

# Société d'Exploration Minière Vior Inc.

## Statements of Financial Position

(expressed in Canadian dollars)

	As at March 31, 2017 \$	As at June 30, 2016 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,752,590	991,841
Short-term investment	2,059,016	2,896,012
Tax credits for mining exploration and commodity taxes receivable	32,648	52,703
Other amounts receivable (note 4)	114,541	138,135
Prepaid expenses	47,059	17,915
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	4,005,854	4,096,606
<b>Mining properties</b> (note 5)	628,884	619,629
<b>Property, plant and equipment</b> , at cost less accumulated depreciation of \$7,715 (\$6,790 as at June 30, 2016)	7,260	6,616
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	4,641,998	4,722,851
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<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 6)	190,169	156,252
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<b>Equity</b>		
<b>Share capital</b> (note 7)	30,799,238	30,012,803
<b>Warrants</b> (note 8)	227,410	30,254
<b>Stock options</b> (note 9)	74,709	172,604
<b>Contributed surplus</b>	1,529,582	1,506,184
<b>Deficit</b>	(29,608,375)	(28,856,084)
<b>Accumulated other comprehensive income</b>	1,429,265	1,700,838
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	4,451,829	4,566,599
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	4,641,998	4,722,851
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**Commitment** (note 13)

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

**Approved by the Board of Directors**

(signed) Claude St-Jacques \_\_\_\_\_, Director

(signed) Pierre St-Jacques \_\_\_\_\_, Director

# Société d'Exploration Minière Vior Inc.

## Statements of Income (Loss)

(expressed in Canadian dollars)

	Three-month periods ended		Nine-month periods ended	
	March 31,		March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Revenues</b>				
Gain on sale of a short-term investment	4,362,132	-	4,362,362	-
Interest	2,232	1,884	6,222	7,230
Fees charged to a partner	21,899	8,256	135,593	8,256
Settlement of litigation	-	-	120,000	-
Gain on an investment held for trading	79,436	-	79,436	-
	<u>4,465,699</u>	<u>10,140</u>	<u>4,703,613</u>	<u>15,486</u>
<b>Expenses</b>				
Salaries and fringe benefits	109,776	62,689	271,051	177,628
Professional and maintenance fees	124,309	18,042	241,544	59,106
Rent and office expenses	20,569	14,830	67,903	50,728
Advertising and promotion	317	-	1,267	500
Travelling	6,023	1,126	11,883	3,203
Search for mining properties (note 10)	23,051	-	53,396	1,993
Interest and bank charges	396	177	977	649
Depreciation of property, plant and equipment	605	526	1,645	1,345
Loss on sale of a mining property	10,008	-	10,008	-
Cost of mining properties abandoned, impaired or written off	399	-	1,527	-
	<u>295,453</u>	<u>97,390</u>	<u>661,201</u>	<u>295,152</u>
<b>Earning (loss) before an investment in an associate and deferred tax</b>	4,170,246	(87,250)	4,042,412	(279,666)
<b>Share of net loss of an associate</b>	-	-	-	(30,734)
<b>Gain on disposal of an associate</b>	-	-	-	205,868
<b>Earnings (loss) before deferred tax</b>	4,170,246	(87,250)	4,042,412	(104,532)
<b>Deferred tax</b>	(138,111)	13,911	(42,203)	(10,953)
<b>Net income (net loss) for the period</b>	<u>4,032,135</u>	<u>(73,339)</u>	<u>4,000,209</u>	<u>(115,485)</u>
<b>Per share (note 11)</b>				
<b>Basic net earnings (net loss)</b>	<u>0.129</u>	<u>(0.003)</u>	<u>0.132</u>	<u>(0.005)</u>
<b>Diluted net earnings (net loss)</b>	<u>0.129</u>	<u>(0.003)</u>	<u>0.132</u>	<u>(0.005)</u>

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

# Société d'Exploration Minière Vior Inc.

## Statements of Comprehensive Income (Loss)

(expressed in Canadian dollars)

	Three-month periods ended March 31,		Nine-month periods ended March 31,	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>Net income (net loss) for the period</b>	4,032,135	(73,339)	4,000,209	(115,485)
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently to net loss</b>				
Unrealized gain (loss) on an available-for-sale short-term investment, net of related income tax of \$76,288 and \$172,196 (\$27,822 and \$27,822 in 2016)	490,908	89,518	1,108,071	(89,518)
Reclassification of gains on an available-for-sale short-term investment realized upon sale, net of income tax of \$214,399 and \$214,999	(1,379,644)	-	(1,379,644)	-
Share of other comprehensive loss of the associate, net of related income tax of \$1,513	-	-	-	(9,736)
Writeoff of the share of other comprehensive loss of the associate, net of related income tax of \$4,471	-	-	-	122,167
<b>Other comprehensive income (loss) for the period</b>	(888,736)	89,518	(271,573)	22,913
<b>Comprehensive income (loss) for the period</b>	<b>3,143,399</b>	<b>16,179</b>	<b>3,728,636</b>	<b>(92,572)</b>

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

## Société d'Exploration Minière Vior Inc.

### Statements of Changes in Equity

(expressed in Canadian dollars)

	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Accumulated other comprehensive income	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at July 1, 2016</b>	30,012,803	30,254	172,604	1,506,184	(28,856,084)	1,700,838	4,566,599
Net income	-	-	-	-	4,000,209	-	4,000,209
Distribution of a stock dividend	-	-	-	-	(4,752,500)	-	(4,752,500)
Unrealized gain on an available-for-sale short-term investment, net of related income tax of \$172,196	-	-	-	-	-	1,108,071	1,108,071
Reclassification of gains on an available-for-sale short-term investment realized upon sale, net of income tax of \$214,399	-	-	-	-	-	(1,379,644)	(1,379,644)
Comprehensive loss for the period	-	-	-	-	(752,291)	(271,573)	(1,023,864)
Warrants granted	-	234,627	-	-	-	-	234,627
Warrants matured	-	(23,398)	-	23,398	-	-	-
Warrants exercised	66,851	(14,073)	-	-	-	-	52,778
Stock option exercised	272,895	-	(97,895)	-	-	-	175,000
Issuance of shares for cash consideration	526,382	-	-	-	-	-	526,382
Share issue expenses	(79,693)	-	-	-	-	-	(79,693)
<b>Balance as at March 31, 2017</b>	<b>30,799,238</b>	<b>227,410</b>	<b>74,709</b>	<b>1,529,582</b>	<b>(29,608,375)</b>	<b>1,429,265</b>	<b>4,451,829</b>

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

## Société d'Exploration Minière Vior Inc.

### Statements of Changes in Equity

(expressed in Canadian dollars)

	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Accumulated other comprehensive income	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at July 1, 2015</b>	29,973,781	33,919	173,829	1,494,438	(28,811,190)	(112,431)	2,752,346
Net loss	-	-	-	-	(115,485)	-	(115,485)
Unrealized loss on an available-for-sale short-term investment, net of related income tax of \$13,911	-	-	-	-	-	(89,518)	(89,518)
Share of other comprehensive loss of the associate, net of related income tax of \$1,513	-	-	-	-	-	(9,736)	(9,736)
Writeoff of the share of other comprehensive loss of the associate, net of related income tax of \$4,471	-	-	-	-	-	122,167	122,167
Comprehensive income for the period	-	-	-	-	(115,485)	22,913	(92,572)
Warrants granted	-	6,856	-	-	-	-	6,856
Warrants cancelled	-	(10,521)	-	10,521	-	-	-
Issuance of shares for cash consideration	43,144	-	-	-	-	-	43,144
Share issue expenses	(4,122)	-	-	-	-	-	(4,122)
<b>Balance as at March 31, 2016</b>	<b>30,012,803</b>	<b>30,254</b>	<b>173,829</b>	<b>1,504,959</b>	<b>(28,926,675)</b>	<b>(89,518)</b>	<b>2,705,652</b>

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

# Soci t  d'Exploration Mini re Vior Inc.

## Statements of Cash Flows

(expressed in Canadian dollars)

	Nine-month periods ended March 31,	
	2017 \$	2016 \$
<b>Cash flows from operating activities</b>		
Net income (net loss) for the period	4,000,209	(115,485)
Adjustments for:		
Gain on sale of a short-term investment	(4,362,362)	-
Gain on an investment held for trading	(79,436)	-
Depreciation of property, plant and equipment	1,645	1,345
Share of net loss of an associate	-	30,734
Gain on disposal of an associate	-	(205,868)
Deferred tax	42,203	10,953
Loss on sale of a mining property	10,008	-
Cost of mining properties abandoned, impaired or written off	1,527	-
	<u>(386,206)</u>	<u>(278,321)</u>
Changes in items of working capital		
Tax credits for mining exploration and commodity taxes receivable	(17,494)	43,989
Other amounts receivable	23,594	(87,107)
Prepaid expenses	(29,144)	(17,094)
Accounts payable and accrued liabilities	83,405	(34,229)
	<u>60,361</u>	<u>(94,441)</u>
	<u>(325,845)</u>	<u>(372,762)</u>
<b>Cash flows from financing activities</b>		
Share capital, warrants and stock options issued for cash, net of share issue expenses	909,093	45,878
	<u>909,093</u>	<u>45,878</u>
<b>Cash flows from investing activities</b>		
Acquisition of short-term investments	(144,260)	-
Disposition of a short-term investment	356,779	-
Acquisition of mining properties and capitalized exploration costs	(91,640)	(167,063)
Disposition of a mining property	12,500	-
Change in credit on duties refundable for loss and refundable tax credit for resources	46,411	77,366
Acquisition of a property, plant and equipment	(2,289)	(3,045)
	<u>177,501</u>	<u>(92,742)</u>
<b>Increase (decrease) in cash</b>	760,749	(419,626)
<b>Cash and cash equivalents - Beginning of period</b>	991,841	1,430,134
<b>Cash and cash equivalents - End of period</b>	<u>1,752,590</u>	<u>1,010,508</u>
Interest received	6,379	7,759

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

# Société d'Exploration Minière Vior Inc.

## Statements of Cash Flows (continued)

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(expressed in Canadian dollars)

### Additional information

Items not affecting cash and cash equivalents

	<b>Nine-month periods ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Related to investing activities:		
Credit on duties refundable for loss and refundable tax credit receivable for resources applied against mining properties	8,863	34,995
Acquisition of mining properties and exploration costs included in accounts payable and accrued liabilities	11,302	2,580

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

# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

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(expressed in Canadian dollars)

### 1 General information

Société d'Exploration Minière Vior Inc. (the "Company") governed by the *Quebec Business Corporations Act*, is in the business of acquiring and exploring mining properties. It has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mining properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments for exploration and development programs and general and administration costs.

Management is periodically seeking additional forms of financing through the issuance of new equity instruments, the exercise of warrants, common shares and stock options to continue its operations, 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. Without new funding, the Company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements.

The address of the Company's registered office is 116 St-Pierre, Suite 200, Quebec City, Quebec, Canada.

### 2 Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as defined in the Chartered Professional Accountants of Canada Handbook and adopted by the International Accounting Standards Board ("IASB") applicable to the preparation of condensed interim financial statements, including IAS 34, *Interim Financial Reporting* and using the same accounting policies and methods of computation as our most recent annual financial statements except for the change in accounting policy disclosed in Note 3. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended June 30, 2016, which have been prepared in accordance with IFRS as issued by the IASB.

These financial statements were approved by the Board of Directors on May 24, 2017.

### 3 Changes in accounting policies

#### New interpretation adopted during the year

The Company has adopted the following interpretation that has been applied in preparing these financial statements. These changes were made in accordance with the applicable transitional provisions.

#### IAS 1, *Presentation of financial statements* ("IAS 1")

In December 2014, the IASB issued amendments to IAS 1, *Presentation of financial statements*. These amendments clarify guidance on how to exercise professional judgment in determining the extent and structure of disclosures in financial statements. Since IAS 1 is a presentation standard, the amendments thereto, which are effective for annual periods beginning on or after January 1, 2016, have no impact on the Company's profit or loss or financial position.



# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

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(expressed in Canadian dollars)

### **New accounting standards not yet adopted**

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than March 31, 2017. Many of these updates are not relevant to the Company and are therefore not discussed herein.

#### IFRS 9, *Financial instruments* ("IFRS 9")

In July 2014, the IASB issued the final standard on financial instruments on the classification and measurement, impairment and hedge accounting, to replace IAS 39 *Financial instrument: recognition and measurement*. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and this standard should be adopted on a retrospective way. The Company is currently evaluating the impact of adopting this standard.

#### IFRS 15, *Revenue from contracts with customers* ("IFRS 15")

In May 2014, the IASB issued IFRS 15 *Revenue from contracts with customers*. The objective of this new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability. This new standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. This new standard is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Company is currently evaluating the impact of adopting this standard.

#### IFRS 16, *Lease* ("IFRS 16")

This new standard published by the IASB in January 2016, establishes principles for the recognition, measurement and presentation of the leases and the disclosures about them, points of view lessee and the lessor. For accounting of the customer, there will now only one model, which requires the recognition of all assets and liabilities arising from lease contracts. This standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of adopting this standard.

# Société d'Exploration Minière Vior Inc.

Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

## 4 Other amounts receivable

	As at March 31, 2017 \$	As at June 30, 2016 \$
Partner	109,297	133,861
Others	5,244	4,274
	<u>114,541</u>	<u>138,135</u>

## 5 Mining properties

### Reconciliation of mining properties

	Exploration costs \$	Acquisition cost		Total \$
		Mining properties \$	Claims \$	
<b>Balance as at June 30, 2016</b>	554,341	7,925	57,363	619,629
Costs incurred	26,395	5,000	10,758	42,153
Mining properties abandoned, impaired or written off	(15,880)	-	(8,155)	(24,035)
Credit on duties refundable for loss and refundable tax credit for resources	(8,863)	-	-	(8,863)
<b>Balance as at March 31, 2017</b>	<u>555,993</u>	<u>12,925</u>	<u>59,966</u>	<u>628,884</u>

# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

### Detail of mining properties

	N <sup>o</sup> of claims	Undivided interest %	Balance as at June 30, 2016 \$	Costs incurred \$	Mining properties sold, abandoned, impaired or written off, credit on duties refundable for loss and refundable tax credit for resources \$	Balance as at March 31, 2017 \$
Big Island Lake	95					
Acquisition costs		100	4,420	3,881	(131)	8,170
Exploration costs			7,775	22,616	(7,903)	22,488
			<u>12,195</u>	<u>26,497</u>	<u>(8,034)</u>	<u>30,658</u>
Douay Ouest (note c)	5					
Acquisition costs		10	7,925	-	(7,925)	-
Exploration costs			14,583	-	(14,583)	-
			<u>22,508</u>	<u>-</u>	<u>(22,508)</u>	<u>-</u>
Foothills (note a)	827					
Acquisition costs		49	30,687	-	(99)	30,588
Exploration costs			318,481	-	(1,029)	317,452
			<u>349,168</u>	<u>-</u>	<u>(1,128)</u>	<u>348,040</u>
Ligneris	77					
Acquisition costs		100	18,487	2,650	-	21,137
Exploration costs			136,849	410	(139)	137,120
			<u>155,336</u>	<u>3,060</u>	<u>(139)</u>	<u>158,257</u>
Mosseau (note b)	50					
Acquisition costs		100	-	7,943	-	7,943
Exploration costs			-	3,337	(1,078)	2,259
			<u>-</u>	<u>11,280</u>	<u>(1,078)</u>	<u>10,202</u>
Veza-Noyard	10					
Acquisition costs		100	1,406	393	-	1,799
Exploration costs			76,464	31	(11)	76,484
			<u>77,870</u>	<u>424</u>	<u>(11)</u>	<u>78,283</u>
Others	-					
Acquisition costs		-	2,552	891	-	3,443
Exploration costs			-	1	-	1
			<u>2,552</u>	<u>892</u>	<u>-</u>	<u>3,444</u>
			<u>619,629</u>	<u>42,153</u>	<u>(32,898)</u>	<u>628,884</u>

All mining properties are located in the province of Quebec.

# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

(a) On March 9, 2016, the Company granted Iluka Exploration (Canada) Ltd ("Iluka") the option to acquire an initial 51% interest in the Foothills property for a consideration of exploration work totalling \$400,000 during the first year of the agreement and an additional 39% for a consideration of exploration work totalling \$2,100,000 no later than March 31, 2019. On August 25, 2016, the Company amended the agreement to add 140 new claims held by the Company. Iluka will pay \$25,000 plus the cost of the claims, increase from \$400,000 to \$500,000 the amount relating to the exploration work required to obtain the initial 51% interest and increase from \$2,100,000 to \$2,200,000 the amount relating to the exploration work required to obtain the additional 39% interest. As at March 31, 2017, Iluka spent \$737,078 on exploration work and acquired a 51% interest.

(b) On February 28, 2017, the Company bought from Allen Laporte a 100% interest in 11 claims of the Mosseau property in consideration of \$5,000.

On March 20, 2017, the Company concluded an acquisition agreement with Ressources Tectonic Inc., 3421856 Canada Inc. and Alphonse Beaudoin on the Mosseau property, located east of Lebel-sur-Quévillon, province of Québec. As per the agreement, the Company has the option to acquire a 100% interest in 15 claims from the Mosseau property for a period of 15 months from the date of signature in consideration of \$90,000 in cash and the issuance of shares of the Company with a value of \$65,000 within 5 days of the date of the approval of the Exchange and an additional amount of \$60,000 and shares of the Company with a valued of \$65,000 to the end of the option period.

(c) On March 21, 2017, the Company sold to Aurvista Gold Corporation a 10% interest in the 5 claims of the Douay West property in consideration of \$12,500. The loss of \$10,008 arising from this transaction is presented in the financial statements under the caption *Loss on sale of a mining property*.

## 6 Accounts payable and accrued liabilities

	As at March 31, 2017 \$	As at June 30, 2016 \$
Suppliers	144,808	131,260
Salaries and fringe benefits	45,361	24,992
	<u>190,169</u>	<u>156,252</u>

## 7 Share capital

Authorized

Unlimited number of common shares, voting and participatory, without par value

Issued and fully paid

# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

The share capital issued has varied as follows:

	Nine-month period ended		Year ended June 30,	
	March 31,		2016	
	2017		2016	
	Number	\$	Number	\$
Balance - Beginning of period	23,259,901	30,012,803	22,704,346	29,973,781
Warrants exercised	388,889	66,851	-	-
Stock option exercised	1,750,000	272,895	-	-
Issuance of shares for cash consideration (a) (b)	7,400,000	526,382	555,555	43,144
Share issue expenses	-	(79,693)	-	(4,122)
Balance - End of period	32,798,790	30,799,238	23,259,901	30,012,803

(a) On July 31, 2015, the Company made a \$50,000 private placement through the issuance of 555,555 of its shares at a price of \$0.09 per share along with 138,889 share purchase warrants giving the holder the right to subscribe for one common share of the Company at a price of \$0.11 until July 31, 2017. The offering is presented net of the value of the related warrants which was established at \$6,856. Share issue expenses of \$4,122 were incurred by the Company under the private placement.

(b) On July 20, 2016, the Company made a \$740,000 private placement through the issuance of 7,400,000 of its shares at a price of \$0.10 per share along with 7,400,000 share purchase warrants giving the holder the right to subscribe for one common share of the Company at a price of \$0.15 until July 20, 2017. The offering is presented net of the value of the related warrants which was established at \$213,618. Share issue expenses of \$79,693 were incurred by the Company under the private placement.

## 8 Warrants

The following table presents warrant activity since July 1, 2015 and summarizes information about outstanding and exercisable warrants as at March 31, 2017.

	Nine-month period ended		Year ended June 30,	
	March 31,		2016	
	2017		2016	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding and exercisable - Beginning of period	638,889	0.13	540,000	0.17
Granted	7,700,000	0.15	138,889	0.11
Exercised	(388,889)	0.14	-	-
Matured	(500,000)	0.14	(40,000)	0.60
Outstanding and exercisable - End of period	7,450,000	0.15	638,889	0.13

The following table summarizes the maturity dates of outstanding and exercisable warrants:

The 7,450,000 outstanding and exercisable warrants at \$0.15 will mature in July 2017.

# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

The fair value of warrants granted was estimated using the Black-Scholes valuation model with the following assumptions:

	Nine-month period ended March 31, 2017	Year ended June 30, 2016
Risk-free interest rate	0.57%	0.41%
Expected volatility	157.35%	144.38%
Dividend yield	Nil	Nil
Expected life	1 year	2 years
Fair value of warrants granted	\$0.03	\$0.049

## 9 Stock options

The Company maintains a stock option plan under which certain key employees, managers, directors, consultants, service providers and investor relations service providers may be granted stock options for shares of the Company. A maximum of 2,270,434 stock options may be granted (maximum of 5% of the number of common shares outstanding in favour of key employees, managers, directors and consultants, and maximum of 2% of the number of common shares outstanding in favour of investor relations service providers).

Options granted expire after a maximum of ten years following the date of grant. There is no vesting period.

The following table presents the stock option activity since July 1, 2015 and summarizes information about fixed stock options outstanding and exercisable as at March 31, 2017.

	Nine-month period ended March 31, 2017		Year ended June 30, 2016	
	Number	Weighted average exercise price \$	Number	Weighted average exercise price \$
Outstanding and exercisable - Beginning of period	2,055,000	0.16	2,060,000	0.16
Exercised	(1,750,000)	0.10	-	-
Cancelled	-	-	(5,000)	0.50
Outstanding and exercisable - End of period	305,000	0.50	2,055,000	0.16

The weighted average share price when share options were exercised during the nine-month period ended March 31, 2017 was \$0.20.

# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

The following table summarizes information about stock options outstanding and exercisable as at March 31, 2017:

Exercise price	Options outstanding and exercisable Number	Weighted average remaining contractual life (years)	Weighted average exercise price \$
\$0.50	305,000	3.59	0.50

### 10 Search for mining properties

	Three-month periods ended March 31,		Nine-month periods ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Salaries and fees	15,864	-	41,747	1,981
Transport	3,037	-	5,527	-
Analysis	1,742	-	1,742	-
Other	2,408	-	4,380	12
	23,051	-	53,396	1,993

### 11 Earnings per share

a) The following table presents a reconciliation between the basic weighted average number of shares outstanding and the diluted weighted average number of shares outstanding:

	Three-month periods ended March 31,		Nine-month periods ended March 31,	
	2017	2016	2017	2016
Basic weighted average number of shares outstanding	31,217,185	23,259,901	30,329,812	23,199,295
Diluted weighted average number of shares outstanding	31,217,185	23,259,901	30,329,812	23,199,295

Items excluded from the calculation of diluted net loss per share because the exercise price was greater than the average quoted value of the common shares:

	Three-month periods ended March 31,		Nine-month periods ended March 31,	
	2017	2016	2017	2016
Stock options	305,000	2,060,000	305,000	2,060,000
Warrants	7,450,000	638,889	7,450,000	638,889

b) On March 6, 2017, the Company declared a dividend in share of Aurvista Gold Corporation («Aurvista») payable on March 20, 2017 to shareholders of record as of the close of business on March 15, 2017. The dividend value was \$0.345 (15) per share of Aurvista and 13,775,358 shares of Aurvista were distributed for a value of \$4,752,500.

# Société d'Exploration Minière Vior Inc.

Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

## 12 Financial instruments and measurement of fair value

### a) Financial instruments

The classification of financial instruments as at March 31, 2017 and as at June 30, 2016 is summarized as follows:

	<b>As at March 31, 2017</b>					
				Carrying value	Fair value	
	At fair value through profit or loss	Available-for-sale	Loans and receivables	Financial liabilities at amortized cost	Total	Total
	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	1,752,590	-	1,752,590	1,752,590
Short-term investment	79,436	1,979,580	-	-	2,059,016	2,059,016
Other amounts receivable	-	-	114,541	-	114,541	114,541
	79,436	1,979,580	1,867,131	-	3,926,147	3,926,147
<b>Financial Liabilities</b>						
Accounts payable and accrued liabilities	-	-	-	162,475	162,475	162,475
	-	-	-	162,475	162,475	162,475

	<b>As at June 30, 2016</b>					
				Carrying value	Fair value	
	Available-for-sale	Loans and receivables	Financial liabilities at amortized cost	Total	Total	
	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>						
Cash	-	991,841	-	991,841	991,841	
Short-term investment	2,896,012	-	-	2,896,012	2,896,012	
Other amounts receivable	-	138,135	-	138,135	138,135	
	2,896,012	1,129,976	-	4,025,988	4,025,988	
<b>Financial Liabilities</b>						
Accounts payable and accrued liabilities	-	-	133,748	133,748	133,748	
	-	-	133,748	133,748	133,748	

The Company's assets at fair value through profit or loss consist of warrants. Available-for-sale assets consist of shares in a public company. Cash and cash equivalents, other amounts receivable and accounts payable and accrued liabilities are financial instruments whose carrying value approximates their fair value due to their short-term maturity.



# Société d'Exploration Minière Vior Inc.

## Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

(expressed in Canadian dollars)

### b) Fair value hierarchy

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following three levels:

Level 1 – valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following table presents the financial instruments recorded at fair value in the statement of financial position as at March 31, 2017 and as at June 30, 2016, classified using the fair value hierarchy described above:

	As at March 31, 2017	
	Level 1	Level 3
<b>Financial assets</b>	\$	\$
Shares	1,979,580	-
Warrants	-	79,436
	<u>1,979,580</u>	<u>79,436</u>
	As at June 30, 2016	
<b>Financial assets</b>	Level 1	
Shares	\$	
	<u>2,896,012</u>	

On March 31, 2017, the Company transferred, from level 2 to level 1 an amount of \$109,068 of common shares that were no longer on a sale period restriction.

No transfer attributable to changes in the observability of market data was made among the fair value measurement hierarchy level during the year ended June 30, 2016.

### c) Valuation techniques that are used to measure fair value

The fair value of shares is established using the bid price on the most beneficial active market for these instruments that is readily available to the Company. When a bid price is not available, the Company uses the closing price of the most recent transaction on such instrument. If the instrument is subject to a restriction on the sale period, the fair value is discounted and the instrument is classified in level 2.

# **Société d'Exploration Minière Vior Inc.**

Notes to Financial Statements

For the three-month and nine-month periods ended March 31, 2017 and 2016

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(expressed in Canadian dollars)

The fair value of warrants is established through the use of the Black & Scholes pricing model, which uses share price inputs and volatility measurements. If the instrument is on a sale period restriction, the fair value is discounted.

## **d) Other information**

As at March 31, 2017, gross unrealized gains on available-for-sale securities totalled \$1,675,830 (\$1,965,151 as at June 30, 2016). These gains related to common shares is mainly explained by fluctuations of prices in the market.

## **13 Commitment**

The Company has a rental lease for its administrative offices with a company owned by a director. The rental lease has a term of three years beginning on June 1, 2016 and ending on May 31, 2019. The annual cost is \$19,800 and will be subject to an annual raise according to the consumer price index with a minimum of 2% annually.