

(an Exploration stage company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

March 31, 2015

(Unaudited)

(Expressed in Canadian Dollars)

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MANAGEMENT'S COMMENTS ON UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of Artha Resources Corporation for the three months ended March 31, 2015 have been prepared by and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

ARTHA RESOURCES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian dollars)

	March 31, 2015	December 31, 2014
ASSETS		
Current		
Cash	$ 8,183	$ 31,076
GST and other receivables	4,052	5,110
	12,235	36,186
Non-current		
Exploration and evaluation assets (Note 3)	500,000	500,000
	$ 512,235	$ 536,186
LIABILITIES AND DEFICIENCY		
Current		
Accounts payable and accrued liabilities (Notes 3 and 4)	$ 685,204	$ 1,539,640
Loan from related party (Note 6)	-	10,000
	685,204	1,549,640
Deficiency		
Share capital (Note 5)	9,318,600	9,318,600
Reserves (Note 5)	740,856	740,856
Deficit	(10,232,425)	(11,072,910)
	(172,969)	(1,013,454)
	$ 512,235	$ 536,186

Nature and continuance of operations (Note 1)
Subsequent events (Notes 3, 4 and 9)

Approved and authorized by the Board of Directors on May 21, 2015:

"W. Todd McMurray" Director *"Charles Straw"* Director

ARTHA RESOURCES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited)
(Expressed in Canadian dollars)
FOR THE THREE MONTHS ENDED MARCH 31

	2015	2014
EXPENSES		
Bank charges	$ 186	$ 349
Consulting fees	3,240	-
Foreign exchange	84,338	9,910
Gain on sale of exploration and evaluation assets (Note 3)	-	(34,918)
Gain on settlement of debt (Notes 3 and 4)	(1,044,486)	-
Investor relations and promotion	-	280
Office and general	(529)	392
Professional fees	99,924	-
Regulatory and transfer agent	16,842	7,010
Net income and comprehensive income for the period	$ 840,485	$ 16,977
Basic and diluted income per common share	$ 0.11	$ 0.00
Weighted average number of common shares outstanding	7,317,927	7,147,927

ARTHA RESOURCES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN DEFICIENCY
(Unaudited)
(Expressed in Canadian dollars)

	Share capital		Reserves			
	Number of Shares	Amount	Stock Option Reserve	Warrant Reserve	Deficit	Total
Balance at December 31, 2013	7,147,927	$ 9,310,100	$ 793,960	$ 13,651	$ (10,419,464)	$ (301,753)
Net income for the period	-	-	-	-	16,977	16,977
Balance at March 31, 2014	7,147,927	9,310,100	793,960	13,651	(10,402,487)	(284,776)
Property option agreements (Note 3)	170,000	8,500	-	-	-	8,500
Expiration and forfeiture of stock options	-	-	(66,755)	-	66,755	-
Net loss for the period	-	-	-	-	(737,178)	(737,718)
Balance at December 31, 2014	7,317,927	9,318,600	727,205	13,651	(11,072,910)	(1,013,454)
Net income for the period	-	-	-	-	840,485	840,485
Balance at March 31, 2015	7,317,927	$ 9,318,600	$ 727,205	$ 13,651	$ (10,232,425)	$ (172,969)

ARTHA RESOURCES CORPORATION
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian dollars)
FOR THE THREE MONTHS ENDED MARCH 31

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Income for the period	$ 840,485	$ 16,977
Items not affecting cash:		
Gain on sale of exploration and evaluation asset	-	(34,918)
Gain on settlement of debt	(1,044,486)	-
Unrealized foreign exchange	86,260	-
Changes in non-cash working capital items:		
Receivables	1,058	13,124
Accounts payable and accrued liabilities	93,790	4,646
Net cash outflow from operating activities	(22,893)	(171)
Change in cash for the period	(22,893)	(171)
Cash, beginning of the period	31,076	301
Cash, end of the period	$ 8,183	$ 130

Supplemental disclosure with respect to cash flows

There were no significant non-cash investing or financing activities in the three months ended March 31, 2015 or 2014.

1. NATURE AND CONTINUANCE OF OPERATIONS

Artha Resources Corporation (the "Company") was incorporated under the laws of the Province of British Columbia, Canada on January 9, 2006. The Company's principal business activity is the exploration and evaluation of mineral properties located in Argentina. The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol "AHC".

The registered address, head office, principal address and records office of the Company is Suite 415 – 1040 West Georgia Street, Vancouver, BC V6E 4H1, Canada.

During the period ended March 31, 2015, the Company executed a share consolidation on the basis of one new common share for every ten existing common shares. The consolidation has been applied retrospectively to all periods presented.

The Company is in the process of exploring and developing its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or proceeds from the disposition thereof.

These condensed consolidated interim financial statements have been prepared under the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have financial resources to sustain operations in the long-term. There is no assurance that future financings will be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. As at March 31, 2015, the Company has a working capital deficit of $672,969. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

Basis of Presentation

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments.

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2014.

The financial statements of the Company are presented in Canadian dollars, which is the financial currency of the parent company and its subsidiaries.

2. BASIS OF PREPARATION *(Cont'd…)*

Significant accounting judgments, estimates and assumptions

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates.

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The most significant estimates relate to the valuation of deferred income tax assets and impairment testing. The Company has reviewed its exploration and evaluation assets for indications of impairment and determined that the capitalized balances of exploration and evaluation assets are fairly stated as disclosed in note 3. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

The most significant judgments relate to the recoverability of capitalized amounts, the determination of the economic viability of a project and whether the going concern assumption is appropriate.

New standards not yet adopted

IFRS 9 *Financial Instruments (Revised)*

IFRS 9 incorporates revised requirements for the classification and measurement of financial liabilities and carrying over the existing recognition requirements from IAS 39 *Financial instruments: recognition and measurement*. The revised financial liability provisions maintain the existing amortised cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The impact of IFRS 9 on the Company's financial instruments has not yet been determined.

Other accounting pronouncements with future effective dates are not expected to have an impact on the Company's financial statements.

3. EXPLORATION AND EVALUATION ASSETS

Title to mineral property interests

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. Although the Company has taken steps to verify title to mineral properties in which it has an interest, 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 or transfer and may be affected by undetected defects.

3. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

Gold, Silver and Base Metal Properties

On September 18, 2009, the Company obtained an option to acquire certain exploration properties, located in the Province of Jujuy in Argentina, from Davcha Resources International Ltd. ("DRI") a British Columbia, Canada registered private company (the "Option Agreement").

Upon signing the Letter of Intent relating to this agreement, the Company paid $25,000 to DRI. To exercise the option the Company must issue and allot to DRI 1,850,000 shares in its capital of which 850,000 have been issued to date. The remaining 1,000,000 common shares must be issued upon the Company receiving a bankable feasibility report ("BFR") on one of the Properties within eight years of the Acceptance Date. Provided that if the BFR is not received within the said eight years, the total consideration will be reduced to 850,000 shares (issued) of the Company.

The property interests acquired are as follows:

Pirquitas North

The Company assumes DRI's pre-existing option to acquire a 55% interest by incurring exploration expenditures of US$1.0 million over 4 years. Upon this interest having been earned, the Company and the optionor will enter into a Joint Venture and, thereafter, each party will be required to contribute its proportional share of further expenditures or be diluted accordingly.

On October 24, 2013 the Company and the optionor agreed that the optionor would proceed to negotiate and complete the sale of the Piquitas North property to a third party and that the Company would receive 25% of the net proceeds. At December 31, 2013, the Company wrote down the carrying value to $200,000, being the Company's anticipated proceeds from the termination of the property option agreement.

On April 23, 2014, the optionor entered into an agreement to sell 100% of the Pirquitas North property to a third party. The Company's share of the net proceeds received was $234,918 (USD$212,942) resulting in a gain of $34,918.

Crosby

The Company assumed and subsequently earned DRI's option to acquire a 94% interest in this property, subject to a 2% net smelter royalty, in consideration for assuming DRI's obligation to pay the underlying property owner US$215,000 (paid), agreeing to reimburse approximately AU$169,105 (paid) in exploration costs and advances incurred by the property optionor, and the assumption of certain other obligations of DRI under the Option Agreement.

At December 31, 2014 and 2013, the Company wrote down the carrying value of the Crosby property to its estimated recoverable value of $500,000.

3. EXPLORATION AND EVALUATION ASSETS *(Cont'd…)*

Gold, Silver and Base Metal Properties *(cont'd...)*

Aguilar

During the year ended December 31, 2012, the Company signed an option agreement with Teck Argentina Ltd. ("Teck") to acquire a 100% interest in the Aguilar property located in Jujuy Province, Argentina. Under the terms of the agreement, the Company may exercise the option by:

1. Issuing to Teck 250,000 units at a value of $125,000 (issued). Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles Teck to purchase one common share at a price of $0.125 for a period of two years; and

2. Incurring exploration expenditures of at least US$2,875,000 by October 31, 2015, which includes a firm commitment to incur US$100,000 on or before October 1, 2013 and US$500,000 on or before October 1, 2014. The Company must complete, also as a firm commitment, a minimum of 4,000 meters of diamond drilling or combination RC/diamond drilling on the property prior to October 31, 2015.

At December 31, 2014 and 2013, the Company had not met the terms of the option agreement and therefore wrote down the carrying value to $Nil. The Company has recorded an account payable of US$600,000 for the committed expenditures due but not paid.

On April 23, 2015, the Company and Teck agreed to terminate the Aguilar option agreement. As consideration, the Company has agreed to pay Teck US$20,000 and issue to Teck 1,500,000 units (the "Settlement Units"). The Settlement Units were issued on May 20, 2015. Each Settlement Unit consists of one common share of the Company and one-half of one common share-purchase warrant, with each whole warrant entitling Teck to purchase one common share of the Company at a price of $0.18 per share for a period of 24 months from the date of issuance. On May 15, 2015, the Company received TSX Venture Exchange approval.

The Company has also agreed to pay Teck up to an additional US$20,000 to cover future environmental assessment costs relating to the Aguilar Property. The settlement eliminates the Company's liability of US$600,000 relating to the firm expenditure commitments and the Company's obligation to complete a minimum of 4,000 meters of diamond drilling or combination RC/diamond drilling on the Aguilar Property prior to October 31, 2015. The Company has recorded a gain on settlement of $530,248 in the period ended March 31, 2015 with respect to the termination (Note 9).

Schedule of exploration and evaluation expenditures for the period ended March 31, 2015 and year ended December 31, 2014:

Exploration and evaluation assets	Pirquitas North	Crosby	Aguilar	Total
Balance, December 31, 2013	$ 200,000	$ 500,000	$ -	$ 700,000
Acquisition costs	-	8,500	-	8,500
Exploration commitment	-	-	580,000	580,000
Impairment and disposals	(200,000)	(8,500)	(580,000)	(788,500)
Balance, December 31, 2014 and March 31, 2015	$ -	$ 500,000	$ -	$ 500,000

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Debt settlement agreements

During the period ended March 31, 2015, the Company entered into debt settlement agreements with a number of related party and arms-length creditors. Pursuant to such agreements, with a settlement cut-off date of December 31, 2014, the Company settled $713,109 of outstanding debts for consideration of the issuance of 911,388 common shares (issued subsequent to period end) and cash payments totalling $46,468. The Company has recorded a gain on settlement of $514,238 with respect to these agreements in the period ended March 31, 2015. On May 6, 2015, the Company received TSX Venture Exchange approval (Note 9).

5. SHARE CAPITAL AND RESERVES

a. Authorized

Unlimited number of voting common shares without nominal or par value.

Share consolidation

On February 3, 2015, the Company completed a consolidation of its common shares by issuing one new common share for every ten existing common shares. The consolidation has been applied retrospectively to all periods presented.

b. Share issuances

Period ended March 31, 2015

The Company did not issue any new shares in the three months ended March 31, 2015.

Year ended December 31, 2014

On October 15, 2014, the Company issued 1,700,000 common shares with a total fair value of $8,500 pursuant to the DRI Option Agreement (Note 3).

c. Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time-to-time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Such options will be exercisable for a period of up to five years from the date of grant. Vesting of stock options is at the discretion of the Board of Directors.

5. SHARE CAPITAL AND RESERVES *(Cont'd...)*

c. Stock options *(cont'd...)*

Stock option transactions and the number of options outstanding are summarized as follows:

	March 31, 2015		December 31, 2014	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning	332,500	$ 1.70	372,000	$ 1.70
Expired and cancelled	(332,500)	1.70	(39,500)	2.00
Outstanding and exercisable, ending	-	$ -	332,500	$ 1.70

d. Warrants

Share purchase warrant transactions and the number of warrants outstanding are summarized as follows:

	March 31, 2015		December 31, 2014	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning	93,000	$ 2.50	343,000	$ 1.60
Expired	(93,000)	2.50	(250,000)	1.25
Outstanding and exercisable, ending	-	$ -	93,000	$ 2.50

e. Reserves

Stock option reserve
The stock option reserve records items recognized as share-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If stock options expire unexercised, the amount recorded will be reclassified to deficit.

Warrant reserve
The warrant reserve records the fair value of warrants granted until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

6. RELATED PARTY TRANSACTIONS

Transactions with related parties

There were no related party transactions in the three months ended March 31, 2015 and 2014.

Due to related parties

As at March 31, 2015, amounts due to officers, directors and companies controlled by officers and / or directors was $147,978 (December 31, 2014 - $296,555) are included in accounts payable and accrued liabilities. The reduction in amount owing during the period relates to debt settlement agreements signed in the period (Note 4).

Loan from related party

During the year ended December 31, 2013, the Company received an unsecured, non-interest bearing loan of $10,000 from a company with common directors. The loan has no fixed repayment terms. The loan was forgiven pursuant to a debt settlement agreement and recognized as a gain on settlement in the period ended March 31, 2015.

7. FINANCIAL RISK MANAGEMENT AND MANAGEMENT OF CAPITAL

Fair value

The fair value of the Company's financial instruments approximates the carrying amount due to their short term nature and capacity for prompt liquidation.

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash. Cash deposits are maintained with Canadian financial institutions of reputable credit and are redeemable on demand.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is engaged in ongoing evaluation of opportunities to improve its financial position which includes, but is not limited to, additional equity financings, obtaining exploration partners and/or the sale of assets. At March 31, 2015, the Company had a working capital deficiency of $672,969.

7. FINANCIAL RISK AND CAPITAL MANAGEMENT AND MANAGEMENT OF CAPITAL *(Cont'd…)*

Financial risk management *(cont'd…)*

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no outstanding debt subject to interest. Accordingly, the Company does not believe it is exposed to significant interest rate risk.

Foreign exchange risk

The Company's exploration work is conducted in Argentina. The international nature of the Company's operations results in foreign exchange risk as transactions are denominated in foreign currency.

The Company's operating expenses are incurred primarily in Canadian dollars; its exploration programs are primarily in Argentina and are denominated in either United States dollars or Argentine Pesos. The fluctuation of the Canadian dollar will, consequently, have an impact upon the reported profitability of the Company and may also affect the value of the Company's assets and liabilities. The Company continuously monitors this exposure to determine if any mitigation strategies become necessary.

Price risk

The Company is exposed to price risk with respect to commodity prices, particularly those included in its exploration and evaluation asset portfolio. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Management of capital

The Company's objectives in managing its capital (items included in shareholders' deficiency) are to fund acquisition, exploration and development of its exploration and evaluation assets and to meet its administrative and corporate activities to ensure that the Company continues as a going concern.

The Company is an exploration stage company and is currently unable to self-finance its operations. The Company has historically relied on equity financings to raise sufficient funds to carry out its exploration and acquisition activities and pay its administrative costs. Therefore, the Company intends to raise additional funds as required to carry out its planned activities**.**

7. FINANCIAL RISK AND CAPITAL MANAGEMENT AND MANAGEMENT OF CAPITAL *(Cont'd...)*

Management of capital *(Cont'd...)*

The Company manages the capital structure and makes appropriate adjustments to it based upon changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets. In order to manage its capital requirements management has put into place a planning and budgeting process.

The Company is not subject to any externally imposed capital requirements or restrictions and there were no changes to the Company's approach to managing capital during the period ended March 31, 2015.

8. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment which is the acquisition, exploration and development of mineral properties. As at March 31, 2015 and December 31, 2014, all capitalized exploration and evaluation assets are located in Argentina (Note 3).

9. SUBSEQUENT EVENTS

Debt settlement agreements

During the period ended March 31, 2015, the Company entered into debt settlement agreements with a number of related party and arms-length creditors. Pursuant to such agreements, with a settlement cut-off date of December 31, 2014, the Company settled $713,109 of outstanding debts for consideration of the issuance of 911,388 common shares and cash payments totalling $46,468. The Company received TSX Venture Exchange approval on May 6, 2015 and issued the common shares.

Termination of Aguilar option agreement

On April 23, 2015, the Company and Teck agreed to terminate the Aguilar option agreement (Note 3). As consideration, the Company has agreed to pay Teck US$20,000 and issue to Teck 1,500,000 units (the "Settlement Units"). Each Settlement Unit consists of one common share of the Company and one-half of one common share-purchase warrant, with each whole warrant entitling Teck to purchase one common share of the Company at a price of $0.18 per share for a period of 24 months from the date of issuance. The Company has also agreed to pay Teck up to an additional US$20,000 to cover future environmental assessment costs relating to the Aguilar Property. The settlement eliminates the Company's liability of US$600,000 relating to the firm expenditure commitments and the Company's obligation to complete a minimum of 4,000 meters of diamond drilling or combination RC/diamond drilling on the Aguilar Property prior to October 31, 2015. The Company received TSX Venture Exchange approval on May 16, 2016 and has accordingly issued the Settlement Units.

Acquisition of Cardero Argentina, S.A. and concurrent financings

On March 27, 2015, the Company entered into a definitive purchase agreement with Cardero Resource Corp. ("Cardero") whereby the Company will acquire all of the issued and outstanding shares of Cardero Argentina, S.A. ("Cardero Argentina") (the "Transaction"). As consideration for the acquisition, as well as for services provided by Cardero to the Company in connection with the Transaction, the Company will pay / issue to Cardero US $50,000 cash and 21,953,781 common shares. The Transaction will result in a reverse-takeover of the Company. Cardero Argentina is a mineral exploration company with properties located in Argentina.

9. SUBSEQUENT EVENTS *(Cont'd…)*

Acquisition of Cardero Argentina, S.A. and concurrent financings *(cont'd…)*

In connection with the transaction, the Company intends to complete private placements for proceeds of up to $1,000,000, including a bridge financing of $50,000 at a price of $0.08 per unit (the "Bridge Financing Units") to cover certain costs associated with the Transaction and a concurrent private placement of up to $950,000 at a price of $0.10 per unit (the "Concurrent Financing Units"). Each Bridge Financing Unit will consist of one common share of the Company and one-half of one share-purchase warrant, each whole warrant entitling the holder to purchase one common share of the Company at a price of $0.12 per share for a period of 24 months from the closing of the bridge financing. Each Concurrent Financing Unit will consist of one common share of the Company and one whole share-purchase warrant, each warrant entitling the holder to purchase one common share of the Company at a price of $0.15 per share for a period of 24 months from the closing of the concurrent financing.

The closing of the Transaction is subject to regulatory and shareholder approval.