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. *See note 4* regarding the current status of the Company's permits and licenses.

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 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 following paragraph, there is a material uncertainty that results in significant doubt regarding the ultimate applicability of the Company's going concern assumption.

As at December 31, 2016, the Company had cash of $3,942 (December 31, 2015 - $7,753), current trade and other payables of $260,611 (December 31, 2015 - $88,004) and a promissory note of $380,740 (2015 - $162,100). During the year ended December 31, 2016, the Company received $218,640 (2015 - $162,100) as a short-term loan. *See note 6, Promissory Note and note 13*, *Subsequent Events*. Further, the Company had an accumulated deficit of $6,813,699 (December 31, 2015 - $6,312,232) and working capital deficiency of $634,897 (December 31, 2015 – $240,281).

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and its interpretations.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(b) Basis of presentation

These consolidated 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 and CHF represents Swiss francs.

(c) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiary AuroVallis Sàrl (“AVS”), incorporated under the laws of Switzerland. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

(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:

Estimation of decommissioning and restoration costs and the timing of expenditure

Management is not aware of any material restoration, rehabilitation and environmental provisions as at December 31, 2016 and 2015. Decommissioning, restoration and similar liabilities are estimated based on the Company’s interpretation of current regulatory requirements, constructive obligations and are measured at fair value and these estimates are updated at least annually. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions could affect the fair value estimates.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(d) Significant accounting judgments and estimates, Continued

Income taxes and recoverability of potential deferred tax assets

The Company is subject to income and other taxes in various jurisdictions. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income and other tax liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax filings are subject to audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made. Any estimates for value added and withholding taxes have been included in accounts payable and accrued liabilities.

See note 12 - Commitments and contingencies.

(e) Cash and cash equivalents

Cash and cash equivalents include cash-on-hand and balances with banks and short-term investments with original maturities of three months or less. The Company did not have any cash equivalents as at December 31, 2016 and 2015.

(f) Financial instruments

The Company does not have any derivative financial instruments. All financial instruments are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivables or fair value through profit or loss ("FVTPL").

<u>Financial assets</u>

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through the consolidated statement of loss. At December 31, 2016 and 2015, the Company had no items classified as FVTPL.

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost. The Company's cash and receivables are classified as loans and receivables.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. At December 31, 2016 and 2015, the Company had no financial assets classified as available-for-sale.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

<u>Financial liabilities</u>

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(f) Financial instruments, Continued

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's trade and other payables and promissory note are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held-for-trading unless they are designated as effective hedging instruments. Fair value changes of financial liabilities classified as FVTPL are recognized through the consolidated statement of loss. At December 31, 2016 and 2015, the Company had not classified any financial liabilities as FVTPL.

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs). As at December 31, 2016 and 2015, the Company did not have any financial instruments recorded using the fair value hierarchy.

(g) Exploration and evaluation expenditures

All acquisition and exploration costs are charged to operations in the period incurred until such time as it has been determined that a project is commercially viable and technically feasible, in which case, subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment. If a project is successful, the capitalized amounts related to the project are depleted on a unit-of-production method based on proven and probable reserves. If it is determined that the mineral property has no future economic value, then the related capitalized costs will be expensed.

Costs include the cash consideration and the fair market value of shares issued for the acquisition of properties. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at the time of payment.

(h) Decommissioning, restoration and similar liabilities

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of an exploration property interest. Such costs arising from the decommissioning of a plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the related asset as soon as the obligation to incur such costs arises. The timing of the actual expenditure is dependent on a number of factors such as the life and nature of the asset and the operating license conditions. Discount rates using a pretax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Changes in estimates of decommissioning costs are accounted for as a charge to operations. The periodic unwinding of the discount is recognized in operations as an accretion expense. Management is not aware of any significant decommissioning or restoration obligations at December 31, 2016 and 2015.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(i) Impairment of assets

Financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the assets have been negatively impacted. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced by the amount of the impairment and the loss is recognized in the statement of loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been, had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in the statement of loss.

Non-financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of the fair value less costs to sell and the value in use. If the recoverable amount is less than the carrying amount of the asset, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized in the statement of loss.

(j) Foreign currency translation

The reporting and functional currency of the Company and its subsidiary is the Canadian dollar. Foreign currency transactions are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities are translated using the exchange rate at the statement of financial position date.

(ii) Non-monetary assets and liabilities are translated at historic rates.

(iii) Revenues and expenses are translated at the average rate of exchange at the time of the transaction.

(iv) Exchange gains and losses arising from the translation of monetary items are taken directly to the consolidated statement of loss.

(k) Basic and diluted loss per share

Basic and diluted loss per share is calculated using the weighted average number of common shares outstanding for the period. Diluted loss per share reflects the dilution that would occur if outstanding warrants and options were converted into common shares. In order to determine diluted loss per share, any proceeds from the exercise of dilutive warrants and options would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The Company's diluted loss per share for the periods presented does not include the effect of the options as they are anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

(l) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the equity reserves note.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded vesting basis over the period during which the employee becomes unconditionally entitled to equity instruments, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. For those options that expire after vesting, the recorded value is transferred to deficit.

(m) Income taxes

Income tax for the periods presented 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, in which case it is recognized in equity.

<u>Current tax</u>
This is the expected tax payable on the 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.

<u>Deferred tax</u>
Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 financial position reporting date applicable to the period of expected realization or settlement. Deferred income tax liabilities and assets are not recognized for taxable temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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.

(n) Changes in Accounting Policies

During 2016, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These included IAS 1. These new standards and changes did not have any material impact on the Company's financial statements.

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2017, and have not been applied in preparing these consolidated financial statements. Some are not applicable or do not have a significant impact to the Company and have been excluded. Management has not yet considered the potential impact of their adoption and does not plan to adopt these standards early.

2. SIGNIFICANT ACCOUNTING POLICIES, Continued

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 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

IAS 7 – Statement of Cash Flows ("IAS 7") was amended in January 2016 to clarify that disclosures shall be provided that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are effective for annual periods beginning on or after January 1, 2017.

IFRIC 22 – Foreign Currency Transactions and Advance Consideration ("IFRIC 22") was issued in December 2016 and addresses foreign currency transactions or parts of transactions where there is consideration that is denominated in a foreign currency; a prepaid asset or deferred income liability is recognised in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepaid asset or deferred income liability is non-monetary. The interpretation committee concluded that the date of the transaction, for purposes of determining the exchange rate, is the date of initial recognition of the non-monetary prepaid asset or deferred income liability. IFRIC 22 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Company considers the capital that it manages to include share capital, share premium, contributed surplus and deficit, which at December 31, 2016 was a deficiency of $634,897 (December 31, 2015 - $240,281). 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 years ended December 31, 2016 and 2015.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

The Company is not subject to externally imposed capital requirements by a lending institution or regulatory body, other than those of the TSX Venture Exchange ("TSXV"), which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of six months. As at December 31, 2016, the Company may not be compliant with the policies of the TSXV. The impact of this violation if not known and is ultimately dependent on the discretion of the TSXV.

The Company's continued existence is dependent upon the ability to obtain the necessary financing to complete acquisitions, 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. *See note 13 – Subsequent events*.

During the year ended December 31, 2016, a company that is a significant shareholder and is controlled by the Chairman and President of the Company, advanced $218,640 (2015 - $162,100) to the Company, in the form of an unsecured, non-interest bearing promissory note. At December 31, 2016, 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 note 13 – Subsequent events*).

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 currency, 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 years ended December 31, 2016 and 2015.

(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 December 31, 2016, the Company had $3,942 in cash to settle $260,611 of trade and other payables and a promissory note of $380,740 (December 31, 2015 - $7,753 in cash to settle $88,004 of trade and other payables and a promissory note of $162,100.) 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.

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, Continued

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 United States dollars ("USD") and are therefore subject to gains or losses due to fluctuations in these currencies. Management believes that the foreign exchange risk derived from currency conversions is best served by not hedging its foreign exchange risk. At December 31, 2016 and 2015, the Company's exposure to foreign currency risk with respect to amounts denominated in CHF and USD, was substantially as follows:

	December 31,	
In Canadian $ equivalents	**2016**	2015
Cash	**$ 3,108**	$ 5,868
Trade and other accounts payable	**(40,340)**	(6,288)
Net exposure	**$(37,232)**	$ (420)

(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. At December 31, 2016 and 2015, the Company was not a metals commodity producer.

(e) Sensitivity analysis

As of December 31, 2016 and 2015, 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 CHF and USD would have increased the net asset position of the Company as at December 31, 2016 by $3,723 (December 31, 2015 - $42). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

4. EXPLORATION EXPENDITURES

SWITZERLAND

The Company, through its wholly-owned subsidiary AVS, has been maintaining 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.

During the year, the Company expended $13,531 on exploration expenses in Switzerland.

Permit Status

In 2015, after applying for new five-year exploration permits, the Canton Authority (the "Ministry") confirmed the following:

- the Swiss Mining Law (the "ML") under which the above-noted permits were originally issued, was under revision;
- the Ministry was prepared to issue new permits once the new ML comes into effect;
- the original financial requirements of the permits were too high in comparison to international standards and the Ministry was open to discussion of revised terms; and
- the Ministry had accepted the Company's request to "freeze" the permits until the end of 2015 in order that the Ministry could work on revising the ML; and
- the Ministry accepted the Company's proposal to reduce the area to be explored, going forward.

The ML is still being revised and management believes the "freeze" status on the Company's permits is still in effect.

ECUADOR

During the year, the Company expended $62,660 on the evaluation of a project in Ecuador. These costs included geology fees, travel and supplies costs. S*ee note 13 – Subsequent events*.

(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, 2014 $	Additions Expensed $	Cumulative Balance December 31, 2015 $	Additions Expensed $	Cumulative Balance December 31, 2016 $
PROJECT EVALUATION					
Geology, travel, supplies	**-**	-	**-**	62,660	**62,660**
	-	-	**-**	62,660	**62,660**
SWITZERLAND					
Mont Chemin					
Permits, maintenance	**32,842**	3,758	**36,600**	8,427	**45,027**
Exploration	**938,214**	12,382	**950,596**	-	**950,596**
	971,056	16,140	**987,196**	8,427	**995,623**
Siviez					
Permits, maintenance	**31,448**	8,186	**39,634**	3,104	**42,738**
Exploration	**1,112,610**	5,805	**1,118,415**	-	**1,118,415**
	1,144,058	13,991	**1,158,049**	3,104	**1,161,153**
Marécottes					
Permits, maintenance	**16,144**	912	**17,056**	2,000	**19,056**
Exploration	**572,753**	3,269	**576,022**	-	**576,022**
	588,897	4,181	**593,078**	2,000	**595,078**
	2,704,011	34,312	**2,738,323**	76,191	**2,814,514**

5. SUPPLEMENTAL CASH FLOW INFORMATION

For the years ended December 31,	**2016** **$**	2015 $
Net changes in non-cash working capital:		
Prepaid expenses and receivables	**(442)**	787
Trade and other payables	**172,607**	53,637
	172,165	54,424
Interest paid	**-**	-
Corporate taxes paid	**-**	-

6. PROMISSORY NOTE

During the year ended December 31, 2016, the Company received a total of $218,640 (2015 - $162,100) short-term advances from a company that is a significant shareholder and is controlled by the Chairman and President, (the "Lender"). At December 31, 2016, $380,740 (2015 - $162,100) is owed to this company. These advances are evidenced by an unsecured, non-interest bearing promissory note, and are due on demand. *See Note 13 – Subsequent events.*

(Expressed in Canadian Dollars)

7. SHARE CAPITAL

a) Authorized share capital at December 31, 2016 and 2015 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 December 31, 2016 and 2015 - 22,759,735.

c) During the year ended December 31, 2015, there were no share issuances.

d) During the year ended December 31, 2016, there were no new share issuances however on April 17, 2016, the remaining 2,112,754 held in escrow, were released.

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.

a) On July 13, 2016, the Company granted 415,000 stock options to directors and officers. Each option is exercisable to acquire one common share at a price of $0.60. These options expire on July 13, 2021, and vest as follows: 1/3 on the grant date, 1/3 on July 13, 2017 and the remaining 1/3 on July 13, 2018. A total value of $218,232 has been assigned to the options using the Black-Scholes option pricing model using the following assumptions: expected forfeiture rate of 0%, expected dividend yield of 0%, expected volatility of 137%, a risk-free interest rate of 0.65% and an expected life of 5 years. Volatility was based on the historical trading of the Company's shares. During year end December 31, 2016, $123,683 was expensed in relation to the vesting of options.

b) On July 13, 2016, a total of 80,000 stock options previously granted to a consultant, expired. The value of $16,832 was reclassified to accumulated deficit.

c) During the year ended December 31, 2015, $24,038 was expensed in relation to the vesting of options granted in 2013.

d) On May 13, 2015, 30,000 stock options expired. The value of $8,973 was reclassified to accumulated deficit.

e) On April 11, 2015, 350,000 broker warrants expired, unexercised. The value of $73,500 was reclassified to accumulated deficit.

f) The following summarizes the stock options activity during the years ended December 31, 2016 and 2015:

	Number of Options	Weighted Average Exercise Price	Estimated Fair Value at Grant Date
Balance - December 31, 2014	**2,210,000**	**$0.40**	**$620,489**
Expired	(380,000)	$0.40	$(82,473)
Balance - December 31, 2015	**1,830,000**	**$0.40**	**$538,016**
Issued	415,000	$0.60	$218,232
Expired	(80,000)	$(0.40)	$(16,832)
Balance – December 31, 2016	**2,165,000**	**$0.44**	**$739,416**

(Expressed in Canadian Dollars)

8. STOCK-BASED COMPENSATION, Continued

g) The following summarizes the stock options outstanding at December 31, 2016:

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value at Grant Date
1,750,000	1,750,000	$0.40	April 11, 2018	$521,184
415,000	138,333	$0.60	July 13, 2021	$218,232
2,165,000	**1,888,333**			**$739,416**

The weighted average contractual life remaining for stock options as at December 31, 2016 is 1.9 years (2015 – 2.2 years). The above stock options were not included in the computation of diluted net loss per share for the periods presented as they are anti-dilutive.

9. INCOME TAXES

(a) Provision for income taxes

Major items causing the Company's income tax rate to differ from the federal statutory rate of approximately 0% (2015 – 0%) are as follows:

	2016 $	2015 $
(Loss) before taxes:	(518,299)	(444,149)
Expected income tax benefit based on statutory rate	-	-
Adjustments to expected income tax benefit:		
Adjustment for taxes in foreign operations	(104,000)	(94,000)
Change in foreign exchange rates	21,000	(95,000)
Expiry of tax losses	169,000	53,000
Other	21,000	(7,000)
Tax benefits not recognized	(107,000)	143,000
Deferred income tax	-	-

(b) Deferred income tax balances

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	2016 $	2015 $
Non-capital losses carry-forwards - Canada and Switzerland -	3,482,000	4,198,000

(Expressed in Canadian Dollars)

9. INCOME TAXES, Continued

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits. These losses, which may reduce taxable income in Switzerland amount to approximately $2,217,000 (CHF 1,678,000) and expire as follows:

	Amount($)	Year of Expiry
	871,000	2017
	365,000	2018
	65,000	2019
	563,000	2020
	157,000	2021
	196,000	2023

The Company also has approximately $1,264,000 in Canadian non-capital losses that expire from 2033 to 2036.

(c) Temporary difference

As at December 31, 2016, a temporary difference of $16,831 (2015 - $16,831) was not recognized in respect of the investment in subsidiary because it is not probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available against which the temporary differences will be utilized.

10. RELATED PARTY TRANSACTIONS

a) 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:

During the year ended December 31, 2016:

(i) a total of $60,000 (2015 - $60,000), plus applicable taxes was charged to the Company by a company controlled by the CFO on account of management consulting fees. Included in trade and other payables at December 31, 2016 is $5,650 (December 31, 2015 - $11,300) owing to this company for unpaid consulting fees. These amounts are unsecured, non-interest bearing and due on demand.

(ii) a total of $60,000 (2015 - $60,000) was recorded for directors' fees. Included in trade and other payables at December 31, 2016 is $30,000 (December 31, 2015 - $15,000) owing to directors for unpaid directors' fees. These amounts are unsecured, non-interest bearing and due on demand.

(i) the Company incurred $129,600 of service costs, provided by Geosource Exploration Ltd. ("Geosource"), a company controlled by the Chairman and President. These costs were approved by the Board of Directors under an agreement (and its amendment), in effect since January 1, 2013 *(see note 12 – Commitments and contingencies).* These costs were allocated in the consolidated financial statements as follows: $68,400 to office and general (including $60,000 rent), $10,800 to investor relations, $24,000 to exploration expenditures and $26,400 to professional and administration fees. Included in trade and other payables at December 31, 2016 is $163,122 (December 31, 2015 - $33,522) owing to Geosource for these unpaid costs. These amounts are unsecured, non-interest -bearing and due on demand.

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS, Continued

During the year ended December 31, 2015, the Company incurred $176,400 of service costs that were provided by Geosource. These costs were allocated in the consolidated financial statements as follows: $134,900 to office and general (including rent of $94,200), $22,400 to investor relations, $8,000 to professional and administration fees and $11,100 to management and directors' fees.

(iv) a company controlled by a director and principal shareholder provided $218,640 (2015 - $162,100) of short-term advances to the Company in the form of a grid promissory note (*see note 6 – Promissory note)*

(b) 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.

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

For the years ended December 31,	2016	2015
Management fees (note 10(a)(i))	**$60,000**	$60,000
Directors' fees (note 10(a)(ii))	**60,000**	60,000
Stock-based compensation (note 8)	**123,683**	19,917
	$243,683	$139,917

11. SEGMENTED INFORMATION

At December 31, 2016, the Company's operations comprised a single reporting operating segment engaged in mineral exploration in Switzerland. Cash of $834 (December 31, 2015 - $1,885) is held in a Canadian chartered bank, with the balance of $3,108 (December 31, 2015 - $5,868) being held in a Swiss chartered bank.

12. 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.

Service Costs and Consulting Agreements

In 2013, the Company entered into a service costs agreement with Geosource, at a monthly cost of $15,800. Effective October 2015 this monthly cost was renegotiated down to $10,800. This agreement may be terminated by the Company with 90 days' written notice of the Company's intention to terminate the agreement.

Since 2013, the CFO and the Chief Geologist 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 Chief Geologist is engaged on an "as needed basis" at a daily rate of CHF545 (CAD $719). Early termination of both contracts requires 90 days' written notice by the party terminating the agreement therein.

13. SUBSEQUENT EVENTS

a) Subsequent to December 31, 2016 the Company received additional short-term loans totaling $105,271 from the Lender. These loans are unsecured, non-interest bearing and due on demand. See note 6 – *Promissory note*.

b) Acquisition, financing and debt and loan repayments

On March 2, 2017, Aurania announced that it had entered into a definitive agreement to acquire ESA from Dr. Keith Barron, (the "Vendor"). Terms of the agreement include:

i) A cash payment of $500,000 shall be made to the Vendor;
ii) The issuance of 1,000,000 fully paid and non-assessable newly issued common shares of the Company to the Vendor; and
iii) The settlement by the Company, of all the outstanding debt owed by the Company to the Vendor, or its affiliate or affiliates by issuing common shares of the Company to the Vendor or as he may so direct, at a price of $2.00 per common share, in an aggregate amount not to exceed $750,000 (the "Debt Settlement").

Concurrent with the transaction but not forming a part of it, includes the following:

i) A further cash payment of $1,000,000 USD to the Vendor, for the repayment of a loan, made by the Vendor to ESA, for the purpose of the payment of annual concession fees totaling $1,924,000 USD. These costs were required to be paid by the concession holder, prior to March 31, 2017.
ii) A two percent (2%) net smelter returns royalty on metal production, and a two percent (2%) net sales return royalty on non-metallic products, will be held by the Vendor.

On April 20, 2017, and as a condition of closing the transaction, Aurania completed a financing with the issuance of 3,200,890 subscription receipts of Aurania (the "Subscription Receipts") at a price of $2.00 per Subscription Receipt (the "Issue Price") for total gross proceeds of $6,401,780 (collectively, the "Offering"). The Offering is subject to the payment of agents' fees and legal expenses. The net proceeds of the Offering shall be used to fund the transaction, to advance exploration on the Lost Cities – Cutucu Project, to make loan repayments and for working capital.

100% of the gross proceeds from the Offering (the "Escrowed Funds") will be held in escrow on the closing date. The Escrowed Funds shall be released from escrow by the escrow agent to the Company, upon the agents' sole satisfaction of certain escrow release conditions, including all shareholder and regulatory approvals. The Company has scheduled an Annual General and Special Meeting of Securityholders on May 26, 2017, for this purpose. If the escrow release conditions are not satisfied on or before May 31, 2017, the Escrowed Funds, together with accrued interest earned, if any, will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled.

Once released from escrow, each Subscription Receipt shall be exchangeable for one unit of the Company (a "Unit"). Each Unit of the Company will consist of one common share of Aurania ("Share") and one-half of one common share purchase warrant ("Warrant"). Each whole Warrant shall entitle the holder thereof to acquire one common share at a price of $3.00 (the "Exercise Price") for a period of 18 months following the closing date. If the volume weighted average trading price of the Company's Shares on the Company's principal stock exchange exceeds $3.00 for a period of 20 consecutive trading days, the Company may accelerate the expiry date to the date which is 30 days following the date upon which notice of the accelerated expiry date of the Warrants is provided by the Company to the holders of the Warrants. The Subscription Receipts and underlying securities are subject to a resale restriction of four months and one day after closing.

13. SUBSEQUENT EVENTS, Continued

In connection with the brokered offering, the Company will pay the agents a cash commission of $237,300 upon satisfaction of certain escrow release conditions equal to 7% of the aggregate gross proceeds of the brokered offering. In addition, the Company will reimburse the agents for their reasonable expenses and disbursements and issue 118,650 compensation options ("Compensation Options") to the agents equal to 7% of the number of Subscription Receipts sold to subscribers pursuant to the brokered offering. Each Compensation Option is exercisable into one Unit at a price of $2.00 for a period of 18 months following the closing date of the Offering. Each Unit consists of one common share of the Company and one-half of one common share purchase warrant ("Compensation Warrant"). Each whole Compensation Warrant entitles the holder thereof to acquire one common share (a "Warrant Share") at a price of $3.00 until October 19, 2018. If the volume weighted average trading price of the Company's common shares on the Company's principal stock exchange exceeds $3.00 for a period of 20 consecutive trading days, the Company may accelerate the expiry date to the date which is 30 days following the date upon which notice of the accelerated expiry date of the Compensation Warrants is provided by the Company to the holders of the Compensation Warrants.

In connection with the non-brokered offering, the Company will pay a cash commission of $51,100 to Sprott Global Resource Investments, Ltd. (the "Finder") equal to 7% of the aggregate gross proceeds raised by the Finder pursuant to the non-brokered offering, and 25,550 Compensation Options equal to 7% of the number of Subscription Receipts sold to subscribers by the Finder in connection with the non-brokered offering. The Subscription Receipts and underlying securities are subject to a hold period until August 20, 2017. A director and the spouse of an officer subscribed for 12,500 Subscription Receipts for gross proceeds of $25,000.