NOBLE MINERAL EXPLORATION INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED AUGUST 31, 2016 AND 2015

(EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Noble Mineral Exploration Inc. (the "Company") were prepared in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 2 to the consolidated financial statements.

Management has established processes, which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the years presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the years presented by the consolidated financial statements.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the consolidated financial statements together with other financial information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Vance White"
Chief Executive Officer

"Robert D.B. Suttie"
Chief Financial Officer

Abraham Chan LLP
Chartered Professional Accountants

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Chartered Professional Accountants
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Independent Auditor's Report

To the Shareholders of
Noble Mineral Exploration Inc.

We have audited the accompanying consolidated financial statements of Noble Mineral Exploration Inc. which comprise the consolidated statements of financial position as at August 31, 2016 and August 31, 2015, and the consolidated statements of comprehensive loss, changes in shareholders' equity and cash flows for each of the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Noble Mineral Exploration Inc., as at August 31, 2016 and August 31, 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 1 in the consolidated financial statements which indicates that the Company's current liabilities exceeded its current assets by $2,746,291, the Company has accumulated deficit of $25,027,137 and expects to incur further losses. These conditions, along with other matters set out in note 1, indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Abraham Chan LLP"

Toronto, Canada
December 29, 2016

Abraham Chan LLP
Chartered Professional Accountants
Licensed Public Accountants

Noble Mineral Exploration Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at August 31,		2016		2015
Assets				
Current assets				
Cash and cash equivalents	$	7,890	$	626
Prepaid expenses		2,688		6,888
Sundry receivables		4,529		5,014
Marketable securities		3,948		2,668
Total current assets		19,055		15,196
Non-current assets				
Exploration and evaluation assets (Note 7)		1,232,690		802,000
Total assets	$	1,251,745	$	817,196
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Notea 8 and 17)	$	1,396,776	$	999,506
Debentures payable (Note 10)		31,000		20,000
Provision for mining land taxes (Note 21)		1,118,790		895,368
Loan payable (Note 9)		148,665		-
Notes payable (Note 11)		70,115		-
Total current liabilities		2,765,346		1,914,874
Non-current liabilities				
Loan payable (Note 9)		-		141,150
Notes payable (Note 11)		-		66,227
Total non-current liabilities		-		207,377
Total liabilities		2,765,346		2,122,251
Shareholders' (Deficiency) Equity				
Share capital				
Authorized				
Unlimited number of common shares				
Issued (Note 12)		10,398,855		10,240,074
Share-based and expired warrants reserve (Note 13(b))		13,111,438		11,449,496
Warrants (Note 15)		16,920		1,489,412
Deficit		(25,027,137)		(24,469,079)
Accumulated other comprehensive loss		(13,677)		(14,958)
Total shareholders' (deficiency) equity		(1,513,601)		(1,305,055)
Total liabilities and shareholders' (deficiency) equity	$	1,251,745	$	817,196

Nature of Operations and Going Concern (Note 1)
Subsequent events (Note 23)

Approved on Behalf of the Board:

"Vance White"
Director

"Michael Newbury"
Director

See accompanying notes to these consolidated financial statements.

Noble Mineral Exploration Inc.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars Except Number of Shares)

For the years ended August 31,	**2016**	2015
Revenue		
Gain on sale of land	**$ -**	$ 489,344
Gain on sale of timber rights	**-**	230,581
Gain on sale mineral rights	**-**	171,849
Gain on sale of carbon royalty	**-**	243,258
	-	1,135,032
Expenses		
General and administrative (Note 18)	**539,055**	547,145
Depreciation	**-**	1,435
Interest expense	**19,003**	29,194
Impairment of exploration and evaluation assets (Note 7)	**-**	4,282,008
Loss on disposal of property, plant and equipment	**-**	740
	558,058	4,860,522
Net (loss) Income	**(558,058)**	(3,725,490)
Other comprehensive loss		
Items that will be reclassified subsequently to income		
Change in unrealized gain (loss) on available-for-sale marketable securities	**1,281**	(9,899)
Comprehensive (loss) income for the period	**$ (556,777)**	$ (3,735,389)
Basic and diluted (loss) income per share (Note 16)	**$ (0.00)**	$ (0.02)
Weighted average number of shares outstanding - basic and diluted	**176,442,029**	160,498,650

See accompanying notes to these consolidated financial statements.

Noble Mineral Exploration Inc.
Consolidated Statements of Changes in Shareholders' (Deficiency) Equity
(Expressed in Canadian Dollars Except Number of Shares)

	Share Capital	Share-Based and Expired Warrants Reserve	Warrants	Deficit	Accumulated Other Comprehensive Loss	Total
Balance, August 31, 2015	**$ 10,240,074**	**$ 11,449,496**	**$ 1,489,412**	**$(24,469,079)**	**$ (14,958)**	**$ (1,305,055)**
Private placement, net of costs	175,701	-	-	-	-	175,701
Issuance of broker warrants - valuation	(16,920)	-	16,920	-	-	-
Expiry of warrants	-	1,489,412	(1,489,412)	-	-	-
Net change in unrealized gain on available-for-sale marketable securities	-	-	-	-	1,281	1,281
Stock-based compensation	-	172,530	-	-	-	172,530
Net loss for the year	-	-	-	(558,058)	-	(558,058)
Balance, August 31, 2016	**$ 10,398,855**	**$ 13,111,438**	**$ 16,920**	**$(25,027,137)**	**$ (13,677)**	**$ (1,513,601)**

	Share Capital	Share-Based and Expired Warrants Reserve	Warrants	Deficit	Accumulated Other Comprehensive Loss	Total
Balance, August 31, 2014	**$ 10,240,074**	**$ 11,368,796**	**$ 1,570,112**	**$(20,743,589)**	**$ (5,059)**	**$ 2,430,334**
Expiry of warrants	-	80,700	(80,700)	-	-	-
Net change in unrealized loss on available-for-sale marketable securities	-	-	-	-	(9,899)	(9,899)
Net loss for the year	-	-	-	(3,725,490)	-	(3,725,490)
Balance, August 31, 2015	**$ 10,240,074**	**$ 11,449,496**	**$ 1,489,412**	**$(24,469,079)**	**$ (14,958)**	**$ (1,305,055)**

See accompanying notes to these consolidated financial statements.

Noble Mineral Exploration Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

Years ended August 31,	**2016**	2015
Operating Activities		
Payments to suppliers	**$ (129,098)**	$ (69,942)
Payments to management	**(19,500)**	(16,000)
Interest paid	**(6,611)**	(11,782)
Net cash used in operating activities	**(155,209)**	(97,724)
Financing Activities		
Shares issued for cash	**175,701**	-
Repayment of loan and note payable	**-**	(1,493,258)
Proceeds from issuance of debentures	**11,000**	20,000
Net cash (used in) provided by financing activities	**186,701**	(1,473,258)
Investing Activities		
Costs of exploration and evaluation assets	**(24,228)**	(7,000)
Proceeds on sale of assets	**-**	1,493,258
Proceeds on sale of property, plant and equipment	**-**	5,000
Net cash provided by investing activities	**(24,228)**	1,491,258
Change in cash and cash equivalents during the year	**7,264**	(79,724)
Cash and cash equivalents, beginning of year	**626**	80,350
Cash and cash equivalents, end of year	**$ 7,890**	$ 626

Supplemental Cash Flow Information (Note 20)

1. Nature of Operations and Going Concern

Noble Mineral Exploration Inc., ("the Company" or "Noble") is in the mineral exploration and evaluation business. Noble has a wholly-owned US subsidiary, Hawk Uranium USA, Inc. ("Hawk USA") which is inactive.

The Company is incorporated under the laws of the Province of Ontario, Canada, and its head office is located at 120 Adelaide Street West, Suite 2500, Toronto, Ontario, M5H 1T1.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration programs will result in profitable operations. The recoverability of amounts shown for exploration and evaluation assets is dependant upon completion of the acquisition of the property interests, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write-downs of the carrying values of exploration and evaluation assets.

The Company’s major mineral properties are: (i) Project 81 and (ii) Holdsworth Property. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon these properties. If no additional major mineral properties are acquired by the Company, any adverse development affecting these properties would have a material adverse effect on the Company’s financial condition and results of its operations.

Although the Company has taken steps to verify title to the property on which it is conducting exploration and it has acquired an interest, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, and noncompliance with regulatory requirements.

As at August 31, 2016, the Company had working capital deficiency of $2,746,291 (August 31, 2015 - working capital deficiency of $1,899,678) and an accumulated deficit of $25,027,137 (August 31, 2015 - $24,469,079). The Company is actively seeking additional sources of liquidity. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company’s ability to continue operations and fund its exploration and evaluation assets expenditures is dependent on management’s ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity’s ability to continue as a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material. (see Note 4)

2. Significant Accounting Policies

(a) Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations adopted by the International Accounting Standards Board ("IASB") as of December 29, 2016.

The consolidated financial statements are based on IFRS issued and outstanding as of December 29, 2016, the date the Board of Directors approved the statements.

(b) Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified as at fair value through profit or loss or available for sale, which are measured at fair value.

(c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. The subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases. Control is achieved when an investor has power over an investee to direct its activities, exposure to variable returns from an investee, and the ability to use the power to affect the investor's returns.

The results of subsidiaries acquired or disposed of during the periods presented are included in the consolidated statements of comprehensive loss from the effective date of acquisition of control and up to the effective date of disposal of control, as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The following companies have been consolidated within the consolidated financial statements:

Company	**Registered**	**Principle activity**
Noble Mineral Exploration Inc.	Ontario, Canada	Parent company
Hawk Uranium USA, Inc.(i)	USA	Inactive

(i) 100% owned by Noble Mineral Exploration Inc.

(d) Financial Assets

The Company recognizes financial assets and financial liabilities when the Company becomes a party to a contract. Financial assets and financial liabilities, with the exception of financial assets classified as at fair value through profit or loss, are measured at fair value plus transaction costs on initial recognition.

Measurement in subsequent periods depends on the classification of the financial instrument.

i) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management (fair value option), or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the consolidated statements of comprehensive loss.

The Company's financial assets classified as FVTPL include cash and cash equivalents.

ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such by management or not classified in any of the other categories. Available-for-sale financial assets are measured at fair value with changes recognized in other comprehensive income. Upon sale or impairment, the accumulated fair value adjustments recognized in other comprehensive income are recorded in the consolidated statements of comprehensive loss. Available-for-sale financial assets include marketable securities.

2. Significant Accounting Policies (Continued)

(d) Financial Assets (Continued)

iii) Loans and receivables

Loans and receivables are non-derivative financial assets that have fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument to the net carrying amount on initial recognition.

Accounts receivable are classified is loans and receivables.

iv) Other financial liabilities

Other financial liabilities are financial liabilities that are not classified as FVTPL. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

The Company's financial liabilities classified as other financial liabilities include accounts payable and accrued liabilities, loan payable, notes payable, and debentures payable.

v) Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

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

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of ninety days or less.

2. Significant Accounting Policies (Continued)

(f) Income Taxes

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 a business combination, or items recognized directly in equity or in other comprehensive loss. Current tax is the expected tax payable or receivable on the taxable income or loss 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 in respect of taxable 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 taxable 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, 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. 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.

(g) Per share information

Basic loss per share is computed by dividing the loss for the period available to common shareholders by the weighted average number of shares outstanding during the years. Diluted loss per share is computed similarly to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the years. Convertible debentures, options and warrants are anti-dilutive and, therefore, have not been taken into account in the per share calculations.

(h) Restoration, Rehabilitation and Environmental Provisions

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration of exploration and evaluation assets. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. The related liability is adjusted for each period for changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

The Company has no restoration, rehabilitation and environmental provisions as at August 31, 2016 and 2015.

2. Significant Accounting Policies (Continued)

(i) Exploration and Evaluation Assets

These assets relate to rights acquired and exploration and evaluation expenditures incurred in respect to resource projects that are in the exploration and evaluation stage.

Exploration and evaluation expenditures include costs which are directly attributable to acquisition, surveying, geological, geochemical, geophysical, exploratory drilling, land maintenance, sampling, and assessing technical feasibility and commercial viability. These expenditures are capitalized until the technical feasibility and commercial viability of extracting the mineral resource of a project are demonstrable. During the exploration period, exploration and evaluation assets are not amortized.

Exploration and evaluation assets are allocated to cash generating units (“CGUs”) for the purpose of assessing such assets for impairment and each project is identified as a separate CGU. At the end of each reporting period, each project is reviewed for impairment indicators as per IFRS 6. If such indicators exist, the project is tested for impairment and the recoverable amount of the project is estimated. If the recoverable amount of the project is estimated to be less than its carrying amount, the carrying amount of the project is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Once the technical feasibility and commercial viability of extracting a mineral resource of a project are demonstrable, the relevant exploration and evaluation asset is assessed for impairment, and any impairment loss recognized, prior to the balance being reclassified as a mine development asset in property, plant and equipment.

The determination of the demonstration of technical feasibility and commercial viability is subject to a significant degree of judgment and assessment of all relevant factors. In general, technical feasibility may be demonstrable once a positive feasibility study is completed. When determining the commercial viability of a project, in addition to the receipt of a feasibility study, the Company also considers factors such as the availability of project financing, the existence of markets and/or long term contracts for the product, and the ability of obtaining the relevant operating permits.

All subsequent expenditures to ready the property for production are capitalized within mine development assets, other than those costs related to the construction of property, plant and equipment.

Once production has commenced, all costs included in mine development assets are reclassified to mining properties.

Exploration and evaluation expenditures incurred prior to the Company obtaining mineral rights related to the property being explored are recorded as expense in the period in which they are incurred.

(j) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the time value effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2. Significant Accounting Policies (Continued)

(k) Impairment of Non-financial Assets

The carrying amounts of non-financial assets are reviewed for impairment at each reporting period and whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels of CGU. The recoverable amount is the higher of an asset's fair value less disposal cost or its 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGUs to which the asset belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2. Significant Accounting Policies (Continued)

(l) Share-based Payment

The fair value of equity-settled share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. 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, including directors of the Company.

The fair value is measured at the grant date and recognized 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 share options that are expected to vest.

(m) Flow-through Shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration programs. Pursuant to the terms of the flow-through share agreements, the Company agrees to incur qualifying expenditures and renounce the tax deductions associated with these qualifying expenditures to the subscribers at an agreed upon date.

The excess of cash consideration received over the market price of the Company's shares at the date of the announcement of the flow-through share financing is recorded as a liability which is extinguished when the tax effect of the temporary differences, resulting from the renunciation, is recorded. The difference between the liability and the value of the tax assets renounced is recorded as a deferred tax expense.

A deferred tax liability is recognized for the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures that are capitalized to exploration and evaluation assets and their tax basis. If the Company has sufficient tax assets to offset the deferred tax liability, the liability will be offset by the recognition of a corresponding deferred tax asset.

(n) Foreign Currency

The presentation currency of the Company is the Canadian dollar, which is the functional and presentation currency of the parent company. The functional currency for each subsidiary is the currency of the primary economic environment in which the subsidiary operates. The functional currency for the Company's subsidiary is the US dollar. Transactions in the foreign currency are initially recorded to the functional currency of the entity at the exchange rate in effect at the transaction date. Foreign currency transactions are translated into the functional currency of the entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in the consolidated statements of comprehensive loss.

(o) Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. Significant Accounting Policies (Continued)

(p) Critical Accounting Estimates

Significant assumptions about the future that management has made 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:

Stock-based Compensation

Management is required to make certain estimates and assumptions when determining the fair value of stock options awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the consolidated statement of comprehensive loss based on estimates of forfeiture and expected lives of the underlying stock options.

(q) Critical Accounting Judgments

Income Taxes and Recovery of Deferred Tax Assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements.

Restoration, Rehabilitation and Environmental Provisions

Management's assumption of no material restoration, rehabilitation and environmental exposure, is based on the facts and circumstances that existed in the current and prior periods.

Going Concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements as discussed in Note 1.

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether there are indicators of impairment. When such indicators exist, an impairment loss is recognized for the amount by which the exploration and evaluation assets carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets' fair value less costs to dispose and their value in use.

3. Future Accounting Changes

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company.

(i) IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB and will replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires an expected loss impairment method to be used, replacing the incurred loss impairment methods in IAS 39. IFRS 9 will be effective as at January 1, 2018. Earlier adoption is permitted.

(ii) IAS 38, Intangible Assets and IAS 16, Property, Plant and Equipment were amended in May 2014 to introduce a rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate. The amendment is effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

Various other accounting pronouncements such as IFRS 14 and IFRS 15 and the various annual improvements that have no material impact to the Company are not included above. The Company has not early adopted these standards.

4. Capital Management

The Company manages its capital with the following objectives:

(a) To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions of exploration and evaluation assets; and

(b) To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, share-based payment reserve, warrants, deficit, and other comprehensive loss, which at August 31, 2016 totaled a shareholders' deficiency of $1,513,601 (2015 - shareholders' deficiency of $1,305,055).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on activities related to its exploration and evaluation assets. Selected information is frequently provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the years ended August 31, 2016 and 2015. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of August 31, 2016, the Company is not compliant with Policy 2.5. The impact of this violation is not known and is ultimately dependant upon the discretion of the TSX-V.

5. Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest rate risk, foreign currency risk, and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, and sundry receivables. Cash and cash equivalents are held with financial institutions which are closely monitored by management. Financial instruments included in sundry receivables consist of sales tax receivable from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in sundry receivables is minimal.

(Expressed in Canadian Dollars)

5. Financial Risk Factors (Continued)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2016, the Company had an aggregate cash and cash equivalents balance of $7,890 (2015 - $626) to settle current liabilities of $2,765,346 (2015 - $1,914,874). The Company’s cash and cash equivalent balance as at August 31, 2016 is insufficient to meet the business requirements for the coming year. Therefore, the Company expects to obtain additional capital to fund its fiscal 2017 operations.

The table below summarizes the maturity profile of all of the Company's financial liabilities based on contractual undiscounted payments:

Year ended August 31, 2016	On Demand	Less than 3 Months	3 to 12 Months	1 to 2 Years	Total
Accounts payable and accrued liabilities	$ 1,180,384	$ 216,392	$ -	$ -	$ 1,396,776
Loan payable	-	-	150,000	-	150,000
Notes payable	-	-	71,000	-	71,000
Debentures payable	20,000	-	11,000	-	31,000
	$ 1,200,384	$ 216,392	$ 232,000	$ -	$ 1,648,776

Year ended August 31, 2015	On Demand	Less than 3 Months	3 to 12 Months	1 to 2 Years	Total
Accounts payable and accrued liabilities	$ 631,682	$ 367,824	$ -	$ -	$ 999,506
Loan payable	-	-	-	150,000	150,000
Notes payable	-	-	-	71,000	71,000
Debentures payable	-	-	20,000	-	20,000
	$ 631,682	$ 367,824	$ 20,000	$ 221,000	$ 1,240,506

5. Financial Risk Factors (Continued)

Market Risk

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

i) Interest Rate Risk

The Company has cash balances and fixed interest rate debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks. There is no interest rate risk as the Company's debt is at fixed interest rates.

ii) Foreign Currency Risk

Management believes that there is no foreign exchange risk.

iii) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as it relates to uranium, gold and other precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

The Company's investment in marketable securities are subject to fair value fluctuations arising from changes in the equity and commodity markets.

Sensitivity Analysis

The sensitivity analysis shown in the notes below may differ materially from actual results.

Based on Management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible":

i) The Company is exposed to price risk as it relates to its investments held in marketable securities. Sensitivity to a plus or minus 10% change in the bid price as at August 31, 2016 would effect comprehensive loss by approximately $395.

ii) Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability from mineral exploration depends upon the world market price of uranium, gold and other precious metals. Commodity prices have fluctuated significantly in recent years. There is no assurance that, even if commercial quantities of uranium, gold and other precious metals can be produced in the future, a profitable market will exist for them.

As of August 31, 2016, the Company is not a producer of uranium, gold and other precious metals. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

6. Marketable Securities

As at August 31, 2016, the Company owned several nominal positions in Canadian junior resource companies. These investments are classified as available-for-sale and are carried at fair value, any unrealized gains or losses are recognized as other comprehensive income until the investment is disposed of, at which time any cumulative unrealized gain or loss previously recognized in other comprehensive loss is transferred and recognized as net income for the year.

(Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets

For the years ended August 31,	2016	2015
Project 81		
Balance, beginning of year	$ 682,781	$ 3,258,607
Acquisition costs	267,875	917,152
Geologists and consultants	148,596	152,964
Assays	11,777	-
Impairment	-	(3,645,942)
	428,248	(2,575,826)
Balance, end of year	$ 1,111,029	$ 682,781
Holdsworth Property		
Balance, beginning of year	$ 119,219	$ 753,314
Acquisition costs	2,442	1,971
Impairment	-	(636,066)
	2,442	(634,095)
Balance, end of year	$ 121,661	$ 119,219
Total Exploration and Evaluation Assets, End of Year	$ 1,232,690	$ 802,000

(a) Project 81, Timmins, Ontario

The Company acquired from AbiBow Canada Inc. ("AbiBow") a 100% interest to a patented land package divided into 2 blocks (referred to as Block A and Block B) in 16 townships in the Timmins, Iroquois Falls and Smooth Rock Falls area of Northern Ontario. The patents include surface, mineral and timber rights. The Company has also staked additional mineral claims in the same general area.

The purchase price consisted of $6,500,000 in cash, 3,000,000 common shares of the Company and the grant to AbiBow of a 5% net smelter returns royalty ("NSR") from the sale of minerals produced from the property. The total purchase price of $6,869,000 is allocated to $1,448,131 to land, $2,388,845 to exploration and evaluation assets and $3,032,024 to timber rights. The land and timber rights have since been sold.

In 2013, The Company sold, for consideration of $500,000, its purchase rights with respect to a royalty granted to AbiBow in connection with the purchase of Project 81. The proceeds were applied as a reduction of the cost of Project 81.

7. Exploration and Evaluation Assets (Continued)

(a) Project 81, Timmins, Ontario (Continued)

The Company acquired mineral claims from Metals Creek Resources Corp. in Lucas Duff and Tully Townships that are contiguous to properties in Lucas Township that were acquired from AbiBow and have been identified by the Company as containing a gold target. The purchase price consisted of a cash payment on closing of $25,000 and a cash payment of $25,000 payable on or before June 1, 2012, and the issuance of 375,000 common shares on closing and a further issuance of 375,000 common shares on or before June 1, 2012.

In February 2012, the Company received approval of the TSX Venture Exchange of a Memorandum of Understanding with the Mattagami and Matachewan First Nations in relation to exploration to be conducted on this property. Under this agreement, the Company will contribute to the First Nations communities amounts based on a percentage of the Company's exploration expenditures on mining claims within their traditional lands relative to the Company’s Project 81. The Company will also issue 50,000 common shares to each of the First Nations over a period of 18 months (100,000 issued, with an ascribed fair value of $7,250) and issue options to purchase 50,000 common shares of the Company to each First Nation (issued). The options vest 25% on January 30, 2012, 25% on June 9, 2012, 25% on January 9, 2013, and 25% on June 9, 2013. Each option is exercisable for one common share of the Company at an exercise price of $0.10 per share until January 30, 2017.

The Memorandum of Understanding addresses such items as environmental protection, employment, training and business opportunities, and the mitigation of impacts on the traditional pursuits the members of the respective communities.

In June 2012, the Company received TSX Venture Exchange approval for an agreement to acquire a 100% title and interest in three mining claim blocks, totalling 12 claim units, located in the Kingsmill and Aubin Townships in Northern Ontario. These claim blocks are within the Project 81 area.

Under the agreement, the Company has paid $35,000 and issued 300,000 common shares of the Company (ascribed a fair value of $31,500) for these claims. In addition, the Company will pay the vendor an advance royalty payment of $25,000 each year after closing (an "Advance Royalty Payment") until the commencement of commercial production on the property acquired. The vendor will also retain a 2% NSR, with the Company having the right to buy back up to 1% of the NSR at a price of $1,000,000. The Advance Royalty Payments made to the vendor will be deducted from the NSR payable by the Company. The Company also retain the rights of first refusal on the residual 1% NSR, should the vendor elect to sell this interest at anytime. Subsequent to August 31, 2016, the vendor agreed to accept common shares of the Company in lieu of cash in settlement of the 2015 and 2016 advance royalty payment.

During the year ended August 31, 2016, the Company recognized an impairment charge of $Nil (2015 - $3,645,942) against this property, primarily reflective of the general declines seen in commodity based resource markets. The recoverable amount was determined based on fair value less cost of disposal which was calculated on the basis of the market capitalization of the Company.

(b) Holdsworth Property

The Company entered into an agreement dated May 18, 1999 to purchase 19 contiguous patented mining claims in the District of Algoma, Sault Ste. Marie Mining Division of Ontario for $27,500. Of the mining claims, 17 have royalties payable to Algoma Central Corporation ranging from 2 to 5% of the market value of output.

On September 19, 2007, the Company consolidated its interests in a property located in Corbiere Township and Esquega Township, Ontario through the repurchase of certain interests that were previously assigned to a wholly-owned subsidiary of Wits Basin.

Pursuant to its agreement, the Company acquired a 100% interest in the "Black Sand Zone" portion of the property for a total cash payment of $50,000. The transferor will retain a 1% Gross Gold Royalty ("GGR") in the "Black Sand Zone" portion of the property, subject to the Company's right to repurchase up to 0.5% of the GGR for $500,000. No finder's fee was paid in connection with this transaction.

(Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets (Continued)

(b) Holdsworth Property (Continued)

The property consists of 19 contiguous mining claims, 16 of the claims are located in the extreme southern part of Corbiere Township, Ontario, and the other 3 extend into the northern part of Esquega Township, Ontario.

During the year ended August 31, 2016, the Company recognized an impairment charge of $nil (2015 - $636,066) against this property, primarily reflective of the general declines seen in commodity based resource markets. The recoverable amount was determined based on the fair value less cost of disposal which was calculated on the basis of the market capitalization of the Company.

8. Accounts Payable and Accrued Liabilities

The aging of the accounts payable and accrued liabilities is as follows:

August 31,	2016	2015
Up to 3 months	**$ 216,392**	$ 367,824
3 to 6 months	**64,007**	136,879
6 to 12 months	**141,349**	9,750
More than 12 months	**975,028**	485,053
Total	**$ 1,396,776**	$ 999,506

Accounts payable and accrued liabilities are broken down as follows:

August 31,	2016	2015
Accounts payable to related parties	**$ 913,108**	$ 532,530
Other accounts payable	**346,670**	392,387
Accrued liabilities	**136,998**	74,589
Total	**$ 1,396,776**	$ 999,506

9. Loan Payable

On October 22, 2012, the Company closed a loan from a syndicate of private lenders and provided financing of $1,500,000. The Loan matures on October 22, 2016 and was secured by a mortgage on the property comprising the Company's Project 81, as well as by a charge on all other assets of the Company. Interest accrues on the Loan at 12% per annum, with interest to be paid quarterly. As consideration to the parties who advanced the loan, the Company has issued a total of 6,000,000 common shares and ascribed a fair value of $300,000, which has been recorded as equity and netted against the loan payable. The balance in the loan payable will be accreted to its face value at maturity. No commission was paid on this transaction.

Of the $1,500,000 raised, $100,000 was raised from a syndicate of lenders including the Company's Chief Executive Officer ("CEO").

On September 24, 2014, the Company repaid $1,350,000 of this loan through the transfer of certain assets of the Company. For the year ended August 31, 2016, $18,049 (2015 - $28,652) of interest was incurred on this loan. Of the interest incurred, as at August 31, 2016, $30,515 (2015 - $18,000) remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $148,665 as at August 31, 2016.

Subsequent to August 31, 2016, a principal payment of $150,000 was made.

10. Debentures Payable

On July 15, 2015, the Company closed a $15,000 unsecured debenture from Kreative Ventures Limited The debenture bears interest at 12%, payable quarterly and was repaid subsequent to year end. No commission was paid on this transaction. For the year ended August 31, 2016, $2,037 (2015 - $232) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016, $506 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $15,000 as at August 31, 2016.

On July 15, 2015, the Company closed a $5,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and was fully repaid subsequent to year end. No commission was paid on this transaction. For the year ended August 31, 2016, $379 (2015 - $77) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $979 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $5,000 as at August 31, 2016.

On November 9, 2015, the Company closed a $5,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $450 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $450 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $5,000 as at August 31, 2016.

On December 3, 2015, the Company closed a $3,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $268 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $268 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $3,000 as at August 31, 2016.

The above debentures have not been repaid. The Company has not been advised of any action having been undertaken by the lender.

10. Debentures Payable (Continued)

On December 18, 2015, the Company closed a $3,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $253 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $253 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $3,000 as at August 31, 2016.

11. Note Payable

On December 21, 2012, the Company closed a loan of $521,000 (the “Note”) from a syndicate of private lenders, (including related parties), (the “December Lenders”). The Note matures on December 21, 2016 and was secured by a mortgage on the property comprising the Company's Project 81, as well as by a charge on all other assets of the Company. Pursuant to an intercreditor agreement, the December Lenders’ security interest ranked equally with that of the lenders from the refinancing that closed on October 22, 2012. Interest accrues on the Note at 12% per annum, with interest to be paid quarterly. As consideration to the parties advancing the Note, the Company issued a total of 2,084,000 common shares (issued at a price of $0.05 per share, with an ascribed aggregate value of $104,200). The TSX Venture Exchange accepted the terms of the transaction on December 27, 2012. No commission was paid on this transaction.

During the month of April 2014, the Company repaid $450,000 of this Note.

For the year ended August 31, 2016, $8,543 (2015 - $8,520) in interest was incurred on this Note. Of the interest incurred, as at August 31, 2016, $17,063 (2015 - $8,520) remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the note payable is $70,115. Subsequent to August 31, 2016, a principal payment of $35,000 was made.

As of August 31, 2016, the Company had defaulted on certain interest payments required under the terms of this loan payable. The Company has not been advised of any action having been undertaken by the lender.

(Expressed in Canadian Dollars)

12. Share Capital

	Number of Shares	Stated Value
Balance, August 31, 2014 and 2015	**160,498,650**	**$ 10,240,074**
Private placement, net of costs (i) and (ii)	19,250,000	175,701
Issuance of broker warrants - valuation (i) and (ii)	-	(16,920)
Balance, August 31, 2016	**179,748,650**	**$ 10,398,855**

(i) On January 14, 2016, the Company closed a private placement raising gross proceeds of $175,000 through the issuance of 17,500,000 common shares at a price of $0.01 per share.

In connection with this private placement, the Company incurred cash transaction costs of $15,750 and 1,750,000 broker warrants. Each broker warrant is exercisable for one common share of the Company at a price of $0.05 until January 13, 2021. The 1,750,000 broker warrants issued were assigned an aggregate fair value of $16,450 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, share price of $0.01, expected volatility 198.09%, risk-free rate of return 0.59% and expected life of 5 years.

(ii) On February 19, 2016, the Company closed a second tranch of the private private placement raising gross proceeds of $17,500 through the issuance of 1,750,000 common shares at a price of $0.01 per share.

In connection with this private placement, the Company incurred cash transaction costs of $1,049 and 50,000 broker warrants. Each broker warrant is exercisable for one common share of the Company at a price of $0.05 until February 19, 2021,. The 50,000 broker warrants issued were assigned an aggregate fair value of $470 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, share price of $0.01, expected volatility 197.76%, risk-free rate of return 0.60% and expected life of 5 years.

13. Share-Based Payments

a) Stock Options

	Number of Stock Options	Weighted Average Exercise Price
Balance, August 31, 2014	9,796,000	$ 0.12
Options expired	(6,996,000)	(0.13)
Balance, August 31, 2015	**2,800,000**	**$ 0.10**
Options expired	(2,700,000)	0.10
Options granted (i)(ii)	12,900,000	0.05
Balance, August 31, 2016	**13,000,000**	**$ 0.05**

(Expressed in Canadian Dollars)

13. Share-Based Payments (Continued)

a) Stock Options (Continued)

As of August 31, 2016, the following options were outstanding:

Expiry Date	Exercise Price ($)	Weighted Average Remaining Contractual Life (Years)	Fair Value of Options Outstanding ($)	Fair Value per Option ($)	Number of Options Outstanding
May 2, 2021	0.05	4.66	107,115	0.02	5,550,000
January 30, 2017	0.10	0.42	11,200	0.11	100,000
January 22, 2019	0.05	2.40	65,415	0.01	7,350,000
	0.05	**3.34**	**183,730**		**13,000,000**

All of the 13,000,000 options outstanding have vested and are exercisable.

i) On January 22, 2016, the Company granted 7,350,000 options to purchase common shares of the Company to officers, directors service providers and consultants. Each option is exercisable at a price of $0.05 for a three year term. 4,350,000 of the options were granted to directors and officers of the Company and vest immediately. A fair value of $65,415 was assigned to these options, estimated using the Black-Scholes valuation model with the following weighted average assumptions: dividend yield 0%, share price of $0.01, expected volatility 225.6%, risk-free rate of return 0.46% and expected life of 3 years.

ii) On May 2, 2016, the Company granted 5,550,000 options to purchase common shares of the Company to consultants of the Company. The options vested immediately upon grant A fair value of $107,115 was assigned to these options, estimated using the Black-Scholes valuation model with the following weighted average assumptions: dividend yield 0%, share price of $0.02, expected volatility 201.75%, risk-free rate of return 0.87% and expected life of 5 years.

b) Share-Based and Expired Warrants Reserve

Share-based and expired warrants reserves include the accumulated fair value of options and the transferred value of expired warrants. Share-based and expired warrants reserves record items recognized as share-based payments in the form of stock option grants and vesting of such options until such time that these stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount recorded will stay in the share-based and expired warrants reserve.

The reserve also records the fair value of expired warrants.

14. Segmented Information

The Company's operations are comprised of a single reporting operating segment engaged in the exploration and evaluation of mineral resources. As the operations comprise a single reporting segment, amounts disclosed in the consolidated financial statements also represent a single reporting segment. As at August 31, 2016 all of the Company's exploration and evaluation assets are situated in Canada.

(Expressed in Canadian Dollars)

15. Warrants

Type of Warrant	Number of Warrants Outstanding	Warrant Value
Regular Warrants		
Balance, August 31, 2014	**20,647,058**	**$ 1,561,412**
Expired	(3,000,000)	(72,000)
Balance, August 31, 2015	**17,647,058**	**1,489,412**
Expired	(17,647,058)	(1,489,412)
Balance, August 31, 2016	**-**	**-**
Compensation Warrants		
Balance, August 31, 2014	300,000	$ 8,700
Expired	(300,000)	(8,700)
Balance, August 31, 2015	**-**	**-**
Issued (Note 12(i) and (ii))	1,800,000	16,920
Balance, August 31, 2016	**1,800,000**	**16,920**
Total, August 31, 2016	**1,800,000**	**$ 16,920**

The following table summarizes the warrants outstanding at August 31, 2016:

Expiry Date	Exercise Price ($)	Number of Warrants
Compensation Warrants		
January 13, 2021	0.05	1,750,000
February 19, 2021	0.05	50,000
Total Compensation Warrants Outstanding		1,800,000

16. Basic and Diluted Loss per Share

The calculation of basic and diluted loss per share for the year ended August 31, 2016 was based on the loss attributable to common shareholders of $558,058, (2015 - $3,725,490) and the weighted average number of common shares outstanding of 176,442,029, (2015 - 160,498,650) for basic loss per share. Basic and diluted loss per share for the year ended August 31, 2016 using the treasury method are the same. As at August 31, 2016, the Company had 1,800,000 warrants (2015 - 17,647,058) and 13,000,000 options outstanding (2015 - 2,800,000) which were not included in the diluted loss per share calculation as they were anti-dilutive.

17. Related Party Disclosures

During the year ended August 31, 2016, the Company incurred an aggregate of $225,644, (2015 - $233,144) in management fees to four officers for administering the Company's affairs. Of these amounts, $137,144 (2015 - $137,144), were capitalized to exploration and evaluation assets and $88,500 (2015 - $96,000) was included in management fees. As at August 31, 2016, $590,530 (2015 - $314,219) pertaining to fees and ancillary expense reimbursements were included in accounts payable and accrued liabilities. Officers of the Company were reimbursed for out of pocket expenses that occurred in the normal course of operations.

During the year ended August 31, 2016, the Company accrued or paid professional fees of $219,816, (2015 - $70,995) for legal advice and related services to a legal firm, Ormston List Frawley LLP, from which an officer of the Company is a partner. As at August 31, 2016, $212,966 (2015 - $139,555) pertaining to legal fees were included in accounts payable and accrued liabilities. The amounts payable or paid to Ormston List Frawley LLP are not included in the amounts referred to in the preceding paragraph.

Of the $1,500,000 financing completed on October 22, 2012, $100,000 was raised from a syndicate of lenders including $41,666 from the Company's CEO. During the year ended August 31, 2016, interest of $5,000, (2015 - $5,000) was accrued on the related party amount advanced and is included in accounts payable and accrued liabilities.

On December 21, 2012, the Company closed a $521,000 loan from a syndicate of private lender, including $11,667 from the Company's CEO and $12,000 was raised from a corporation of which the Company's secretary is an officer, director and owner. During the year ended August 31, 2016, interest of $2,840 (2015 - $2,840) was accrued on the amounts advanced and is included in accounts payable and accrued liabilities.

On July 15, 2015, the Company closed a $15,000 unsecured debenture from Kreative Ventures Limited, in which Vance White, the Company's VEO is a director. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the yer ended August 31, 2016, $2,037 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $506 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $15,000 as at August 31, 2016.

On July 15, 2015, the Company closed a $5,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $379 (2015 - $77) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $379 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $5,000 as at August 31, 2016.

On November 9, 2015, the Company closed a $5,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $450 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $450 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $5,000 as at August 31, 2016.

(Expressed in Canadian Dollars)

17. Related Party Disclosures (Continued)

On December 3, 2015, the Company closed a $3,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $268 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $268 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $3,000 as at August 31, 2016.

On December 18, 2015, the Company closed a $3,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and is fully repayable upon completion of sufficient financing by the Company or one year, whichever is earlier. No commission was paid on this transaction. For the year ended August 31, 2016, $253 (2015 - $nil) of interest was incurred on this debenture. Of the interest incurred, as at August 31, 2016 $253 remained unpaid and is included in accounts payable and accrued liabilities. The fair value of the loan payable is $3,000 as at August 31, 2016.

During the year ended August 31, 2016, the Company accrued or paid directors fees of $29,000 (2015 - $22,250, respectively). As at August 31, 2016, included in accounts payable and accrued liabilities is $99,916 (2015 - $70,916) with respect to these fees.

The Company’s outstanding common shares trade on the TSX Venture Exchange under the symbol NOB and to the knowledge of directors and officers of the Company, the Company’s outstanding common shares are widely held.

The above noted transactions are in the normal course of business and are measured at fair value, except as noted, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Remuneration of the key management personnel of the Company is as follows:

	2016	2015
Management fees and professional fees	**$ 474,460**	$ 326,389
Stock-based compensation	**$ 157,400**	$ -

(Expressed in Canadian Dollars)

18. General and Administrative

	2016	2015
Accounting and corporate services	**$ 48,898**	$ 45,734
Office and general	**35,124**	53,659
Management fees (Note 17)	**91,340**	96,000
Professional fees (Note 17)	**131,135**	98,332
Finance charges	**7,414**	208,542
Rent	**2,961**	6,131
Shareholder relations	**20,653**	16,497
Directors fees (Note 17)	**29,000**	22,250
Stock-based compensation (Note 13(a))	**172,530**	-
	$ 539,055	$ 547,145

19. Income Taxes

(a) Provisions for income taxes

The following table reconciles the expected income tax provision at the statutory rate of 26.50% (2015 - 26.50%) to the amounts recognized in the consolidated statement of comprehensive loss.

	2016	2015
Net loss reflected in the consolidated statement of comprehensive loss	**$ (558,058)**	$ (3,725,490)
Tax rate	**26.50%**	26.50%
Expected income tax benefit at statutory rate	**(147,885)**	(987,255)
Expiry of warrants	**197,347**	10,693
Canadian development and exploration expenses utilized	**36,262**	91,927
Impairment	**(85,724)**	884,635
Total income tax expense	**$ -**	$ -

(Expressed in Canadian Dollars)

19. Income Taxes (Continued)

(b)

The Company has deferred income tax assets as follows:

	2016	2015
Impaired deferred tax assets:		
Share issue costs	**$ 127,986**	$ 333,527
Marketable securities	**69,602**	70,883
Non-capital losses	**9,370,824**	9,370,824
Exploration and evaluation assets	**11,147,993**	11,284,831
Property, plant and equipment	**-**	-
Deferred tax assets	**20,716,405**	21,060,065
Impairment allowance	**(20,716,405)**	(21,060,065)
Net deferred tax assets	**$ -**	$ -

The Canadian non-capital loss carry forwards expire as noted in the table below. Net capital losses may be carried forward indefinitely, but can only be applied against taxable capital gains. Share issue and financing costs expire from 2016 to 2020. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future profit will be available against which the group can utilize the benefits therefrom.

The Company's non-capital losses will expire as follows:

2026	539,000
2027	1,003,000
2028	1,236,000
2029	1,038,000
2030	933,000
2031	1,108,000
2032	1,862,000
2033	1,653,000
2034	-
	$ 9,372,000

20. Supplemental Cash Flow Information

	2016	2015
Supplementary Schedule of Non-Cash Transactions		
Accretion of note and loan payable included in exploration and evaluation assets	**$ 3,992**	$ 5,532
Accrued interest on note and loan payable included in exploration and evaluation assets	**$ 10,232**	$ 16,029

(Expressed in Canadian Dollars)

21. Provision for Mining Land Taxes

Ontario's Ministry of Northern Development and Mines (the "MNDM") has declined the Company's request for a waiver of mining land taxes on the patented land rights currently comprising the bulk of the Company's Project 81. The Company replied to the MNDM's earlier rejection of Noble's waiver request with further submissions seeking mitigation of the mining land taxes assessed. The MNDM has now confirmed that these further submissions were rejected, and that the outstanding balance of mining land taxes owing on these properties for 2012, through 2016 approximates $1,118,790. Interest on these outstanding amounts began accruing in the quarter ended August 31, 2016, having begun to accrue 60 days after the MNDM's invoice for 2016 mining land taxes was issued). Accrued interest of $29,794 (2015 - $Nil) is included in accounts payable and accrued liabilities. The Company is considering steps and measures that would result in a reduction or elimination of mining land taxes on the patented mineral rights included in Project 81. These steps may include the Company surrendering its interest in certain areas that are currently included in Project 81.

22. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

(a) Assets and liabilities measured at fair value on a recurring basis:

As at August 31, 2016	**Quoted prices in active markets for identical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Aggregate fair value**
Cash and cash equivalents	$ 7,890	$ -	$ -	$ 7,890
Marketable securities	$ -	$ 3,948	$ -	$ 3,948
	$ 7,890	**$ 3,948**	**$ -**	**$ 11,838**

(b) Fair values of financial assets and liabilities:

	August 31, 2016		**August 31, 2015**	
	Carrying amount	**Estimated fair value**	**Carrying amount**	**Estimated fair value**
<u>Financial assets</u>				
FVTPL				
Cash and cash equivalents	**$ 7,890**	**$ 7,890**	$ 626	$ 626
Available-for-sale				
Marketable securities	**$ 3,948**	**$ 3,948**	$ 2,668	$ 2,668
Loans and receivables				
Sundry receivables	**4,529**	**4,529**	5,014	5,014
	$ 16,367	**$ 16,367**	$ 8,308	$ 8,308

(Expressed in Canadian Dollars)

22. Fair Value Measurements (Continued)

(b) Fair values of financial assets and liabilities (continued):

	August 31, 2016		August 31, 2015	
	Carrying amount	**Estimated fair value**	**Carrying amount**	**Estimated fair value**
Financial liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	**$ 1,396,776**	**$ 1,396,776**	$ 999,506	$ 999,506
Loan payable	**148,665**	**148,665**	141,150	139,730
Notes payable	**70,115**	**70,115**	66,227	65,500
Debentures payable	**31,000**	**31,000**	20,000	20,000
	$ 1,646,556	**$ 1,646,556**	$ 1,226,883	$ 1,224,736

The Company does not offset financial assets with financial liabilities.

23. Subsequent Events

i) At closings on November 17, 2016 and November 25, 2016, the Company raised a total of $365,000 in a private placement of convertible debentures (the “2016 Debentures”). In connection with this transaction, the Company paid an agent for the transaction a cash commission of $11,250 and issued compensation warrants exercisable for 166,666 units exercisable at $0.05 per unit (with each unit being comprised of one share and one five year warrant exercisable at $0.075 per share).

The 2016 Debentures have a two year term, bear interest at 10% per annum and are convertible into post-consolidated units (based on a proposed 1 for 5 consolidation of Noble’s shares) at $0.075 of principal amount per post-consolidated unit, for conversions within one year from issuance, and at $0.10 of principal amount per unit for conversions completed thereafter until maturity. Each post-consolidated unit will consist of one post-consolidated common share and one common share purchase warrant.

Each warrant will be exercisable for one post-consolidated common share at $0.075 for a five year period. If Noble’s share consolidation is not approved by shareholders, the 2016 Debentures will continue to bear interest at 10% per annum and be convertible into units at $0.05 of principal amount per unconsolidated unit in the first year and at $0.10 principal amount per unit thereafter until maturity at the option of the debenture holder. Each unconsolidated unit consists of one common share and one common share purchase warrant, each such warrant being exercisable for one common share at $0.05 for a five year period.

The 2016 Debentures and the compensation warrants issued are subject to a four month hold period.

23. Subsequent Events (Continued)

ii) On December 8, 2016, the Company announced it had entered into an Option and Joint Venture ("JV") agreement ("the Option Agreement") with MacDonald Mines Exploration Limited ("MacDonald"), dated December 7, 2016 ("the "Effective Date"), to advance exploration on Noble's Wawa-Holdsworth Gold and Silver Project ("the Project").

Subject to the terms and conditions of the Option Agreement, MacDonald Mines will have the right to earn up to an undivided 75% interest in the Project, comprising of a first option to earn a 51% base interest and a second option to earn an additional 24% interest.

To earn an initial 51% undivided interest ("the Base Interest") in the Wawa-Holdsworth Gold and Silver Project, MacDonald Mines will:

1) Issue 2,500,000 of its Class A Common Shares; and
2) Issue 2,500,000 of its Warrants to Noble; and
3) Incur a minimum of $1,200,000 in expenditures in the 18-month period following the Effective Date.

Should Noble elect not to participate at a 49%/51% interest level after completion of the initial earning (as per the items above), Macdonald will have the right to earn an additional 24% undivided interest in the Project, upon which Macdonald Mines and Noble would respectively hold a 75% and 25% interest in the Project. To earn the additional 24% undivided interest, MacDonald Mines will:

1) Incur a further $1,000,000 of expenditures on or before the second anniversary of the date the First Option is exercised and the Base Interest is earned; and;
2) Make a payment of $100,000 to Noble.

Pursuant to the terms of the Option Agreement, MacDonald Mines will be the operator of the Project.

iii) On December 8, 2016, the Shareholders of the Company approved an amendment to the Company's organizational articles to consolidate the issued and outstanding shares in the capital of the Company on the basis of one (1) new Common Share for every five (5) Common Shares presently issued and outstanding. If the Share Consolidation is completed, those Common Shares will be consolidated into approximately 35,949,730 issued and outstanding post-consolidation Common Shares. This is subject to satisfying the requirements under TSX Venture Exchange policies. At December 8, 2016, the Shareholders of the Company also approved a reduction of the stated capital relating to the common shares of the Company, which could be implemented on one or more occasions, but with each reduction of stated capital to be in an amount to be determined by the board of directors at that time, provided that the aggregate maximum of all stated capital reductions shall not exceed $10.2 million.

iv) Subsequent to August 31, 2016, the Company made principal repayments against its loan and notes payable of $150,000 and $35,000, respectively.