Consolidated Financial Statements of

Almadex Minerals Limited

Period from Incorporation on April 10, 2015 to December 31, 2015

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Almadex Minerals Limited

We have audited the accompanying consolidated financial statements of Almadex Minerals Limited, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statements of loss and other comprehensive loss, cash flows, and changes in equity for the period from incorporation on April 10, 2015 to December 31, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Almadex Minerals Limited as at December 31, 2015 and its financial performance and its cash flows for the period from incorporation on April 10, 2015 to December 31, 2015 in accordance with International Financial Reporting Standards.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Professional Accountants

April 26, 2016

Almadex Minerals Limited
Consolidated statement of financial position
(Expressed in Canadian dollars)

	December 31, 2015
	$
ASSETS	
Current assets	
Cash and cash equivalents (Note 14)	2,896,701
Accounts receivable and prepaid expenses (Note 5)	260,748
Marketable securities and investments (Note 6)	2,562,892
	5,720,341
Non-current assets	
Investment in associate (Note 7)	1,539,870
Reclamation deposits (Note 4(l))	33,348
Contingent shares receivables (Note 8)	43,500
Property and equipment (Note 9)	594,757
Exploration and evaluation assets (Note 10)	3,338,094
	5,549,569
TOTAL ASSETS	11,269,910
LIABILITIES	
Current liabilities	
Trade and other payables	187,593
Total liabilities	187,593
EQUITY	
Share capital (Note 2 & 11)	11,907,544
Reserves (Note 2 & 11)	259,174
Deficit	(1,084,401)
Total equity	11,082,317
TOTAL EQUITY AND LIABILITIES	11,269,910

Nature of operations (Note 1)
Commitments (Note 10(b))
Subsequent event (Note 19)

These consolidated financial statements are authorized for issue by the Board of Directors on April 26, 2016

They are signed on the Company's behalf by:

/s/Duane Poliquin
Director

/s/Mark T. Brown
Director

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

Almadex Minerals Limited
Consolidated statement of loss and other comprehensive income
(Expressed in Canadian dollars)

	Period from incorporation on April 10, 2015 to December 31, 2015
	$
Revenue	
Interest income	8,151
Other income (Note 12(b))	78,511
	86,662
Expenses	
Administrative services fee (Note 12 (b))	181,405
Depreciation (Note 9)	27,267
Impairment of exploration and evaluation assets (Note 10)	544,454
Office	8,131
Professional fees	118,555
Share-based payments (Note 10(c))	97,427
Transfer agent and filing fees	48,634
Travel and promotion	15,540
	1,041,413
Operating loss	(954,751)
Loss on investment in associate (Note 7)	(51,730)
Loss on sale of marketable securities (Note 6(a))	(89,278)
Loss on fair value of contingent shares receivable (Note 8)	(3,600)
Loss on sale of property and equipment (Note 9)	(947)
Foreign exchange gain	15,905
Net loss for the period	(1,084,401)
Other comprehensive income	
Items that may be reclassified subsequently to net loss	
Net change in fair value of available-for-sale financial assets, net of tax of $Nil (Note 6)	45,912
Other comprehensive income for the period	45,912
Loss and other comprehensive income for the period	(1,038,489)
Basic and diluted net loss per share (Note 13)	(0.05)

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

Almadex Minerals Limited
Consolidated statement of cash flows
(Expressed in Canadian dollars)

	Period from incorporation on April 10, 2015 to December 31, 2015
	$
Operating activities	
Net loss for the period	(1,084,401)
Items not affecting cash:	
Loss on investment in associate	51,730
Depreciation	27,267
Loss on fair value of contingent shares receivable	3,600
Loss on sale of marketable securities	89,278
Unrealized foreign exchange on reclamation deposit	(3,114)
Loss on sale of property and equipment	947
Impairment of exploration and evaluation assets	544,454
Share-based payments	97,427
Changes in non-cash working capital components:	
Accounts receivable and prepaid expenses	(118,018)
Net contribution of working capital items from subsidiaries acquired pursuant to the Plan of Arrangement	235,231
Trade and other payables	115,616
Net cash used in operating activities	(39,983)
Investing activities	
Exploration and evaluation assets - costs	(189,058)
Net proceeds from sale of marketable securities	125,642
Net cash used in investing activities	(63,416)
Financing activities	
Cash received from Almaden Minerals Ltd., pursuant to the Plan of Arrangement	3,000,000
Net cash from financing activities	3,000,000
Change in cash and cash equivalents	2,896,601
Cash and cash equivalents, beginning of period	100
Cash and cash equivalents, end of period	2,896,701

Supplemental cash flow information – Note 14

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

Almadex Minerals Limited
Consolidated statement of changes in equity
(Expressed in Canadian dollars)

	Share Capital		Reserves				
	Number of shares	Amount	Share-based payments	Available-for-sale financial assets	Total Reserves	**Deficit**	**Total**
		$	$	$	$	$	$
Balance, April 10, 2015	100	100	-	-	-	-	100
Share-based payments	-	-	97,427	-	97,427	-	97,427
Transfer of net assets from Almaden Minerals Ltd., pursuant to Plan of Arrangement	43,888,869	11,897,194	115,835	-	115,835	-	12,013,029
Shares issued for exploration and evaluation assets	50,000	10,250	-	-	-	-	10,250
Net loss and other comprehensive loss for the period	-	-	-	45,912	45,912	(1,084,401)	(1,038,489)
Balance, December 31, 2015	**43,938,969**	**11,907,544**	**213,262**	**45,912**	**259,174**	**(1,084,401)**	**11,082,317**

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

(Expressed in Canadian dollars)

1. Nature of Operations

Almadex Minerals Limited (the "Company" or "Almadex") was incorporated on April 10, 2015 under the laws of the Province of British Columbia pursuant to a Plan of Arrangement to reorganize Almaden Minerals Ltd. ("Almaden") which was completed on July 31, 2015 (see Note 2). The Company's intended business activity is the acquisition and exploration of exploration and evaluation properties in Canada, the United States and Mexico. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage. The address of the Company's registered and records office is Suite 1710 –1177 West Hastings Street, Vancouver, BC, Canada V6E 2L3.

2. Plan of Arrangement

On July 31, 2015, Almaden completed a plan of arrangement (the "Plan of Arrangement") under the provision of the *Business Corporations Act* (British Columbia) pursuant to which certain assets of Almaden were spun-out to Almadex.

Under the Plan of Arrangement, Almaden's shareholders exchanged each existing common share of Almaden for one "new" Almaden common share and 0.6 common shares of Almadex.

The fair value of the net assets contributed pursuant to the Plan of Arrangement consisted of the following:

Assets:	**$**
Cash	3,000,000
Accounts receivable and prepaid expenses	142,730
Marketable securities and investments	2,731,900
Investment in associate	1,591,600
Reclamation deposits	30,235
Contingent shares receivable	47,100
Property and equipment	622,971
Exploration and evaluation assets	3,661,011
Total assets	11,827,547
Liabilities:	
Trade and other payables	(49,748)
Fair value of net assets contributed	**11,777,799**

The Plan of Arrangement resulted in an increase of share capital amounting to $11,897,194 ($11,777,799 fair value of net assets and $119,395 net contribution from spin-out assets).

Spinout stock options in Note 11 (c) were issued pursuant to the Plan of Arrangement where holders of outstanding Almaden stock options received, in exchange for each stock option, one Almaden replacement stock option and 0.6 Almadex stock options, with the exercise prices of the Almaden replacement stock options and the Almadex stock options based on the proportional market value of the two companies after completion of the Arrangement.

Spinout warrants in Note 11 (b) were issued pursuant to the Plan of Arrangement where holders of outstanding Almaden warrants received, in exchange for each warrant, one Almaden replacement warrant and 0.6 Almadex warrants, with the exercise prices of the Almaden replacement warrants and the Almadex warrants based on the proportional market value of the two companies after completion of the Plan of Arrangement.

3. Basis of Presentation

(a) Statement of Compliance

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

(b) Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss, and available-for-sale that have been measured at fair value.

These consolidated financial statements have been prepared on the basis of IFRS standards that are effective as at December 31, 2015.

(c) Functional currency

The functional and reporting currency of the Company and its subsidiaries is the Canadian dollar.

(d) Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgements and estimates. The consolidated financial statements include judgements and estimates which, by their nature, are uncertain. The impacts of such judgements and 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 the revision affects both current and future periods.

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

<u>Critical Judgments</u>

- The assessment that the Company has significant influence over the investment in Gold Mountain Mining Corporation ("Gold Mountain") (Note 7) which results in the use of the equity method for accounting for this investment. In making their judgement, management considered its percentage ownership, the composition of the Board of Directors of Gold Mountain, the common directors and management between Gold Mountain and the Company and the intercompany transactions and relationship with Gold Mountain and concluded that significant influence exists.

- The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant, the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

3. Basis of Presentation *(Continued)*

(d) Significant accounting judgments and estimates (continued)

Estimates

- The recoverability of accounts receivable which is included in the consolidated statements of financial position;
- The carrying value of investment in associate, and the estimated annual gains or losses from profit or loss and dilution, and the recoverability of the carrying value which is included in the consolidated statement of financial position;
- The estimated useful lives of property and equipment which are included in the consolidated statement of financial position and the related depreciation included in the consolidated statement of comprehensive loss;
- The value of the exploration and evaluation assets which is recorded in the consolidated statement of financial position (Note 4(h));
- The Company uses the Black-Scholes option pricing model to determine the fair value of options and warrants in order to calculate share-based payments expense and the fair value of warrants. Certain inputs into the model are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control;
- The assessment of indications of impairment of each exploration and evaluation asset and related determination of the net realizable value and write-down of those assets where applicable;
- The estimated fair value of contingent shares receivable in the event that Gold Mountain achieves some or all of the specified resource and production levels described in Note 8(a);
- The estimated fair value of contingent share payments receivable in the event that Goldgroup Mining Inc. achieves some or all of the specified resource and production levels described in Note 8(b).

4. Significant Accounting Policies

(a) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries as follows:

	Jurisdiction	**Nature of operations**
Almadex America Inc.	USA	exploration company (inactive)
Republic Resources Ltd.	Canada	service company (inactive)
Ixtaca Precious Metals Inc.	Canada	holding company
Pangeon Holdings Ltd.	Canada	holding company
Almadex Royalties Limited	Canada	holding company
Almaden de Mexico, S.A. de C.V.	Mexico	exploration company (inactive)
Minera Gavilan, S.A. de C.V.	Mexico	exploration company
Compania Minera Zapata, S.A. de C.V.	Mexico	exploration company (inactive)
Minera Alondra, S.A. de C.V.	Mexico	holding company

Subsidiaries are entities controlled by the Company, and are included in the consolidated financial statements from the date that control commences until the date that control ceases.

4. Significant Accounting Policies *(Continued)*

(a) Basis of consolidation (continued)

Investments where the Company has the ability to exercise significant influence are accounted for using the equity method. Under this method, the Company's share of the investee's profit or loss is included in the statement of operations and its investments therein are adjusted by a like amount. Dividends received from these investments are credited to the investment. The Company's 38.8% interest in Gold Mountain was accounted for using the equity method (Note 7).

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each financial position reporting date, all assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position.

(c) Financial instruments

<u>Financial assets</u>

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, including contingent shares receivable, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company classifies its cash and cash equivalents and accounts receivable as "loans and receivables".

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

4. Significant Accounting Policies *(Continued)*

(c) Financial instruments (continued)

Available for sale - Non-derivative financial assets not included in the above categories and which include marketable securities and investments are classified as available for sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income and equity. Where a decline in the fair value of an available for sale financial asset constitutes objective evidence of significant or prolonged decline in value, the amount of the loss is removed from equity and recognized in profit or loss. This category includes marketable securities and investments.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose of the liability. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category includes trade and other payables, all of which are recognized at amortized cost.

(d) Cash and cash equivalents

Cash equivalents include money market instruments which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

(e) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses and are depreciated annually on a declining-balance basis at the following rates:

Automotive equipment	30%
Geological library	20%
Field equipment	20%
Drill equipment	20%

(f) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and other sales tax or duty. The following specific recognition criteria must also be met before revenue is recognized:

4. Significant Accounting Policies (*Continued)*

(f) Revenue recognition (continued)

Interest income
Revenue is recognized as interest accrues on cash balances.

Other income
Revenue from other income consists of equipment rentals and contract exploration services provided to third parties and are recognized upon completion of the services for which the measurement of the consideration can be reasonably assured and the ultimate collection is reasonably assured.

(g) Exploration and evaluation assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and evaluation of mineral claims to which the Company has rights, and crediting all proceeds received from farm-out arrangements or recovery of costs against the cost of the related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to profit or loss on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral claims are charged to profit or loss at the time of any abandonment or when it has been determined that there is evidence of an impairment.

The Company considers the following facts and circumstances in determining if it should test exploration and evaluation assets for impairment:

(i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

(ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

(iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

(iv) sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

An impairment charge relating to an exploration and evaluation asset is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized. General exploration costs in areas of interest in which the Company has not secured rights are expensed as incurred.

4. Significant Accounting Policies *(Continued)*

(g) Exploration and evaluation (continued)

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on exploration and evaluation assets when amounts received or receivable are in excess of the carrying amount.

Expenditures are transferred to mining properties and leases or assets under construction once the technical feasibility and commercial viability of extracting a mineral resource are demonstrable and the work completed to date supports the future development of the property.

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.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment.

Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to profit or loss. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

(h) Impairment of property and equipment

Property and equipment are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs of disposal 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 current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount by way of recording an impairment charge to profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

4. Significant Accounting Policies *(Continued)*

(i) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

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

Deferred tax is recognized in respect of 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 for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. 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 current tax liabilities and assets, 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 for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

(j) Share-based payments

The Company's stock option plan allows Company employees, directors, officers and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based payment expense with a corresponding increase in reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. In situations where equity instruments are issued to consultants and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

4. Significant Accounting Policies *(Continued)*

(k) Share capital

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company, in addition to the proportionate amount of reserves originally created at the issuance of the stock options or warrants. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to common shares based on the fair value of a common share at the announcement date of the unit offering and any residual remaining is allocated to common share purchase warrants.

(l) Reclamation and closure cost obligations

Decommissioning and restoration provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation and discount rates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows discounted for the market discount rate.

Over time the discounted liability is increased for the changes in the present value based on the current market discount rates and liability risks. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

At December 31, 2015, the Company has $7,500 of reclamation deposits held with the Ministry of Mines of British Columbia and $25,848 of reclamation deposits held with the State of Nevada.

When the Company enters into an option agreement on its exploration and evaluations assets, as part of the option agreement, responsibility for any reclamation and remediation becomes the responsibility of the optionee.

(Expressed in Canadian dollars)

4. Significant Accounting Policies *(Continued)*

(m) Net loss per share

The Company presents the basic and diluted net loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted net loss per share is determined by adjusting the net loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all dilutive potential common shares (Note 13).

(n) Future accounting standards

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

- IFRS 15: New standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers, effective for annual periods beginning on or after January 1, 2018.

5. Accounts Receivable and Prepaid Expenses

Accounts receivable and prepaid expenses consist of the following:

	December 31, 2015
	$
Accounts receivable	325,358
Allowance for doubtful account	(79,485)
Prepaid expenses	14,875
	260,748

6. Marketable Securities and Investments

a) Marketable securities consist of common shares in publicly traded companies over which the Company does not have control or significant influence. Marketable securities are designated as available-for-sale and valued at fair value of $220,029 as at December 31, 2015. Unrealized gains and losses due to period end revaluation to fair value, other than those determined to be other than significant or prolonged losses are recorded as other comprehensive income. The valuation of the common shares has been determined in whole by reference to the closing price traded on the exchange at each reporting date.

(Expressed in Canadian dollars)

6. Marketable Securities and Investments *(Continued)*

b) Investments consist of 1,597 ounces of gold bullion which is recorded at the fair value of $2,342,863 as at December 31, 2015. The investments are designated as available-for-sale and valued at fair value. Unrealized gains and losses due to year end revaluation to fair value, other than those determined to be other than significant or prolonged losses are recorded as other comprehensive income. The valuation of the gold bullion investment is determined in whole by reference to the closing price of gold at each reporting period.

7. Investment in Associate

Gold Mountain Mining Corporation

Pursuant to the Plan of Arrangement, the Company received 26.75 million shares of Gold Mountain Mining Corporation ("Gold Mountain") representing a 38.8% interest in Gold Mountain. Gold Mountain is a publicly traded company on the TSX-V. Duane Poliquin (Chairman and Director of Almadex) and Morgan Poliquin (President, CEO and Director of Almadex) are directors of Gold Mountain.

Almadex is accounting for this investment using the equity method as the Company has determined that significant influence exists. The Company has recorded its equity share of Gold Mountain's loss during the year ended December 31, 2015, in the amount of $51,730.

The continuity of the Company's investment in associate for the period ended December 31, 2015 is as follows:

	December 31, 2015
	$
Balance, beginning of period	1,591,600
Company's share of net loss	(51,730)
Balance, end of period	**1,539,870**

The following table summarizes the financial information of Gold Mountain for its year ended December 31, 2015. The Company's share of the net loss in Gold Mountain is calculated based on the period of incorporation on April 10, 2015 to December 31, 2015.

	December 31, 2015
	$
Current assets	2,633,639
Non-current assets	27,753,453
Current liabilities	32,892
Non-current liabilities	1,722,056
Revenue	2,288
Net loss	161,182

8. Contingent Shares Receivables

(a) Gold Mountain Mining Corporation

As part of the Plan of Arrangement, the Company holds an additional 2 million common shares of Gold Mountain in escrow subject to the following release conditions:

i. 1,000,000 common shares will be released upon the establishment of one million ounces of measured or indicated resource of gold on the Gold Mountain's Elk Gold Project; and
ii. 1,000,000 common shares will be released upon the establishment of an additional one million ounces of measured and indicated resource of gold on the Gold Mountain's Elk Gold Project.

Any of the foregoing shares not released from escrow by July 26, 2016 will be cancelled. The Company has recorded a contingent shares receivable of $4,500 based on management's best estimate of the fair value of the common shares as at December 31, 2015, and a loss on fair value adjustment during the period ended December 31, 2015, of $7,500 in the statement of loss.

(b) Goldgroup Mining Inc.

As part of the Plan of Arrangement, the Company may receive 7 million shares of Goldgroup Mining Inc. ("Goldgroup") which may be obtained upon satisfaction of the following conditions:

i. 1,000,000 common shares will be received upon commencement of commercial production on the Caballo Blanco project ("Caballo Blanco");
ii. 2,000,000 common shares will be received upon measured and indicated resources including cumulative production for Caballo Blanco reaching 2,000,000 ounces of gold;
iii. 2,000,000 common shares will be received upon measured, indicated and inferred resources including cumulative production for Caballo Blanco reaching 5,000,000 ounces of gold; and
iv. 2,000,000 common shares will be received upon measured, indicated and inferred resources including cumulative production for Caballo Blanco reaching 10,000,000 ounces of gold.

On December 24, 2014, Goldgroup sold Caballo Blanco to Timmins Gold Corp ("Timmins"). If Timmins achieves the above conditions, management believes that the bonus common shares will continue to be payable from Goldgroup. The Company has recorded a contingent shares receivable of $39,000 based on management's best estimate of the fair value of the Goldgroup common shares as at December 31, 2015, and a gain of $3,900 on fair value adjustment in the statements of loss during the period ended December 31, 2015.

(Expressed in Canadian dollars)

9. Property and Equipment

	Automotive equipment	Geological library	Field equipment	Drill equipment	Total
Cost:	**$**	**$**	**$**	**$**	**$**
April 10, 2015	**-**	**-**	**-**	**-**	**-**
Additions - Contribution from spinout assets July 31, 2015 (Note 2)	63,049	200	56,245	503,477	622,971
Disposals	-	-	(9,225)	-	(9,225)
December 31, 2015	**63,049**	**200**	**47,020**	**503,477**	**613,746**
Accumulated depreciation:					
April 10, 2015	**-**	**-**	**-**	**-**	**-**
Disposals	-	-	(8,278)	-	(8,278)
Depreciation	3,941	8	2,340	20,978	27,267
December 31, 2015	**3,941**	**8**	**(5,938)**	**20,978**	**18,989**
Carrying amounts:					
April 10, 2015	**-**	**-**	**-**	**-**	**-**
December 31, 2015	**59,108**	**192**	**52,958**	**482,499**	**594,757**

10. Exploration and Evaluation Assets

	El Cobre	Los Venados	Other Properties	Total
Exploration and evaluation assets	**$**	**$**	**$**	**$**
Acquisition costs:				
Opening balance - April 10, 2015	**-**	**-**	**-**	**-**
Contribution from spinout assets July 31, 2015 (Note 2)	47,261	-	13,165	60,426
Additions	-	20,163	-	20,163
Impairment of acquisition costs	-	-	(13,143)	(13,143)
Closing balance – December 31, 2015	**47,261**	**20,163**	**22**	**67,446**
Deferred exploration costs:				
Opening balance - April 10, 2015	**-**	**-**	**-**	**-**
Costs incurred during the period:				
Contribution from spinout assets July 31, 2015 (Note 2)	3,188,027	-	412,558	**3,600,585**
Drilling and related costs	18,661	-	-	**18,661**
Professional/technical fees	7,402	1,221	7,551	**16,174**
Claim maintenance/lease costs	90	-	86,107	**86,197**
Geochemical, metallurgy	-	15,331	-	**15,331**
Technical studies	5,442	-	-	**5,442**
Travel and accommodation	1,319	2,194	-	**3,513**
Geology, geophysics, exploration	-	15,996	25,095	**41,091**
Supplies and miscellaneous	1,897	-	-	**1,897**
Value-added tax	13,068	-	-	**13,068**
Impairment of deferred exploration costs	-	-	(531,311)	**(531,311)**
Closing balance - December 31, 2015	**3,235,906**	**34,742**	**-**	**3,270,648**
Total exploration and evaluation assets	**3,283,167**	**54,905**	**22**	**3,338,094**

(Expressed in Canadian dollars)

10. Exploration and Evaluation Assets *(Continued)*

The following is a description of the Company's most significant property interests and related spending commitments:

(a) El Cobre

During 2011, Almaden completed the sale of its 30% interest in the Caballo Blanco property located in the state of Veracruz, Mexico to Goldgroup. As part of the sale, Goldgroup transferred to Almaden its 40% interest in the El Cobre property also located in the state of Veracruz, Mexico. The Company owns a 100% interest in the El Cobre property.

(b) Los Venados

On October 6, 2015, the Company entered into an option to purchase a 100% interest in the Los Venados project in Sonora State Mexico. The terms of the agreement are as follows:

On signing:	$10,000 cash and 50,000 shares of Almadex (Paid on October 15 and issued on October 14, 2015)
October 14, 2016:	$10,000 cash and 50,000 shares of Almadex
October 14, 2017:	$10,000 cash and 100,000 shares of Almadex
October 14, 2018:	$20,000 cash and 100,000 shares of Almadex
October 14, 2019:	$50,000 cash and 100,000 shares of Almadex
October 14, 2020:	$50,000 cash and 100,000 shares of Almadex

Almadex will meet minimum assessment requirements and pay claim taxes. Almadex will also make a one-time $500,000 payment due when a National Instrument 43-101 compliant resource greater than 500,000 ounces of gold has been identified. The vendor will have a 2% NSR on the project, 100% of which can be purchased by the Company at any time for $1,000,000.

(c) Other Properties

Other properties consist of a portfolio of early stage exploration projects located in Canada, the United States and Mexico. During the period ended December 31, 2015, the Company recorded a write-down of $544,454 with respect to such properties. Each remaining property is carried at $1 as at December 31, 2015.

11. Share Capital and Reserves

(a) Authorized share capital

At December 31, 2015, the Company's authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

On October 14, 2015, the Company issued 50,000 common shares at a fair value of $0.205 per share as a payment for the Los Venados Option Agreement (Note 10(b)).

(Expressed in Canadian dollars)

11. Share Capital and Reserves *(Continued)*

(b) Warrants

The continuity of warrants for the period ended December 31, 2015 is as follows:

Expiry date	Exercise Price	Spinout warrants August 28, 2015	Granted	Exercised	Expired/ cancelled	December 31, 2015
February 11, 2016[1]	$ 0.41	1,326,000	-	-	-	1,326,000
February 11, 2016[1]	$ 0.26	29,646	-	-	-	29,646
July 17, 2016	$ 0.37	2,625,600	-	-	-	2,625,600
July 17, 2016	$ 0.30	111,600	-	-	-	111,600
		4,092,846	**-**	**-**	**-**	**4,092,846**
Weighted average					-	
exercise price		$ 0.38	-	-	-	$ 0.38

[1] Warrants expired subsequent to December 31, 2015.

(c) Stock option plan

The Company's stock option plan permits the issuance of options to acquire up to a maximum of 10% of the Company's issued common shares. Stock options issued to any consultant or person providing investor relations services cannot exceed 2% of the issued and outstanding common shares in any twelve month period. At December 31, 2015, the Company may reserve up to 122,897 shares that may be granted as stock options. The exercise price of any option cannot be less than the volume weighted average trading price of the shares for the five trading days immediately preceding the date of the grant. The maximum term of all options is five years. The Board of Directors determines the term of the option and the time during which any options may vest. Options granted to consultants or persons providing investor relations services shall vest in stages with no more than 25% of such option being exercisable in any three month period. All options granted during the period ended December 31, 2015, vested on the date granted.

(Expressed in Canadian dollars)

11. Share Capital and Reserves *(Continued)*

(c) ***Stock option plan*** *(Continued)*

The continuity of stock options for the period ended December 31, 2015 is as follows:

Expiry date	**Exercise price**	**Spinout stock options August 20, 2015**	**Granted**	**Exercised**	**Expired/ cancelled**	**December 31, 2015**
September 20, 2015	$ 0.54	60,000	-	-	(60,000)	-
November 22, 2015	$ 0.55	45,000	-	-	(45,000)	-
May 6, 2016	$ 0.31	39,000	-	-	-	39,000
June 8, 2016	$ 0.67	1,287,000	-	-	-	1,287,000
July 14, 2016	$ 0.32	78,000	-	-	-	78,000
August 15, 2016	$ 0.60	90,000	-	-	-	90,000
October 10, 2016	$ 0.28	90,000	-	-	-	90,000
January 6, 2017	$ 0.23	708,000	-	-	-	708,000
May 4, 2017	$ 0.44	120,000	-	-	-	120,000
June 8, 2017	$ 0.46	45,000	-	-	-	45,000
September 11, 2017	$ 0.53	300,000	-	-	-	300,000
November 22, 2017	$ 0.51	60,000	-	-	-	60,000
April 4, 2018	$ 0.40	54,000	-	-	-	54,000
June 18, 2018	$ 0.34	150,000	-	-	-	150,000
August 28, 2018	$ 0.16	-	845,000	-	-	845,000
December 17, 2018	$0.15	-	90,00	-	-	90,000
January 2, 2019	$ 0.24	225,000	-	-	-	225,000
July 2, 2019	$ 0.30	90,000	-	-	-	90,000
Options outstanding and exercisable		**3,441,000**	**935,000**	**-**	**(105,000)**	**4,271,000**
Weighted average exercise price		$ 0.47	$ 0.16	-	$ 0.54	$ 0.40

The fair value of the options granted during the period ended December 31, 2015, was estimated on the grant date using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	0.46%
Expected life	3.00 years
Expected volatility	75%
Expected dividend yield	Nil
Weighted average fair value per share	$0.11

The fair value of the spinout options granted on August 20, 2015, was estimated on that date using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	0.87%
Expected life	1.48 years
Expected volatility	75%
Expected dividend yield	Nil
Weighted average fair value per share	$0.03

(Expressed in Canadian dollars)

11. Share Capital and Reserves *(Continued)*

(d) Reserves

During the period end December 31, 2015, the Company recognized share-based payments expense of $213,262 associated with the vesting of stock options granted.

	Share Option Reserves	Share Warrant Reserves	Total
	$	$	$
Assumed pursuant to Arrangement (Note 2)	115,835	-	115,835
Share-based compensation expense (Note 11)	97,427	-	97,427
Balance December 31, 2015	**213,262**	-	**213,262**

12. Related Party Transactions and Balances

(a) Compensation of key management personnel

Key management personnel include those persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The aggregate value of compensation to key management personnel was as follows:

	Period from incorporation on April 10, 2015 to December 31, 2015	
	$	
Management fees	108,125	(i)
Share-based payments	86,536	(ii)
	194,661	

(i) Included in the management fees were fees for services provided by the Chairman, President and Chief Executive Officer, Chief Financial Officer and Vice President Corporate Development paid to Almaden through the Administrative Services Agreement described in Note 12(b) below. These amounts are included within administrative service fee expense.

(ii) Comprised of the fair value on the 835,000 options granted pursuant to the Company's stock option plan during the period, all of which vested on the grant date.

(b) Other related party transactions

Administrative Services Agreement

The Company paid administrative services fees to Almaden pursuant to an Administrative Services Agreement dated May 15, 2015, under which Almaden provides the Company with office space, executive management, marketing support, technical oversight, and financial/corporate secretary duties, amongst other administrative services.

(Expressed in Canadian dollars)

12. Related Party Transactions and Balances *(Continued)*

(b) Other related party transactions *(Continued)*

ATW Resources Ltd.

Almadex owns a 50% interest in ATW Resources Ltd. which holds title in trust for the ATW mineral property situated at MacKay Lake in the Northwest Territories included in other properties.

Other

At December 31, 2015, the Company included in other income $78,511 paid by Almaden to the Company for drill equipment rental services in Mexico.

During the year ended December 31, 2015, the Company paid a company controlled by a Director of the Company $5,813 for geological services.

13. Net Loss per Share

Basic and diluted net loss per share

The calculation of basic net loss per share for the year ended December 31, 2015, was based on the net loss attributable to common shareholders of $1,084,401 and a weighted average number of common shares outstanding of 23,774,337.

The calculation of diluted net loss per share for the year ended December 31, 2015, did not include the effect of stock options and warrants as they are anti-dilutive.

14. Supplemental Cash Flow Information

Supplemental information regarding the split between cash and cash equivalents is as follows:

	December 31, 2015
	$
Cash	1,096,701
Term Deposits	1,800,000
	2,896,701

Supplemental information regarding non-cash transactions is as follows:

Investing and financing activities	**December 31, 2015**
	$
Fair value of share issued for exploration and evaluation assets	10,250
Exploration and evaluation expenditures included in trade and other payables	22,229

(Expressed in Canadian dollars)

15. Income Taxes

(a) The provision for income taxes differs from the amounts computed by applying the Canadian statutory rates to the net loss before income taxes due to the following:

	December 31, 2015
	$
Net loss for the period	(1,084,401)
Statutory rate	26.00%
Expected income tax	(281,944)
Effect of different tax rates in foreign jurisdictions	(23,150)
Non-deductible share-based payments	25,331
Other permanent items	37,598
Change in unrecognized deductible temporary differences and other	242,165
	-

(b) The significant components of deferred income tax assets (liabilities) are as follows:

	December 31, 2015
	$
Deferred tax assets:	
Non-capital losses	**911,813**
Deferred tax liabilities:	
Exploration and evaluation assets	(897,521)
Contingent shares receivable	(11,310)
Property and equipment	(2,982)
	(911,813)
Net deferred tax liabilities	-

(c) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	December 31, 2015
	$
Non-capital loss carry forwards	6,659,829
Exploration and evaluation assets	2,854,599
Property and equipment	219,840
Marketable securities	20,751
	9,755,019

At December 31, 2015, the Company had operating loss carry forwards available for tax purposes in Canada of $271,539 which expire between 2031 and 2035, in the United States of $189,484 which expire between 2031 and 2035 and in Mexico of $6,198,806 which expire between 2016 and 2025.

16. Financial Instruments

The fair values of the Company's cash and cash equivalents, accounts receivable and trade and other payables approximate their carrying values because of the short-term nature of these instruments

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk and commodity and equity price risk.

(a) Currency risk

The Company's property interests in Mexico make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian Dollar and foreign currencies. The Company does not invest in foreign currency contracts to mitigate the risks.

As at December 31, 2015, the Company is exposed to foreign exchange risk through the following assets and liabilities denominated in currencies other than the functional currency of the applicable subsidiary:

All amounts in Canadian dollars	**US dollar**	**Mexican peso**
	$	**$**
Cash and cash equivalents	532,294	62,588
Account receivables and prepaid expenses	-	97,999
Total assets	**532,294**	**160,587**
Trade and other payables	75,628	3,117
Total liabilities	**75,628**	**3,117**
Net assets	**456,666**	**157,470**

A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by $46,000.

A 10% change in the Mexican peso relative to the Canadian dollar would change the Company's net loss by $16,000.

(b) Credit risk

The Company's cash and cash equivalents are held in large Canadian and Mexican financial institutions. Cash equivalents mature at various dates during the twelve months following the statement of financial position date. The Company's excise tax included in accounts receivable consists primarily of sales tax due from the federal government of Canada. The Company is exposed to credit risks through its accounts receivable.

To mitigate exposure to credit risk on cash and cash equivalents, the Company has established policies to limit the concentration of credit risk with any given banking institution where the funds are held, to ensure counterparties demonstrate minimum acceptable credit risk worthiness and ensure liquidity of available funds.

As at December 31, 2015, the Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents and accounts receivable.

16. Financial Instruments *(Continued)*

(c) 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 manages liquidity risk through the management of its capital structure.

Trade and other payables are due within twelve months of the statement of financial position date.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to varying interest rates on cash and cash equivalents. The Company has no interest bearing debt.

A 1% change in the interest rate would change the Company's net loss by $18,000.

(e) Commodity and equity price risk

(i) Commodity price risk

The ability of the Company to explore its exploration and evaluation assets and the future profitability of the Company are directly related to the market price of gold and other precious metals. The Company has not hedged any of its potential future gold sales of the quantities held in investments. The Company monitors gold prices to determine the appropriate course of action to be taken by the Company.

A 1% change in the price of gold would affect the fair value of the Company's gold investment by $23,400.

(ii) Equity price risk

Equity price risk is defined as the potential adverse impact on the Company's operations due to movements in individual equity price or general movements in the level of the stock market. The Company closely monitors the individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

(f) Classification of financial instruments

IFRS 7 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(Expressed in Canadian dollars)

16. Financial Instruments *(Continued)*

(f) ***Classification of financial instruments*** *(Continued)*

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Marketable securities and investments	2,562,892	-	-	2,562,892
Contingent shares receivables	-	43,500	-	43,500

Level 2 inputs used in determining the fair value of contingent shares receivables includes the use of quoted market prices for the underlying shares of public companies, as well as estimates regarding the likelihood of achieving certain milestones that would trigger the collection of the contingent shares receivable by the Company.

17. Management of Capital

The Company considers its capital to consist of components of equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of 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 and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations for the foreseeable future.

18. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral resource properties.

Geographic information is as follows:

	All other non-current assets	Property and equipment	Exploration and evaluation assets	December 31, 2015
	$	$	$	$
Canada	1,616,718	21,344	6	1,638,068
United States	-	-	4	4
Mexico	-	573,413	3,338,084	3,911,497
	1,616,718	**594,757**	**3,338,094**	**5,549,569**

18. Segmented Information *(Continued)*

The Company's revenue from interest income on corporate cash reserves was earned in Canada. Other income from drill equipment rental services was earned in Mexico.

19. Subsequent Event

On February 5, 2016, the Company acquired the Yago, Mezquites, and San Pedro properties in Mexico from a company in common with one of its directors in return for a 1% Net Smelter Return royalty which is capped at $1,000,000.