PALISADES VENTURES INC.
(Formerly Uranium Standard Resources Ltd.)

Condensed Interim Financial Statements
(Expressed in Canadian Dollars)

September 30, 2016 and 2015

(Unaudited)

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(Formerly Uranium Standard Resources Ltd.)
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NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed financial statements have not been reviewed by an auditor.

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

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

PALISADES VENTURES INC.
(Formerly Uranium Standard Resources Ltd.)
CONDENSED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	September 30, 2016	March 31, 2016
ASSETS		
Current		
Cash	$ 55,589	$ 1,166
GST receivable	788	997
	56,377	2,163
Exploration and evaluation assets (note 4)	-	-
	$ 56,377	$ 2,163
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 24,947	$ 142,474
Due to related parties (note 8)	62,600	55,000
	87,547	197,474
Shareholders' equity (deficit)		
Share capital (note 6)	6,230,903	6,011,148
Shares to be issued (note 6)	-	65,000
Share-based payment reserve	773,276	773,276
Warrant reserve	170,221	170,221
Deficit	(7,205,570)	(7,214,956)
	(31,170)	(195,311)
	$ 56,377	$ 2,163

Approved by the Board:

(signed)*"Jonathan Jackson"*
Jonathan Jackson, Director

(signed)*"Arni Johannson"*
Arni Johannson, Director

PALISADES VENTURES INC.
(Formerly Uranium Standard Resources Ltd.)
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Notes	Three months ended September 30, 2016	Three months ended September 30, 2015	Six months ended September 30, 2016	Six months ended September 30, 2015
Expenses					
Listing and transfer agent		$ 2,580	$ 4,155	$ 4,130	$ 11,660
Office		20	4,143	108	16,303
Professional fees		7,350	8,693	15,150	8,693
Shareholders' communications		-	25,317	-	46,746
Travel		-	-	-	-
Comprehensive loss for the period		(9,950)	(42,308)	(19,388)	(83,402)
Forgiveness of debt	7	16,024	-	28,774	-
Write-off of mineral property costs		-	(742,383)	-	(742,383)
		16,024	(784,691)	28,774	(825,785)
Net income (loss) and comprehensive income (loss) for the period		6,074	(784,691)	9,386	(825,785)
Income (loss) per share – basic and diluted		$ (0.00)	$ (0.06)	$ (0.00)	$ (0.07)
Weighted average number of common shares outstanding – basic and diluted		16,614,386	12,264,386	15,929,771	12,264,386

PALISADES VENTURES INC.
(Formerly Uranium Standard Resources Ltd.)
CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Shares to be issued	Share-based Payment Reserve	Warrant Reserve	Deficit Accumulated During Exploration Stage	Total
Balance: March 31, 2015	12,264,386	$6,011,148	$-	$773,276	$ 170,221	$(5,607,637)	$1,347,008
Net loss for the period	-	-	-	-	-	(825,785)	(825,785)
Balance: September 30, 2015	12,264,386	6,011,148	-	773,276	170,221	(6,433,422)	521,223
Balance: March 31, 2016	12,164,386	6,011,148	65,000	773,276	170,221	(7,214,956)	(195,311)
Shares issued for cash	4,450,000	222,500	(65,000)	-	-	-	157,500
Share issue costs – cash	-	(2,745)	-	-	-	-	(2,745)
Net income for the period	-	-	-	-	-	9,386	9,386
Balance: September 30, 2016	16,614,386	$6,230,903	$-	$773,276	$170,221	$(7,205,570)	$(31,170)

PALISADES VENTURES INC.
(Formerly Uranium Standard Resources Ltd.)
CONDENSED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Six months ended September 30, 2016	Six months ended September 30, 2015
Operating activities		
Net income (loss)	$ 9,386	$ (825,785)
Items not affecting cash:		
Write-off of mineral properties	-	742,383
Forgiveness of debt	(28,774)	-
Changes in non-cash working capital:		
GST receivable	209	898
Prepaid expenses	-	20,000
Accounts payable and accrued liabilities	(88,753)	46,557
Due to related parties	7,600	-
Cash used in operating activities	(100,332)	(15,947)
Financing activities		
Issuance of capital stock, net of share issue costs	154,755	-
Cash provided by financing activities	154,755	-
Investing activities		
Exploration and evaluation expenditures	-	(1,500)
Cash used in investing activities	-	(1,500)
Increase (decrease) in cash	54,423	(17,447)
Cash, beginning of year	1,166	19,440
Cash, end of period	$ 55,589	$ 1,993
Supplemental cash flow information		
Issuance of shares for exploration and evaluation assets	$ -	$ -

1. Nature of operations and going concern

Palisades Ventures Inc. (formerly Uranium Standard Resources Ltd.) (the "Company") was incorporated under the laws of British Columbia, Canada, on June 6, 2007. The principal business activity of the Company is the acquisition and exploration of mineral properties located in Canada. The Company is listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "PSV".

The head office and records office of the Company are located at Suite 2300 - 1066 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3X2.

On November 27, 2015, the Company consolidated its common shares on the basis of one post-consolidated common share for every two pre-consolidated common shares held. The 24,528,771 pre-consolidated common shares issued and outstanding were adjusted to 12,264,386 post-consolidated common shares. As required by International Accounting Standards ("IAS") 33 *Earnings per Share*, all references to share capital, common shares outstanding and per share amounts in these condensed financial statements and the accompanying notes for time periods prior to the share consolidation have been restated to reflect the two for one share consolidation.

On July 25, 2014, the Company consolidated its common shares on the basis of one post-consolidated common share for every three pre-consolidated common shares held. The 15,117,000 pre-consolidated common shares issued and outstanding were adjusted to 5,038,992 post-consolidated common shares.

On October 2, 2014, the Company completed an acquisition of Canadian Uranium Corp. ("Canadian Uranium") and 1008394 B.C. Ltd., a wholly owned subsidiary of the Company formed for the purpose of the acquisition (note 5). In connection with the acquisition, the Company changed its name to Uranium Standard Resources Ltd. from Central Resources Corp. and began trading under its new name and symbol "USR".

These condensed financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future.

As at September 30, 2016 the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. These uncertainties cast significant doubt about the Company's ability to continue as a going concern. For the period ended September 30, 2016, the Company incurred comprehensive income of $9,386 (September 30, 2015 – comprehensive loss $825,785). Further, the Company has an accumulated deficit of $7,205,570 (March 31, 2016 - $7,214,956), a working capital deficiency of $31,170 (March 31, 2016 - $195,311), limited resources, no source of operating cash flow and no assurances that sufficient funding will continue to be available to finance operations or to conduct further exploration and development of its mineral property interests.

The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from there and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months from proceeds of private placements of its common shares.

These condensed financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. Significant accounting policies and basis of presentation

a) Basis of presentation

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed financial statements have been prepared on a historical cost basis, except for financial instruments. In addition, these condensed financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The Board of Directors approved these interim condensed financial statements on October 27, 2016.

b) Basis of consolidation

These financial statements included the accounts of the Company and its wholly owned subsidiary, Canadian Uranium, a British Columbia corporation up to March 31, 2016. Canadian Uranium was dissolved on June 28, 2016 and is no longer included in the accounts of the Company. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. All intercompany transactions, balances, revenues and expenses have been eliminated.

c) Critical accounting judgments

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

The following are critical judgments that management has made in the process of applying the Company’s accounting policies that have the most significant effect on the amounts recognized in the condensed financial statements.

Going concern evaluation

As discussed in note 1, these condensed financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these condensed financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the condensed statement of financial position classifications used and such adjustments could be material.

The Company reviews the going concern assessment at the end of each reporting period. There were no material changes to the assessment as at September 30, 2016.

Review of asset carrying value and impairment assessment

Each asset or cash-generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If such an indication exists, which is often judgmental, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying value exceeds the recoverable amount. The recoverable amount of an asset or cash-generating unit is measured at the higher of fair value less costs to sell or value in use.

2. Significant accounting policies and basis of presentation (Continued)

d) Use of estimates and measurement uncertainties

The preparation of financial statements in accordance with IFRS requires management to make estimates that affect the measurements of assets, liabilities, expenses and certain disclosures reported in these condensed financial statements. Significant estimates made by management include the following:

Valuation of share-based compensation and share purchase warrants
Management uses the Black-Scholes option pricing model to determine the fair value of employee stock options and share purchase warrants issued for goods or services. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

Income taxes
Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

e) Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using the Black-Scholes option pricing model. The number of shares and options expected to vest are reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

f) Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the cost of exploration and evaluation assets. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

2. Significant accounting policies and basis of presentation (Continued)

g) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

Changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of restoration projects included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

h) Impairment of long-lived assets

The carrying amount of the Company's assets (which include equipment and exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the condensed statements of operations and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.
An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount; however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

2. Significant accounting policies and basis of presentation (Continued)

i) Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

j) Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition. All financial instruments must be recognized, initially, at fair value on the condensed statement of financial position. Subsequent measurement of the financial instruments is based on their respective classification.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company’s intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within twelve months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets.

The Company classifies its financial liabilities in the following categories: fair value through profit or loss and other financial liabilities.

Financial liabilities classified as fair value through profit or loss comprises of derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the condensed statements of financial position at fair value with changes in fair value recognized in profit or loss.

2. Significant accounting policies and basis of presentation (Continued)

j) Financial instruments *(continued)*
Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method. Other financial liabilities are classified as current or non-current based on their maturity date.

Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

The Company has made the following classification of its financial instruments:

Financial assets or liabilities

	Measurement category under IAS 39
Cash	Held-for-trading
Accounts payable and accrued liabilities	Other liabilities
Due to related parties	Financial liabilities

Fair value
As at September 30, 2016 and 2015, the Company's financial instruments consisted of cash, trade payables and due to related parties. The fair values of cash, trade and other payables and due to related parties approximate their carrying values.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

Cash, accounts payable and accrued liabilities, and due to related parties are classified as Level 1 inputs. The Company does not have any derivative financial assets or liabilities.

2. Significant accounting policies and basis of presentation (Continued)

k) Share capital

Proceeds from the exercise of stock options are recorded as share capital in the amount for which the option enabled the holder to purchase a share in the Company. Share capital issued for non-monetary consideration is valued at the date the shares were issued. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

l) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the condensed statement of operations and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3. Accounting standards issued but not yet effective

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)

Amends IFRS 11 *Joint Arrangements* to require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 *Business Combinations*) to apply all of the business combinations accounting principles in IFRS 3 and other IFRS, except for those principles that conflict with the guidance in IFRS 11, and disclose the information required by IFRS 3 and other IFRS for business combinations.

The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).

3. Accounting standards issued but not yet effective (Continued)

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) *(continued)*
Note: The amendments apply prospectively to acquisitions of interests in joint operations in which the activities of the joint operations constitute businesses, as defined in IFRS 3, for those acquisitions occurring from the beginning of the first period in which the amendments apply. Amounts recognized for acquisitions of interests in joint operations occurring in prior periods are not adjusted.

Applicable to annual periods beginning on or after July 1, 2016.

IFRS 9 *Financial Instruments* (2014)
The IASB replaces IAS 39 *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9. IFRS 9 deals with classification and measurement, impairment, hedge accounting and derecognition of financial assets and liabilities. In February 2014, the IASB decided to defer to January 1, 2018 the implementation of IFRS 9. The Company's management has yet to assess the impact of this new standard on the Company's condensed financial statements. Management does not expect to implement IFRS 9 until it has been issued and its overall impact can be assessed.

Applicable to annual periods beginning on or after January 1, 2018.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s condensed financial statements.

Disclosure Initiative (Amendments to IAS 7 Statement of Cash Flows)
The amendments require entities to provide disclosures that enable users of the financial statements to evaluate change in liabilities arising from financing activities.

Applicable to annual periods beginning on or after January 1, 2017.

Recognition of Deferred Tax Assets for Unrealized Losses (Amendments to IAS 12 *Income Taxes*)
The amendments clarify how to account for deferred taxes related to debt instruments measured at fair value.

Applicable to annual periods beginning on or after January 1, 2017.

Annual Improvements 2012-2014 Cycle
The following standards have been revised to incorporate amendments issued by the IASB:

IFRS 5 *Non Current Assets Held for Sale and Discontinued Operations* – Clarifies the application of guidance when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution (or vice versa), and the circumstances in which an asset (or disposal group) no longer meet the criteria for held for distribution.

IFRS 7 *Financial Instruments: Disclosures* – Clarifies guidance on servicing contracts and the applicability of the amendments to IFRS 7 regarding offsetting financial assets and financial liabilities to interim financial statements.

IFRS 19 *Employee Benefits* – Clarifies the application of the discount rate requirements for currencies for which there is no deep market in high quality bonds.

(Expressed in Canadian Dollars)

3. Accounting standards issued but not yet effective (Continued)

***Annual Improvements 2012-2014 cycle** (continued)*
IFRS 34 *Interim Financial Reporting* – Clarifies the meaning of disclosure of information "elsewhere in the interim financial report".

Applicable to annual periods beginning on or after January 1, 2016.

4. Exploration and evaluation assets

The Company incurred the following mineral property acquisition costs:

	Whitford Lake Property $	**Bernick Lake Property $**	**Wheeler Lake Property $**	**Uranium Project Database $**	**Total $**
Acquisition costs:					
Balance, March 31, 2015	623,420	170,333	243,500	290,000	1,327,253
Write-off	(623,420)	(170,333)	(243,500)	(290,000)	(1,327,253)
Balance, March 31, 2016 and September 30, 2016	-	-	-	-	-
Exploration costs:					
Balance, March 31, 2015	-	27,550	9,500	-	37,050
Additions	-	-	1,500	-	1,500
Write-off	-	(27,550)	(11,000)	-	(38,550)
Balance, March 31, 2016 and September 30, 2016	-	-	-	-	-
Total, March 31, 2016	-	-	-	-	-
Total, September 30, 2016	-	-	-	-	-

a) Selwyn Creek Property, Yukon

On June 8, 2010, as amended on June 4, 2012, the Company entered into an option agreement to purchase a 100% interest in mineral claims located within the Dawson Range, White Gold District, Yukon. The terms of the agreement are as follows:

Payment of $150,000 over a two-year period as follows:

- $115,000 upon TSX-V acceptance of the agreement (paid); and
- $35,000 on or before February 15, 2011 (paid).

Issuance of 222,222 common shares of the Company over a two-year period as follows:

- 27,778 common shares upon TSX-V acceptance of the agreement (issued);
- 55,555 common shares on or before February 15, 2011 (issued); and
- 138,889 common shares on or before June 29, 2012 (issued).

4. Exploration and evaluation assets (Continued)

a) Selwyn Creek Property, Yukon (Continued)

In connection with the acquisition, the Company has agreed to the following finder's fee:

- 5,555 common shares upon TSX-V acceptance of the agreement (issued);
- 5,555 common shares on or before February 15, 2011 (issued); and
- 5,555 common shares on or before June 29, 2012 (issued).

During the year ended March 31, 2014, the Company wrote off the property, as no fieldwork has been completed since 2011.

During the year ended March 31, 2016, the Company sold its interest in the property for the return of 100,000 of the Company's shares valued at $Nil.

b) Whitford Lake Property, Saskatchewan

As part of the acquisition of Canadian Uranium (note 5) on October 1, 2014, the Company acquired the option to the Whitford Lake Property. The agreement dated September 9, 2013 and as amended on December 1, 2013 is to acquire a 100% interest in certain mineral claims, referred to as the "Whitford Lake Property", which is located in the Province of Saskatchewan, Canada. As part of the acquisition, the Company recorded $623,420 to acquisition costs. Consideration for the acquisition consists of the following:

- The issuance of 2,250,000 common shares of Canadian Uranium (issued);
- Payment of $60,000 within 48 hours of the amendment (paid);
- Payment of $200,000 within 48 hours of the Company completing equity offerings, which generates net aggregate proceeds in excess of $600,000 (paid);
- Payment of $100,000 by December 31, 2014;
- Payment of $750,000 by November 2, 2015; and
- The assumption of any liabilities and responsibilities under the agreement and the addendum as of the Effective Date including payment of $100,000 on or before December 31, 2013 (paid).

During the year ended March 31, 2016, the Company recognized an impairment of $623,420, determined in accordance with Level 3 of the fair value hierarchy, as management does not plan to further pursue the property.

c) Bernick Lake Property, Saskatchewan

As part of the acquisition of Canadian Uranium (note 5) on October 1, 2014, the Company acquired the option to the Bernick Lake Property. The agreement was completed on December 15, 2013. The option agreement is to acquire a 100% interest in certain mineral claims referred to as the "Bernick Lake Property", located in the Province of Saskatchewan, Canada. As part of the acquisition, the Company recorded $170,333 in acquisition costs. Consideration for the acquisition consists of the following:

- The issuance of 1,500,000 of the Company's common shares of Canadian Uranium (issued); and
- The Company will have to complete $1,500,000 in exploration expenditures on the mineral claim within three years of signing the agreement.

4. Exploration and evaluation assets (Continued)

c) Bernick Lake Property, Saskatchewan (Continued)

During the year ended March 31, 2016, the Company incurred $Nil (2015 - $27,550) in exploration expenditures on the Bernick Lake Property.

During the year ended March 31, 2016, the Company recognized an impairment of $197,883, determined in accordance with Level 3 of the fair value hierarchy, as management does not plan to further pursue the property.

d) Wheeler Lake Property, Saskatchewan

On October 23, 2014, the Company entered into an option agreement to acquire a 100% interest in certain mineral claims referred to as the “Wheeler Lake Property”, located in the Province of Saskatchewan, Canada. Consideration for the acquisition consists of the following:

- $25,000 upon signing the agreement (paid);
- 950,000 common shares upon TSX-V acceptance of the agreement (issued); and
- Incur $2,000,000 in cumulative exploration expenditures over a six-year period.

The optionor shall retain a 1% gross overriding royalty with a buyback provision to the Company of 0.5% for $1,000,000.

During the year ended March 31, 2015, the Company paid $25,000 and issued 950,000 shares of the Company with a fair value of $218,500 in acquisition costs, for total acquisition costs of $243,500.

During the year ended March 31, 2016, the Company incurred $1,500 (2015 - $9,500) in exploration expenditures on the property.

During the year ended March 31, 2016, the Company recognized an impairment of $254,500, determined in accordance with Level 3 of the fair value hierarchy, as management does not plan to further pursue the property.

e) Uranium Project Database

On November 30, 2014, the Company entered into an agreement to acquire a proprietary Uranium Project Database from Vico Uranium Corp. (“Vico”). The Database contains information on over 1,000 uranium projects globally. The Company plans to utilize this database to execute its strategy of acquiring a substantial portfolio of high-quality uranium resources at deeply discounted valuations. As consideration for this acquisition the Company has issued 1,000,000 common shares of the Company with a fair value of $290,000.

During the year ended March 31, 2016, the Company recognized an impairment of $290,000, determined in accordance with Level 3 of the fair value hierarchy, as management does not plan to further pursue the property.

4. Exploration and evaluation assets (Continued)

f) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material, and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. The Company conducts its exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current assets that may result in a material liability to the Company.

Environmental legislation is becoming increasingly stringent and the costs of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

g) Title to mineral properties

Title to mineral properties 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 conveyance history of many mineral properties. Although the Company has taken steps to ensure title to the mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such assets, these procedures may not guarantee the Company's title. Asset title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

h) Realization of assets

Realization of the Company's investment in exploration and evaluation properties is dependent upon the establishment of legal ownership, the obtaining of permits, the satisfaction of governmental requirements, the attainment of successful production from the properties, or from the proceeds of their disposal. The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for exploration and evaluation properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from the sale of the mineral properties. The carrying value of the Company's exploration and evaluation properties may not reflect present or future values.

5. Acquisition

On October 1, 2014, the Company closed the acquisition of Canadian Uranium, a British Columbia company. In connection with the acquisition, the Company completed a private placement dated July 31, 2014 for 3,840,000 units of the Company (note 6). The acquisition resulted in the issuance of 3,954,889 shares of the Company for $0.18 per share. The Company also incurred legal fees of $84,948 for the acquisition, which has been capitalized to the properties. The acquisition allowed the Company to obtain title to the Whitford Lake and Bernick Lake properties.

(Expressed in Canadian Dollars)

5. Acquisition (Continued)

The following table summarizes the net assets acquired. The fair value of the common shares issued approximates the fair value of the net assets acquired.

Purchase price allocation		
Total consideration:		
Common shares issued (3,954,889 shares at $0.18 per share)	$	711,880
Legal fees		84,948
	$	796,828
Identifiable fair value of net assets of Canadian Uranium acquired:		
Cash	$	33
GST receivable		82
Due to the Company		2,960
Bernick Lake property		170,333
Whitford Lake Property		623,420
Net assets acquired:	$	796,828

6. Share capital

Authorized
Unlimited common voting shares without nominal or par value; and
Unlimited preferred voting shares without nominal or par value.

Escrow shares
Under the policies of the TSX-V, an aggregate of 1,666,666 common shares were held by escrow to be released over a 36-month period; 10% were released October 14, 2014 and 15% will be released every six months until October 14, 2017. The number of escrow common shares as at September 30, 2016 is 750,000.

Issued share capital

2017
On April 29, 2016, the Company completed a non-brokered private placement of $222,500. The private placement consisted of 4,450,000 units at a price of $0.05 per unit, with each unit comprised of one common share and one-half of one share purchase warrant, with each full warrant entitling the holder to purchase an additional common share at an exercise price of $0.10 until April 29, 2018. Using the residual value, no value was allocated to the warrants. In connection with the financing the Company incurred $2,745 in share issue costs.

2016
On November 27, 2015, the Company consolidated its common shares on the basis of one post-consolidated common share for every two pre-consolidated common shares held. The 24,528,771 pre-consolidated common shares issued and outstanding were adjusted to 12,264,386 post-consolidated common shares. All figures as to the numbers of common shares, stock options, warrants, and loss per share in these condensed financial statements have been retroactively restated to reflect the consolidation.

(Expressed in Canadian Dollars)

6. Share capital (Continued)

During the year ended March 31, 2016, the Company received $65,000 for 1,300,000 common shares to be issued as part of the private placement subsequent to year-end. There were no share issuances during the year ended March 31, 2016.

Share purchase warrants

The Company's share purchase warrants outstanding as at September 30, 2016 are provided below:

Exercise Price	Expiry Date	March 31, 2016	Granted	Expired	September 30, 2016
$0.50	July 30, 2016	2,115,300	-	(2,115,300)	-
$0.10	April 29, 2018	-	2,225,000	-	2,225,000
Total		2,115,300	2,225,000	(2,115,300)	2,225,000
Weighted average exercise price		$0.50	-	-	$0.10
Weighted average contractual life remaining in years		0.33	-	-	1.58

The Company's share purchase warrants outstanding as at March 31, 2016 are provided below:

Exercise Price	Expiry Date	March 31, 2015	Granted	Expired	March 31, 2016
$0.30/$0.50	July 30, 2016	2,115,300	-	-	2,115,300
Weighted average exercise price		$0.30	-	-	$0.50
Weighted average contractual life remaining in years		1.33	-	-	0.33

(Expressed in Canadian Dollars)

6. Share capital (Continued)

Stock option plan, grants and share-based payments

The Company has adopted an incentive stock option plan (the "Plan") whereby it can grant non-transferable stock options to purchase common shares to directors, officers, employees and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Plan is limited to any of the following:

- 10% of the issued common shares of the Company at any time and exercisable for a period of up to five years from the date of grant;
- The Company must not grant options to directors, employees, consultants or consultant company in any twelve-month period in excess of 5% of the issued common shares of the Company;
- The aggregate number of options granted to an investor relation service provider in any twelve-month period must not be in excess of 2% of the issued common shares of the Company; or
- The aggregate number of shares granted to any consultant in any twelve-month period must not be in excess of 2% of the issued common shares of the Company.

The exercise price of options granted under the Plan will not be less than the market price of the common shares. Vesting periods are determined by the Board of Directors, except for options granted to consultants conducting investor relation activities, which will become vested with the right to exercise one-fourth of the option upon the conclusion of each three-month period subsequent to the date of grant of the option.

Exercise Price	Expiry Date	March 31, 2016	Granted	Expired/ Cancelled	September 30, 2016
$0.40	October 7, 2017	212,500	-	-	212,500
Weighted average exercise price		$0.40	-	-	$0.40
Weighted average contractual life remaining in years		1.52	-	-	1.02

During the year ended March 31, 2016, no stock options (2015 - 1,000,000) were granted to officers, directors, related employees and consultants. The Company has recorded the fair value of all options granted during the year using the Black-Scholes option pricing model. Share-based payment costs were calculated using the following weighted average assumptions: expected life of options – Nil (2015 - 2.3 years), stock price volatility – Nil (2015 - 185.07%), no dividend yield (2015 - Nil), and a risk-free interest rate yield - Nil (2015 - 1.05%). The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous four years. Using the above assumptions the fair value of options granted during the year ended March 31, 2016 was $Nil per option (2015 - $0.20 per option). The total share-based payment expense for the year ended March 31, 2016 was $Nil (2015 - $200,656), which is presented as an operating expense, and includes only options that vested during the period.

(Expressed in Canadian Dollars)

7. Trade payables

During the period ended September 30, 2016, the Company settled trade payables which resulted in a $28,774 forgiveness of debt.

8. Related party transactions

The Company incurred the following transactions with officers and directors, or companies that are controlled by officers and directors of the Company:

		September 30, 2016		**September 30, 2015**
Geological consulting fees paid to a former director	$	-	$	1,500
Office services paid to a company controlled by a former officer		-		14,342
Professional fees accrued to a company controlled by the CFO		12,000		-
Total	$	12,000	$	15,842

The Company owes the following amounts to officers and directors, or companies that are controlled by officers and directors of the Company:

		September 30, 2016		**March 31, 2016**
Loan payable to the President	$	-	$	5,000
Rent accrued to a company controlled by the President		9,000		9,000
Management fees accrued to a company controlled by the President		41,000		41,000
Professional fees accrued to a company controlled by the CFO		12,600		-
Total	$	62,600	$	55,000

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount established and agreed to by the related parties. The amounts payable are due on demand and without interest stated or stated terms of repayment.

9. Capital management

The Company manages its capital structure, which consists of working and share capital, and makes adjustments to it depending on the funds available to the Company for acquisition, exploration and development of exploration and evaluation assets. 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.

9. Capital management (Continued)

The exploration and evaluation of assets in which the Company currently has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for ongoing general and administrative expenses, the Company will use existing working capital and expects to raise additional amounts through related parties or private placements as needed. The Company will continue to assess new exploration and evaluation assets and seeks to acquire additional interests if sufficient geologic or economic potential is established and adequate financial resources are available.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no significant changes in its approach to capital management during the period ended September 30, 2016.

10. Risk management

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. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with one major bank in Canada so there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Foreign currency risk
Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company only operates in Canada and is therefore not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate due to changes in market interest rate. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The risk is minimal.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company attempts to ensure there is sufficient access to funds to meet on-going business requirements, taking into account its current cash position and potential funding sources.

At September 30, 2016, the Company had cash in the amount of $55,589 (March 31, 2016 - $1,166) and accounts payable, accrued liabilities and due to related parties of $87,547 (March 31, 2016 - $197,474). All of the liabilities presented as accounts payable, accrued liabilities and due to related parties are due within 90 days of September 30, 2016.

11. Comparative figures

Certain comparative figures have been adjusted to conform to the current period's presentation.

12. Subsequent event

On October 14, 2016, 250,000 shares were released from escrow leaving 500,000 in escrow.