NORTH SOUTH PETROLEUM CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
APRIL 30, 2016

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED 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 these condensed interim financial statements they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

NORTH SOUTH PETROLEUM CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	April 30, 2016 $	July 31, 2015 $
ASSETS			
Current assets			
Cash		1,019,863	1,111,476
GST receivable		2,909	880
Prepaid expenses		833	833
TOTAL ASSETS		1,023,605	1,113,189
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	4	4,135	5,944
TOTAL LIABILITIES		4,135	5,944
SHAREHOLDERS' EQUITY			
Share capital	3	2,313,567	2,273,193
Share-based payments reserve		443,637	392,307
Deficit		(1,737,734)	(1,558,255)
TOTAL SHAREHOLDERS' EQUITY		1,019,470	1,107,245
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,023,605	1,113,189

Nature of Operations and Going Concern - see Note 1

Events after the Reporting Period - see Note 6

These condensed interim financial statements were approved for issue by the Board of Directors on June 28, 2016 and are signed on its behalf by:

/s/ ***Craig Taylor***
Craig Taylor
Director

/s/ ***Marc Cernovitch***
Marc Cernovitch
Director

NORTH SOUTH PETROLEUM CORP.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended April 30,		Nine Months Ended April 30,	
		2016 $	2015 $	2016 $	2015 $
Expenses					
Accounting and administrative	4(b)	4,500	7,000	18,800	17,755
Audit		-	-	6,800	5,825
Bank charges		77	80	280	238
Consulting fees		-	-	87,000	-
Legal		-	-	4,589	-
Office		28	211	437	973
Professional fees		-	36,000	-	36,000
Regulatory fees		1,326	4,936	6,469	10,079
Share-based compensation	3(c)	(7,584)	-	56,154	-
Shareholder costs		-	304	1,110	1,397
Transfer agent		521	3,405	3,483	5,841
Travel		32	-	865	-
		(1,100)	51,936	185,987	78,108
Income (loss) before other items		1,100	(51,936)	(185,987)	(78,108)
Other items					
Interest income		2,380	2,450	7,954	3,602
Foreign exchange		(4,441)	-	(1,446)	-
		(2,061)	2,450	6,508	3,602
Net loss and comprehensive loss for the period		(961)	(49,486)	(179,479)	(74,506)
Loss per share - basic and diluted		$(0.00)	$(0.00)	$(0.01)	$(0.02)
Weighted average number of common shares outstanding		23,528,990	7,224,574	23,369,837	3,226,056

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

NORTH SOUTH PETROLEUM CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended April 30, 2016				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at July 31, 2015	23,291,990	2,273,193	392,307	(1,558,255)	1,107,245
Common shares issued for cash:					
- finder's warrants exercised	711,000	35,550	-	-	35,550
Transfer on exercise of finder's warrants	-	4,824	(4,824)	-	-
Share-based compensation	-	-	56,154	-	56,154
Net loss for the period	-	-	-	(179,479)	(179,479)
Balance at April 30, 2016	24,002,990	2,313,567	443,637	(1,737,734)	1,019,470

	Nine Months Ended April 30, 2015				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at July 31, 2014	1,291,990	1,240,513	213,816	(1,300,797)	153,532
Common shares issued for cash:					
- private placement	22,000,000	1,100,000	-	-	1,100,000
Share issue costs	-	(67,320)	4,824	-	(62,496)
Net loss for the period	-	-	-	(74,506)	(74,506)
Balance at April 30, 2015	23,291,990	2,273,193	218,640	(1,375,303)	1,116,530

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

NORTH SOUTH PETROLEUM CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended April 30,	
	2016 $	2015 $
Operating activities		
Net loss for the period	(179,479)	(74,506)
Adjustments for:		
Share-based compensation	56,154	-
Changes in non-cash working capital items:		
GST receivable	(2,029)	(2,700)
Prepaid expenses	-	25
Accounts payable and accrued liabilities	(1,809)	3,671
Net cash used in operating activities	(127,163)	(73,510)
Financing activities		
Issuance of common shares	35,550	1,100,000
Share issue costs	-	(62,496)
Net cash provided by financing activities	35,550	1,037,504
Net change in cash during the period	(91,613)	963,994
Cash at beginning of period	1,111,476	156,354
Cash at end of period	1,019,863	1,120,348

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

1. Nature of Operations and Going Concern

The Company was incorporated under the laws of the Province of British Columbia on March 1, 2007. The Company is considered to be a capital pool company by the TSX Venture Exchange ("TSXV") and its common shares trade on the NEX Board of the TSXV under the trading symbol "NAS.H". The Company's head office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 Canada.

As at April 30, 2016 the Company had working capital of $1,019,470. The Company's principal business objective has been the identification and evaluation of companies, businesses, properties, or assets with a view to acquisition or participation therein. Subsequent to April 30, 2016 the Company negotiated an agreement to acquire interests in mineral resources properties located in Nevada, USA. See Note 6(b). The Company will need to raise additional capital from the sale of common shares or other equity or debt instruments to complete the acquisition of the mineral properties and conduct planned exploration expenditures and corporate overhead over the course of the next twelve months. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its operations or obtain financing at unfavourable terms. The material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

2. Basis of Preparation

Statement of Compliance

These condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended July 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed interim financial statements are consistent with those applied in the Company's audited financial statements for the year ended July 31, 2015.

Basis of Measurement

The Company's financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

3. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consists of an unlimited number of common shares without par value and unlimited preferred shares without par value. All issued common shares are fully paid.

(b) *Equity Financings*

(i) There were no equity financings conducted by the Company during the nine months ended April 30, 2016.

3. Share Capital (continued)

(ii) During fiscal 2015 the Company completed a non-brokered private placement financing of 22,000,000 common shares at a price of $0.05 per share for gross proceeds of $1,100,000. The Company paid a finder's fee of $35,550 cash and issued 711,000 finder's warrants at a fair value of $4,824. Each finder's warrant entitled the holder to purchase one common share of the Company at an exercise price of $0.05 per share expiring April 7, 2016. The fair value of the finder's warrants had been estimated using the Black-Scholes option pricing model. The assumptions used were: a risk-free interest rate of 0.58%; expected volatility of 120.0%; an expected life of one year; a dividend yield of 0%; and an expected forfeiture rate of 0%.

During the nine months ended April 30, 2016 the 711,000 finder's warrants were exercised for $35,550.

The Company incurred $26,946 for legal and filing costs associated with the private placement financing.

East West Petroleum Corp. ("East West"), a public company trading on the TSXV, purchased 3,900,000 common shares of the private placement. On closing of the private placement East West owned approximately 16.74% of the issued and outstanding common shares of the Company and a director of East West was subsequently appointed a director of the Company. In addition, on May 22, 2015 a director of East West was also appointed as a director of the Company and another director of East West was appointed as the corporate secretary of the Company.

(c) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

During the nine months ended April 30, 2016 the Company granted share options to purchase 760,000 (2015 - nil) common shares and recorded compensation expense of $56,154 (2015 - $nil).

The fair value of share options granted during the nine months ended April 30, 2016 have been estimated using the Black-Scholes option pricing model. The assumptions used were: a risk-free interest rate of 0.41% - 0.73%; expected volatility of 63.68% - 99.76%; an expected life of 5 years; a dividend yield of 0%; and an expected forfeiture rate of 0%.

The weighted average fair value of all share options granted during the nine months ended April 30, 2016 was $0.16 (2015 - $nil) per option.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company's share options.

3. Share Capital (continued)

A summary of the Company's share options at April 30, 2016 and 2015 and the changes for the nine months ended on those dates, is as follows:

	2016		2015	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of period	967,500	0.27	-	-
Granted	760,000	0.20	-	-
Expired	(133,333)	0.20	-	-
Forfeited	(266,667)	0.20	-	-
Balance, end of period	1,327,500	0.25	-	-

The following table summarizes information about the share options outstanding and exercisable at April 30, 2016:

Number	Exercise Price $	Expiry Date
967,500	0.27	June 8, 2018
360,000	0.20	September 16, 2020
1,327,500		

The weighted average remaining contractual life of the above options as of April 30, 2016 was 2.72 years.

See also Note 6(c).

(d) *Escrow Shares*

As at April 30, 2016, 76,666 common shares were held in escrow.

4. Related Party Disclosure

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

(a) During the nine months ended April 30, 2016 the Company recorded $19,113 (2015 - $nil) as share-based compensation for share options granted to officers and directors of the Company.

(b) During the nine months ended April 30, 2016, $18,800 (2015 - $nil) was incurred for accounting and administration services provided by a private company owned by the Company's corporate secretary. As at April 30, 2016, $3,500 (2015 - $nil) remained unpaid and has been included in accounts payable and accrued liabilities.

(c) See also Note 3(b)(ii).

5. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; available-for-sale; and other liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	April 30, 2016 $	July 31, 2015 $
Cash	FVTPL	1,019,863	1,111,476
Accounts payable and accrued liabilities	Other liabilities	(4,135)	(5,944)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's fair value of cash under the fair value hierarchy are measured using Level 1 inputs.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

5. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at April 30, 2016				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	1,019,863	-	-	-	1,019,863
Accounts payable and accrued liabilities	(4,135)	-	-	-	(4,135)

	Contractual Maturity Analysis at July 31, 2015				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	1,111,476	-	-	-	1,111,476
Accounts payable and accrued liabilities	(5,944)	-	-	-	(5,944)

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bear floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to identify and evaluate potential business acquisitions and to negotiate acquisitions or participation agreements. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital and cash. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

6. Events after the Reporting Period

(a) On May 12, 2016 the Company entered into a letter of intent with Lithium X Energy Corp. ("Lithium X") whereby the Company would acquire an option (the "CVL Option") to earn a 50% interest in Lithium X's wholly-owned CVL South Lithium Property (the "CVL Property") located in Clayton Valley, Nevada, USA. On June 22, 2016 the CVL Option was terminated. The Company has paid a non-refundable deposit of US $100,000, which will be written-off.

(b) On June 16, 2016 the Company entered into a letter of intent (the "Nevada Sunrise LOI") with Nevada Sunrise Gold Corp. ("Nevada Sunrise") to acquire an option to earn various working interests of up to 70% in five lithium exploration projects, comprising approximately 17,220 acres, located in the Clayton Valley and Lida Valley regions of Nevada, USA. The Company will also have an option to acquire the State of Nevada water right Permit 44411 (the "Water Permit").

The Company will be granted the option to earn:

(i) 100% of the water rights;
(ii) up to a 70% interest in each of Jackson Wash, Clayton Northeast and Aquarius projects; and
(iii) up to a 50% in each of Gemini and Neptune projects.

6. Events after the Reporting Period (continued)

Property details for the Jackson Wash, Clayton Northeast, Aquarius, Gemini and Neptune projects (the "Optioned Projects") are as follows:

Property	Number of Claims	Acres (approximate)
Jackson Wash	166	3,300
Clayton Northeast	50	1,000
Aquarius	83	1,660
Gemini	247	4,940
Neptune	316	6,320
	862	17,220

Terms of the Nevada Sunrise LOI are as follows:

Initial Option Consideration

The Company will earn its interest in two stages, with the initial stage being up to a 51% working interest from Nevada Sunrise in the Jackson Wash, Clayton Northeast and Gemini projects and a 50% working interest in the Gemini and Neptune projects by making the following cash and share payments to Nevada Sunrise and incurring exploration expenditures as follows:

(i) cash payments totalling $600,000 as follows (the "Cash Payments");
- upon execution of the Nevada Sunrise LOI, a non-refundable cash payment of $100,000 (paid);
- upon TSXV acceptance of the Nevada Sunrise LOI (the "Effective Date") an additional cash payment of $500,000;

(ii) issuing common shares of the Company (the "Consideration Shares") equal to 4.9% of the issued and outstanding common shares of the Company, such percentage to be calculated on the day following the completion of the next equity financing by the Company totalling not less than $2,000,000 (the "Issuance Date"). The Consideration Shares shall be issued to Nevada Sunrise on the Issuance Date;

(iii) within 24 months of the Effective Date, completing minimum exploration expenditures of $1,500,000 on the Optioned Projects (the "Initial Expenditures"), such Initial Expenditures to include claim maintenance fees for all of the Optioned Projects; and

(iv) making all underlying tenure holding costs.

Subject to the above payments being made the Company will have earned a 51% interest in each of the Jackson Wash, Clayton Northeast and Gemini projects and a 50% working interest in the Gemini and Neptune projects. Thereafter, the Company will have the option to either form a joint venture with Nevada Sunrise in respect of the Optioned Projects, or to proceed with the second option.

Second Option Consideration

If the Company has exercised the Initial Option, the Company will have the right to increase its interest in the Jackson Wash, Clayton Northeast and Gemini projects to a 70% interest, by completing, within 48 months of the Effective Date, exploration expenditures totalling $3,000,000 (which includes the Initial Expenditures). Thereafter, the parties will form a joint venture with the Company holding a 70% interest in the Jackson Wash, Clayton Northeast and Gemini projects and a 50% interest in the Gemini and Neptune projects, for the purposes of the further development of the Optioned Projects.

6. Events after the Reporting Period (continued)

Gemini Property Option

A definitive agreement will provide that the parties will agree to make the expenditures required to be made by Nevada Sunrise in order for Nevada Sunrise to maintain its interest in the Gemini Joint Venture with Eureka Resources Inc. ("Eureka"), with any such expenditures being deemed to be Initial Expenditures. Provided that the Company has made sufficient expenditures to maintain Nevada Sunrise's interest in the Gemini Joint Venture, upon exercise of the Initial Option by the Company, Nevada Sunrise will assign to the Company Nevada Sunrise's interest in the Gemini Joint Venture in consideration for a 2% gross overriding royalty ("GOR") in the same form as that provided by Nevada Sunrise to the underlying vendor in the Neptune property agreement.

Neptune Property Option

The Company's option to earn up to a 50% interest in the Neptune Property is subject to:

(i) Resolve Ventures Inc. ("Resolve") waiving its right to earn a further 25% interest in the Neptune Property;
(ii) Nevada Sunrise, Resolve and the Company entering into an amending agreement to the Neptune agreement on terms acceptable to all three parties;
(iii) the Company incurring exploration expenditures of $700,000 on the Neptune Property; and
(iv) the Company exercising the Initial Option.

Expenditures made by the Company on the Neptune Property will be included as part of the calculation of total expenditures required to be made to earn its interests in the Optioned Projects.

Following the expenditure of $700,000 by the Company, a joint venture would form between the Company (50%), Nevada Sunrise (25%) and Resolve (25%), on the terms set out in the current agreement Nevada Sunrise holds with Resolve.

Aquarius Property Royalty

Upon formation of the Joint Venture, the Joint Venture will grant to Nevada Sunrise a 3% GOR on the Aquarius Property.

Exploration Expenditures

Excess exploration expenditures incurred in any one period shall be credited to expenditures requirements in the following period. The expenditures may be accelerated at any time at the sole option of the Company and its interests acquired earlier. During the period that the Company is incurring exploration expenditures:

(i) the Company shall be the operator on the properties and shall have the right to determine budgets and exploration programs for the purposes of completing exploration expenditures; and
(ii) Nevada Sunrise shall be the manager of all exploration programs and will be entitled to charge a fee of 10% on all exploration expenditures.

Water Rights

Nevada Sunrise will grant to the Company the option (the "Water Rights Option") to acquire a 100% interest in the Permit, exercisable for a period of 120 days after the later of the date that the Company exercises the Initial Option, and the date that the Nevada State Engineer approves the application to transfer the Place of Use and Point of Diversion of the Permit to the Aquarius Property.

6. Events after the Reporting Period (continued)

In order to maintain the Water Rights Option, the Company shall:

(i) make all water rights cash payments required to be made after the date of this LOI and until the exercise of the Water Rights Option;
(ii) pay all legal and other costs associated with the application to transfer the Place of Use and Point of Diversion of the Permit; and
(iii) pay all legal and other costs required to maintain the Permit.

In order to exercise the Water Rights Option, the Company shall pay to Nevada Sunrise an amount equal to the sum of:

(i) the Water Rights Cash Payments made by Nevada Sunrise prior to the grant of the Water Rights Option;
(ii) the value of the Water Rights Share Payments made by Nevada Sunrise before the exercise of the Water Rights Option (which shall be established by multiplying the number of Nevada Sunrise shares issued by the 20-day volume weighted average price immediately prior to the date such Water Rights Share Payments were made);
(iii) the legal and other costs incurred by Nevada Sunrise to acquire and make the application to transfer the location of the Permit; and
(iv) US $200,000, payable in cash or a calculated value in shares, at the Company's option (the "Water Rights Option Payment").

After exercise of the Water Rights Option, the Company shall be solely responsible for making all remaining Water Rights Cash Payments and Water Rights Share Payments.

Completion of the transaction will be subject to the following conditions precedent, which much be completed no later than 60 days after the execution of the Nevada Sunrise LOI by all parties (the "Outside Date"):

(i) execution of a definitive agreement;
(ii) the receipt of all required regulatory approvals, including the approval of the TSXV;
(iii) the receipt of all corporate approvals required by each party;
(iv) the receipt of the consent of the underlying property and water right vendors, and Resolve and Eureka as provided in the Nevada Sunrise LOI;
(v) completion of due diligence on the Projects by the Company;
(vi) completion of the Initial Financing by the Company; and
(vii) receipt by the Company of a NI 43-101 technical report on an Optioned Project identified by rhe Company recommending a minimum of $500,000 Phase 1 work program within three weeks of the execution of this LOI. The Company has identified the Jackson Wash Property as the Optioned Project for which the report will be prepared.

Underlying Payments

In order to maintain the agreement in good standing, the Company will assume responsibility for all government and contractual maintenance costs and payments required to maintain the Optioned Projects and underlying agreements in good standing, including making the underlying payments as required by the underlying agreements.

Other than the cash payments required for the Water Rights Option, there are no underlying cash payments required to maintain the Optioned Projects. In respect of the Water Rights the following cash payments will be required:

6. Events after the Reporting Period (continued)

Due Date	US $
December 21, 2016	150,000
December 21, 2017	175,000
December 21, 2018	200,000
December 21, 2019	300,000
December 21, 2020	350,000
	1,175,000

In order to maintain all underlying agreements Nevada Sunrise will have to issue the following number of shares:

Year	Number of Nevada Sunrise Shares
2016	700,000
2017	1,200,000
2018	600,000
2019	400,000
2020	500,000
	3,400,000

Under the terms of the Nevada Sunrise LOI the Company will issue its common shares in lieu of Nevada Sunrise shares. The number of shares the Company must issue will be calculated at the time of each share issuance based on a formula utilizing the 20 day volume weighted average prices of the Company and Nevada Sunrise.

A finder's fee is payable on this transaction at an amount to be determined and will be in compliance with TSXV Policy.

The Company will complete a concurrent a financing of common shares at $0.25 per share to raise a minimum $2,500,000 to a maximum of $4,000,000.

(c) Subsequent to April 30, 2016 the Company:

(i) issued 100,000 common shares of the Company on the exercise of share options for $24,900; and
(ii) had share options to purchase 150,000 common shares of the Company, at an exercise price of $0.20, per share expire without exercise.