RIZAL RESOURCES CORPORATION

Condensed Consolidated Interim Financial Statements
Three and Nine month periods ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

RIZAL RESOURCES CORPORATION
Condensed Consolidated Interim Financial Statements

November 29, 2017

(Unaudited – See “Notice to Reader” below)

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed the condensed consolidated interim financial statements for the period ended September 30, 2017.

NOTICE TO READER OF THE FINANCIAL STATEMENTS

The condensed consolidated interim financial statements of Rizal Resources Corporation (the "Company"), comprised of the condensed consolidated interim statement of financial position as at September 30, 2017, and the audited statement of financial position as at December 31, 2016, and the condensed consolidated interim statements of comprehensive income (loss), cash flows and changes in equity for the three months ended September 30, 2017, and 2016, are the responsibility of the Company’s management. The condensed consolidated interim financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, Smythe Ratcliffe Chartered Accountants.

The condensed consolidated interim financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed consolidated interim financial statements in accordance with International Financial Reporting Standards.

“Peter Main”	*“Peter Main”*
…………………………	…………………………
Peter Main, Chief Executive Officer	Peter Main, Chief Financial Officer
November 29, 2017	November 29, 2017

RIZAL RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Financial Position
Unaudited
(Expressed in Canadian dollars)

	Notes		September 30, 2017		December 31, 2016
Assets					
Current					
Cash		$	1,538,837	$	418,163
Amounts and advances receivable			429,255		259,279
Prepaid expenses			1,062,623		915,752
Current portion of deferred financing fees	14		94,540		94,540
			3,125,256		1,687,734
Deferred financing fees	14		23,635		108,600
Exploration and evaluation assets	5		-		-
Property, plant and equipment	8		10,084,517		7,666,369
		$	13,233,407	$	9,462,703
Liabilities					
Current					
Accounts payable and accrued liabilities	12	$	10,636,442	$	6,209,390
Loans payable	14		6,664,822		3,142,681
Convertible notes	9, 12		5,407,701		4,740,666
Due to related parties	10, 12		5,315,997		5,561,501
			28,024,962		19,654,238
Liability for site reclamation	8		1,297,731		1,286,718
Retirement benefit obligation	13		140,214		155,664
Deferred income tax liability			588,865		653,297
			30,051,771		21,749,917
Shareholders' deficiency					
Share capital	11		66,038,987		66,038,987
Share subcriptions received in advance	11		-		-
Reserves	11		2,700,357		3,177,481
Deficit			(54,567,814)		(51,997,355)
Equity attributable to owners of the Company			14,171,530		17,219,113
Non-controlling interest			(30,989,893)		(29,506,327)
			(16,818,364)		(12,287,214)
		$	13,233,407	$	9,462,703

Approved on behalf of the Board:

"Neil Grimes" ………………………………………………………… Neil Grimes, Director

"Peter Main" ………………………………………………………… Peter Main, Director

See notes to the condensed consolidated interim financial statements.

RIZAL RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)
Unaudited
(Expressed in Canadian dollars)

	Notes	Three months ended September 30 2017	Three months ended September 30 2016	Nine months ended September 30 2017	Nine months ended September 30 2016
Expenses					
Bank charges and interest		$ 608,704	$ 758,167	$ 1,414,189	$ 1,770,378
Consulting fees		84,333	344,587	834,233	949,289
Exploration and evaluation expenses		(7,982)	375,299	(1,190)	360,777
Legal and professional		37,509	20,956	206,470	115,162
Travel and accommodation		21,696	13,544	61,547	60,153
Office and miscellaneous		97,670	112,790	553,586	569,282
Regulatory and shareholder costs		8,698	19,731	38,647	53,606
Rent		12,896	6,693	15,016	15,918
Repairs and maintenance		838,614	-	1,885,195	825,456
Share based payments		-	-	-	150,000
Loss before other items		(1,702,139)	(1,651,767)	(5,007,694)	(4,870,021)
Other items					
Accretion of site reclamation liability		(3,671)	-	(11,013)	-
Incidental revenues		486,154	184,311	1,023,959	1,275,160
Royalties on metal sales		-	(8,159)	-	(23,482)
Share of income in equity accounted investment		-	-	-	21,109
Foreign exchange gain (loss)	**4**	(962,848)	(549,506)	(536,401)	575,533
Impairment of investment in Agusan		-	-	-	-
Impairment of Agusan loan		-	-	-	(21,109)
Net loss before income taxes		(2,182,504)	(2,025,121)	(4,531,149)	(3,042,810)
Deferred income tax expense		2,424	-	-	-
Net loss and comprehensive loss		$ (2,184,928)	$ (2,025,121)	$ (4,531,149)	$ (3,042,810)
Net loss attributed to:					
Owners of the Company		$ (1,180,180)	$ (1,806,502)	$ (3,047,583)	$ (2,909,862)
Non-Controlling Interest		(1,004,748)	(218,619)	(1,483,566)	(132,948)
		$ (2,184,928)	$ (2,025,121)	$ (4,531,149)	$ (3,042,810)
Loss Per Share – basic and diluted		$ (0.006)	$ (0.011)	$ (0.016)	$ (0.018)
Weighted Average Number of Common Shares Outstanding		188,217,712	167,421,144	188,217,712	159,247,342

See notes to the condensed consolidated interim financial statements.

RIZAL RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Changes in Equity
Unaudited
(Expressed in Canadian dollars)

	Number of shares issued	Share capital	Share-based payments reserve	Warrants to be issued	Deficit	Equity attributable to owners of the Company	Non-Controlling Interest	Shareholders' Deficency
Balance at December 31, 2015	**146,443,212**	**$ 63,985,212**	**$ 2,085,310**	**$ -**	**$ (48,421,506)**	**$17,649,016**	**$ (29,403,070)**	**$ (11,754,054)**
Common shares issued for service ($0.05 per share) (note 11)	3,115,000	155,750	-	-	-	155,750	-	155,750
Common shares issued for debt ($0.05 per share) (note 11)	20,397,500	1,019,875	-	-	-	1,019,875	-	1,019,875
Common shares issued for cash ($0.05 per share) (note 11)	18,262,000	913,100	-	-	-	913,100		913,100
Share issue costs (note 11)	-	(5,750)	-	-	-	(5,750)		(5,750)
Reclassification of the fair value of options and warrants on expiry	-	-	(195,792)	-	195,792	-		-
Warrants issued and to be issued for debt facility (note 11)	-	-	633,973	-	-	633,973	-	633,973
Share based payments (note 11)	-	-	283,620	-	-	283,620	-	283,620
Net loss for the period	-	-	-	-	(2,909,862)	(2,909,862)	(132,948)	(3,042,810)
Balance at September 30, 2016	**188,217,712**	**$ 66,068,187**	**$ 2,807,111**	**$ -**	**$ (51,135,576)**	**$17,739,722**	**$ (29,536,018)**	**$ (11,796,296)**
Balance at December 31, 2016	**188,217,712**	**$ 66,038,987**	**$ 3,177,481**	**$ -**	**$ (51,997,355)**	**$17,219,113**	**$ (29,506,327)**	**$ (12,287,214)**
			-		-	-	-	-
Reclassification of the fair value of options and warrants on expiry	-	-	(477,124)		477,124	-	-	-
Net loss for the period	-	-			(3,047,583)	(3,047,583)	(1,483,566)	(4,531,149)
Balance at September 30, 2017	**188,217,712**	**$ 66,038,987**	**$ 2,700,357**	**$ -**	**$ (54,567,814)**	**$14,171,530**	**$ (30,989,893)**	**$ (16,818,363)**

See notes to the condensed consolidated interim financial statements.

RIZAL RESOURCES CORPORATION
Condensed Consolidated Interim Statements of Cash Flows
Unaudited
(Expressed in Canadian dollars)

	Nine months ended September 30 2017	Nine months ended September 30 2016	Year ended December 31 2016
Cash flows from operating activities			
Net loss for the period	$ (4,531,149)	$ (3,042,810)	$ (3,829,163)
Items not involving cash			
Amortization	319,195	-	10,110
Accretion of site reclamation liability	-	-	16,306
Deferred income tax expense	(64,432)	(128,953)	(974,041)
Retirement benefit obligation	(15,450)	(9,482)	36,009
Loss on sale of property plant and equipment	-	-	(27,813)
Share of gain in equity accounted investment	-	(21,109)	-
Unrealized loss/(gain) on foreign exchange	(536,401)	640,292	204,487
Forgiveness of debt	-	-	288,847
Impairment of Agusan loan	-	21,109	-
Share based payments	-	150,000	150,000
Amortization of deferred financing	-	-	80,480
Accretion of interest on debt	582,070	502,682	987,078
Accrued interest credit facility and convertible loans			
	(4,246,168)	(1,888,271)	(3,057,700)
Changes in non-cash working capital			
Amounts and advances receivable	(169,976)	(107,577)	577,473
Prepaid expenses	(146,871)	(297,742)	(356,101)
Accounts payable and accrued liabilities	5,144,396	160,566	486,849
Cash used in operating activities	581,381	(2,133,024)	(2,349,479)
Cash flows from investing activities			
Proceeds on sale of property, plant and equipment	-	-	168,723
Purchase of property and equipment	(2,737,343)	(1,447,826)	(3,128,782)
Cash used in Investing activities	(2,737,343)	(1,447,826)	(2,960,059)
Cash flows from financing activities			
Proceeds from issuance of common shares	-	913,100	913,100
Proceeds from credit facility	-	2,771,775	2,977,559
Proceeds from additional loans	3,276,637	-	1,651,461
Cash provided by financing activities	3,276,637	3,684,875	5,542,120
Inflow (Outflow) of Cash	1,120,675	104,025	232,582
Cash, Beginning of the period	418,163	185,581	185,581
Cash, End of the period	$ 1,538,838	$ 289,606	$ 418,163

See notes to the condensed consolidated interim financial statements.

1. GOING CONCERN AND NATURE OF OPERATIONS

Rizal Resources Corporation (formerly Cadan Resources Corporation) (the “Company” or “Rizal”) was incorporated on November 14, 1977 and continued under the laws of British Columbia on August 28, 2007. The Company is a development stage company, and its principal business activity is natural resource exploration, focusing on resources located in the Philippines. The head office, principal and registered address, and records office of the Company is Suite 600 – 666 Burrard Street, Vancouver, British Columbia, Canada V6C 3P6.

These condensed consolidated interim financial statements are prepared on a going concern basis, which contemplates that the Company will realize its assets and discharge its liabilities in the normal course of business. Accordingly, these consolidated financial statements do not give effect to any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company had cash of $1,538,837 at September 30, 2017 (December 31, 2016 – cash of $418,163), but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. For the nine months ended September 30, 2017, the Company had a net loss of $4,531,149 (nine months ended September 30, 2016 - $3,042,810). At September 30, 2017, the Company had an accumulated deficit of $55,044,938 (December 31, 2016 - $51,997,355). The Company has not yet demonstrated an ability to produce a sustained source of revenue to satisfy its requirements to progress the development of the T’Boli mine and processing plant, meet repayment obligations of its debts and meet its administrative overhead and maintain its resource interests. The Company has historically relied principally upon the issuance of securities and debt to finance operations. However, the company has now commenced ramping the project toward commercial production and is therefore generating revenue. As the project heads toward a positive cashflow position in 2018, it will be able to sustain all costs associated from both corporate and operating activities.

Mining and exploration involves a high degree of risk and there can be no assurance that current mining and exploration programs will result in profitable mining operations.

The recoverability of the Company’s investment in, and expenditures on, exploration and evaluation assets, and property, plant and equipment is dependent on several factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of resource interests.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These condensed consolidated interim financial statements are prepared in accordance with the same accounting policies as compared with most recent annual financial statements and IAS 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2016, which were prepared in accordance with IFRS in effect at that date, as issued by the IASB.

(b) Approval of the consolidated financial statements

The condensed consolidated interim financial statements of the Company for the quarter ended September 30, 2017, were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on November 28, 2017.

(c) New accounting pronouncements and interpretations not yet adopted

At the date of authorization of these condensed consolidated interim financial statements, the IASB has issued a number of new and revised standards and interpretations, which are not yet effective for the relevant reporting periods.

The Company has not early-adopted these standards, amendments and interpretations. The Company is currently assessing what impact the application of these standards or amendments will have on the condensed consolidated interim financial statements of the Company. The new accounting standards and interpretations that will be adopted in future years are as follows:

IFRS 9 *Financial Instruments*

This is a finalized version of IFRS 9, which contains accounting requirements for financial instruments, replacing IAS 39 *Financial Instruments: Recognition and Measurement*. The standard contains requirements in the following areas:

- Classification and measurement. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a “fair value through other comprehensive income” category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39; however, there are differences in the requirements applying to the measurement of an entity's own credit risk.
- Impairment. The 2014 version of IFRS 9 introduces an “expected credit loss” model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.
- Hedge accounting. Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- Derecognition. The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

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

IFRS 15 Revenue from Contracts with Customers

This new standard establishes a comprehensive framework for the recognition, measurement and disclosure of revenue replacing IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue — Barter Transactions Involving Advertising Services.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

- Revenue is recognized based on a five-step model:
    1. Identify the contract with customer;
    2. Identify the performance obligations;
    3. Determine the transaction price;
    4. Allocate the transaction price to the performance obligations; and
    5. Recognize revenue when (or as) the performance obligations are satisfied.
- New disclosure requirements on information about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

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

IFRS 16 *Leases*

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 *Leases.*

Applicable to annual periods beginning on or after January 1, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of these condensed consolidated interim financial statements.

(a) Principles of consolidation

These condensed consolidated interim financial statements include the accounts of the Company (the ultimate parent company), its wholly owned subsidiaries, Esperanza Capital Corp. and its 20% interest in Exploradora La Esperanza S.A. (a Colombian company); Sabena Limited and its subsidiaries (Australian companies); Tribal Holdings Inc., Batoto Holdings Inc. and Philco Holdings Inc. (Canadian companies); and Tribal Processing Corporation ("Tribal Processing") (Philippine company); and the accounts of its partially owned (40%) Philippine affiliates, Batoto Resources Corporation ("Batoto") and TMC Tribal Mining Corporation ("TMC"), referred to throughout the condensed consolidated interim financial statements as the “Philippine companies”. The Company owns 40% of each of the Philippine companies, which have been consolidated, as they meet the criteria under IFRS 10 *Consolidated Financial Statements*. The Company's ownership percentage in the Philippine companies is a result of Philippine laws restricting foreign ownership, but the Company is acting as operator of the Philippine companies. The remaining 60% ownership of each of the Philippine companies is owned by the two respective presidents of those companies. Each president has signed an option agreement allowing the Company to acquire control in certain circumstances. All significant intercompany balances and transactions have been eliminated on consolidation.

The Company has a 20% interest in Agusan Metals Corporation ("Agusan") and is able to exert significant influence over Agusan. As a result, Agusan is considered to be an associate as at September 30, 2017 and 2016 and for the periods then ended.

Non-controlling interest in the net assets of consolidated partially owned Philippine companies are identified separately from the Company's equity. Non-controlling interest consists of the non-controlling interest at the date of the original business combination plus the non-controlling interest's share of changes in equity since the date of acquisition.

(b) Use of judgments and estimates

The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements, and the reported amounts of revenues and expenses during the reporting period. In particular, significant judgments made by management in the application of IFRS during the preparation of the consolidated interim financial statements and estimates with a risk of material adjustment are:

(i) Realization of assets

The Company's property, plant and equipment (note 8) comprises a significant portion of the Company's assets. Realization of the Company's investments is dependent upon the Company satisfying governmental requirements, satisfaction of possible aboriginal claims, raising sufficient funds to develop the respective projects, the attainment of successful production from the properties, or from the proceeds upon disposal of the Company's interests therein. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

(ii) Liability for site reclamation

Environmental legislation is becoming increasingly stringent and the costs of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development of mineral resource properties, the potential for production on the properties may be diminished or negated.

The Company is subject to laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral activities in compliance with applicable environmental protection legislation.

Management must make judgments about the existence and valuation of environmental liabilities. The assessment of provision for environmental liabilities requires management to assess the stage of exploration and development activities in each mineral property, compliance with local environmental regulations and agreements in place. Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations, when determined to exist are initially recognized and recorded as a liability based on estimated future cash flows discounted at a credit-adjusted risk-free rate.

Site reclamation costs will be incurred by the Company many years into the future. Amounts recorded for site reclamation require the use of management's best estimates of future decommissioning expenditures, expected timing of expenditures and future inflation rates. The estimates are based on internal and third party information and calculations are subject to changes in laws and regulations, public expectations, prices, discovery and analysis of site conditions, and changes in clean up technology. Actual costs and outflows can differ from estimates and may have a material impact on earnings or financial position.

As at September 30, 2017, the Company has a liability for site reclamation of $1,297,731 (December 31, 2016 - $1,286,718) (Note 6).

(iii) Impairment assessment

Annually, the Company assesses whether indicators of impairment exist with respect to its exploration and evaluation assets, and property, plant and equipment. If indicators of impairment are identified, the Company then assesses whether its assets' carrying values are greater than their recoverable values. The Company has considered its incidental revenues from recovery of minerals, forecast budgets for development, exploration and financing, mineral commodity prices and the expected timelines to full production at the Company's T'Boli property (note 6) in assessing whether there were indicators of impairment for its property, plant and equipment, and exploration and evaluation costs. Impairment indicators were assessed on exploration ad evaluation costs incurred to the point in time when they became mine development assets, at which point they are reclassified to property, plant and equipment. Management is aware that variances to the data utilized in the assessment for indicators of impairment could result in a material variance to the amounts presented in the consolidated financial statements.

(iv) Convertible notes and loans payable

Management must make judgments about the valuation of convertible notes and loans payable, principally through the determination of appropriate discount rates for similar debt without conversion features and/or attached warrants. The Company reviewed discount rates in use by companies of similar size, industry and life cycle stage, to determine appropriate discount rates. Management also considered the Company's history of borrowings, the general economic outlook for junior exploration and development entities, and its overall access to credit facilities. If the assumptions used in arriving at the discount rates used by management are determined to be incorrect, then a material variance to the amounts presented in the consolidated financial statements could result.

(v) Contingencies

By their nature, contingencies, including the retirement benefit obligation, will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events, including the use of actuarial assumptions. If actual future events differ from the assumptions used by management, it could result in a material variance to the amounts recorded in the consolidated financial statements.

(vi) Deferred income taxes

Deferred tax assets and liabilities are recognized for the estimated tax consequences between amounts included in the consolidated financial statements and their tax base using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences, and accordingly, affect the amount of the deferred tax asset or liability calculated at a point in time. These differences could materially impact earnings.

(vii) Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but is not limited to 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. While management believes the estimates noted above are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

(Expressed in Canadian dollars, unless otherwise stated)

4. FINANCIAL INSTRUMENTS

Categories of financial instruments

	September 30, 2017	December 31, 2016
Financial assets		
FVTPL, at fair value		
Cash	1,538,837	418,163
Loans and receivables		
Amounts and advances receivable	371,504	213,314
Available-for-sale, at fair value		
Loan to Agusan	-	-
Total financial assets	1,910,341	631,477
Financial liabilities		
Other liabilities, at amortized cost		
Accounts payable and accrued liabilities	10,636,442	6,209,390
Loans payable	6,664,822	3,142,681
Convertible notes	5,407,701	4,740,666
Due to related parties	5,315,997	5,561,501
Total financial liabilities	28,024,962	19,654,238

Fair value

The carrying values of amounts and advances receivable (excluding GST receivable), accounts payable and accrued liabilities, and due to related parties approximate their fair values due to the short terms to maturity of these financial instruments. The loans payable have been valued using the effective interest rate method.

The carrying values of convertible notes were determined, in accordance with Level 2 of the fair value hierarchy, by discounting the face value of the notes over the terms of each note by a discount rate of 60%, and accreting the discount over the respective term to the anticipated conversion date of the notes.

During the three months ended September 30, 2017, the uncertainty around the collection schedule for the Agusan loan continued as Metallum continues to report the project as being on care and maintenance status. As a result, the carrying value of the loan to Agusan continues to be impaired, in accordance with Level 3 of the fair value hierarchy, and has a carrying value of $Nil.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

(Expressed in Canadian dollars, unless otherwise stated)

		September 30, 2017		December 31, 2016
Level 1				
Cash	$	1,538,837	$	418,163
Level 2				
Convertible notes	$	5,407,701	$	4,740,666
Level 3				
Loan to Agusan	$	-	$	-

(a) Credit risk

The Company is exposed to credit risk with respect to its cash. Cash has been placed on deposit with major Canadian and Philippine financial institutions. The risk arises from the non-performance of counterparties of contractual financial obligations.

The Company manages credit risk, in respect of cash, by maintaining deposits at major financial institutions with strong investment-grade ratings.

Concentration of credit risk exists with respect to the Company's cash, as the majority of the amounts are held with only a few Canadian and Philippine financial institutions. The Company's concentration of credit risk and maximum exposure thereto, is as follows:

		September 30, 2017		December 31, 2016
Canadian dollar equivalent				
Australian dollar	$	17	$	164,768
Canadian dollar		551,876		7,319
Philippine peso		986,962		246,076
Total cash	$	1,538,854	$	418,163

The Company is also exposed to credit risk with respect to its amounts and advances receivable and loan to Agusan. The Company maintains an equity investment in Agusan and receives periodic financial information from Metallum and Agusan with respect to that investment. The Company actively monitors the financial status of Agusan and Metallum to minimize the credit risk related to this loan. Other amounts receivable relate to input tax credits and advances to suppliers.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's cash is held in bank accounts. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on their estimated fair values as of September 30, 2017 and December 31, 2016. Future cash flows from interest income on cash are not expected to be material. The Company manages interest rate risk by investing in highly liquid investments with maturities of one year or less.

The Company's convertible notes, loans payable and due to related parties are at fixed rates of interest.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars.

The Company is exposed to foreign currency risk with respect to cash, accounts payable and accrued liabilities, and amounts due to related parties, as a portion of these amounts are denominated in Philippine pesos, Australian dollars ("AU") and US dollars as follows:

		September 30, 2017		December 31, 2016
Canadian dollar equivalent				
Philippine Pesos				
Cash	$	934,211	$	246,076
Accounts payable and accrued liabilities		(5,181,603)		(3,641,516)
AU$				
Cash		17		164,768
Accounts payable and accrued liabilities		(1,874,620)		(1,289,585)
Loans payable (note 14)		(529,527)		-
Due to related parties (note 12)		-		(102,580)
Convertible notes (note 9)		(2,028,508)		(1,651,461)
US$				
Cash		602,266		-
Accounts payable and accrued liabilities		(757,876)		(479,373)
Loans payable (note 14)		(5,639,803)		(2,642,817)
Due to related parties (notes 10)		(5,315,997)		(5,458,921)
Net exposure				
Canadian dollar equivalent	$	(19,791,440)	$	(14,855,409)

The Company manages foreign currency risk by only holding funds in foreign currencies for short-term requirements. The Company has not entered into any foreign currency contracts and does not utilize derivatives to mitigate this risk.

A 1% fluctuation in the value of the Philippine peso, Australian dollar and US dollar at September 30, 2017 would result in a change to net loss and comprehensive loss of approximately $198,000 (December 31, 2016 - $149,000).

(ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities. Accounts payable are all due within thirty days and amounts due to related parties, excluding convertible notes (notes 7 and 10) due to related parties and amounts due under the credit facilities (notes 8 and 10), are without specific terms of repayment; however, they are expected to be repaid within one year.

The Company will require significant cash funding to conduct its exploration programs, meet its administrative overhead costs, meet its repayment obligations, maintain its resource interests and bring its T'Boli gold processing operation to full production capacity. This will require the Company to obtain additional financing.

(Expressed in Canadian dollars, unless otherwise stated)

6. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Vehicles and exploration equipment	Construction in progress	Office furniture and equipment	Total
Cost						
Balance, December 31, 2015	$ 182,548	$ 513,686	$ 2,742,479	$ 193,847	$ 54,339	$ 3,686,899
Disposals	-	-	(178,204)	-	-	(178,204)
Transfer from exploration and evaluation assets	-	-	-	2,265,891	-	2,265,891
Change in value of site reclamation	-	-	-	(40,267)	-	(40,267)
Additions	88,635	-	397,480	3,028,617	3,463	3,518,195
Balance, December 31, 2016	271,183	513,686	2,961,755	5,448,088	57,802	9,252,514
Additions	-	-	167,451	2,565,980	3,912	2,737,343
Balance, September 30, 2017	$ 271,183	$ 513,686	$ 3,129,206	$ 8,014,068	$ 61,714	$ 11,989,857
Accumulated amortization and impairment losses						
Balance, December 31, 2015	$ -	$ 120,649	$ 1,048,928	$ -	$ 54,339	$ 1,223,916
Amortization on disposals	-	-	(37,295)	-	-	(37,295)
Amortization	-	26,679	369,500	-	3,345	399,524
Balance, December 31, 2016	-	147,328	1,381,133	-	57,684	1,586,145
Amortization	-	20,038	297,808	-	1,349	319,195
Balance, September 30, 2017	$ -	$ 167,366	$ 1,678,941	$ -	$ 59,033	$ 1,905,340
Net book value						
Balance, December 31, 2016	$ 271,183	$ 366,358	$ 1,580,622	$ 5,448,088	$ 118	$ 7,666,369
Balance, September 30, 2017	**$ 271,183**	**$ 346,320**	**$ 1,450,265**	**$ 8,014,068**	**$ 2,681**	**$ 10,084,517**

T'Boli, Barangay Kematu, Municipality of T'Boli, South Cotabato Province, Philippines

The Company has received the Mines and Geosciences Bureau's Declaration of Mining Project Feasibility enabling the Company to process ore at the T'Boli gold-silver mine within the Mineral Processing and Sharing Agreement. However, to date the Company has used this ability only to process incidental ore stockpiles available from exploration activities. During January 2016, the Company determined that the T'Boli project had entered the development phase.

Incidental revenues for the nine months ended September 30, 2017, were recorded in the condensed consolidated interim statement of comprehensive loss amounted to $1,023,959 (September 30, 2016 - $Nil). There is a 2% mineral royalty payable to the government of the Philippines in respect of mineral production.

(Expressed in Canadian dollars, unless otherwise stated)

As at September 30, 2017 a liability for site reclamation for this property amounted to $1,297,731 (December 31, 2016 - $1,286,718). The liability is estimated based on detailed mine rehabilitation plan costs of PhP $42,400,000 inflated at 1.50% (December 31, 2016 – 1.50%) over the term of the plan from 2010 to 2022 and discounted to present value using a 5-year risk free rate of 1.11% (December 31, 2015 – 5-year risk free rate of 1.11%).

In connection with the Company's credit facility agreement with Mighty River International Ltd. ("Mighty River"), Rizal, Mighty River and Rizal's Philippine affiliate, TMC, entered into royalty agreements pursuant to which Mighty River is entitled to receive a 1% production royalty on the T'Boli mine located in the Philippines for each US $1 million advanced to the Company (note 8).

In connection with the Claymore Capital Pty. Ltd. ("Claymore") debt facility agreement, Claymore is entitled to receive a 1.5% production royalty once the Company has received US $500,000. As at September 30, 2017, the Company had received US $2,300,000.

7. CONVERTIBLE NOTES

(a) The Company refinanced the $4,187,100 convertible notes and accrued interest during the year ended December 31, 2015 as follows:

(i) $1,505,588 of principal and accrued interest was converted into 30,111,760 units of the Company. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share of the Company for a period of one year from closing at an exercise price of $0.10; and

(ii) $2,681,512 of principal and accrued interest was issued as new convertible notes. The notes continued to accrue interest at 12% per annum, compounded monthly. The maturity dates of the new notes are $867,360 on December 1, 2015 and $1,814,152 on July 1, 2016. In addition, the Company issued the note holders 6,745,884 common share and one share purchase warrant. Each warrant is exercisable into one common share of the Company for a period of one year from closing at an exercise price of $0.12 and 18,141,520 common shares and common share purchase warrants. Each warrant is exercisable into one common share of the Company for a period of one year from closing at an exercise price of $0.10.

(b) The Company is in discussions on repayment terms with the holders of the notes that matured December 1, 2015, and on March 24, 2016, the Company paid $41,972 being the accrued interest owing on these notes at December 1, 2015. On August 3, 2016, the Company paid $63,997 being the accrued interest owing on these notes at December 31, 2016.

(c) The Company is in discussions on repayment terms with the holders of the notes that matured July 1, 2016.

(d) The carrying values of the convertible notes as at September 30, 2017 and December 31, 2016 were:

		September 30, 2017		December 31, 2016
Face value to be issued	$	-	$	1,651,461
Face value on issue		4,581,512		2,681,512
Accrued interest		826,189		407,693
Unamortized discount conversion		-		-
	$	**5,407,701**	**$**	**4,740,666**

8. CREDIT FACILITY

On May 2, 2013, the Company entered into an agreement with Mighty River, who at the time the agreement was entered into was a related party, being a company that had a director in common with Rizal and who owned over 10% of the issued and outstanding shares of Rizal. Mighty River agreed to provide the Company with up to a US $5 million loan facility. Amounts drawn bear interest at a rate of 8% per annum and were repayable in 12 months from the draw date. In connection with the loan agreement, Rizal provided Mighty River with security over all its assets, and Rizal, Mighty River and Rizal's Philippine affiliate, TMC, entered into royalty agreements pursuant to which Mighty River is entitled to receive a 1% production royalty on the T'Boli mine located in the Philippines for each US $1 million advanced to Rizal (note 7).

On May 27, 2014, the Company and Mighty River amended the agreement extending the final maturity date and repayment date to December 31, 2015.

On November 27, 2015, the Company reached an agreement with Mighty River to extend the maturity date of the note to June 30, 2016, and refinance $904,000 (US $800,000), being a portion of the amounts owed on the credit facility for interest and royalties, and issued 18,080,000 units at $0.05 per unit. Each unit consists of one common share and one warrant to purchase one common share for 12 months at $0.10.

On September 7, 2016, the Company reached an agreement with Mighty River to refinance $400,000 (US $307,500), being a portion of the amounts owed on the credit facility for interest and issued 8,000,000 units at $0.05 per unit. Each unit consists of one common share and one warrant to purchase one common share for one year at $0.10. The warrants are subject to an acceleration provision. In the event the closing price of the Company's common shares on the TSX Venture Exchange ("TSXV") equals or exceeds $0.25 for a period of 15 consecutive trading days, the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and the warrants will thereafter expire on the date that is thirty days after the after the date of the notice to the holders (note 9). The Company is in discussions on repayment terms with Mighty River Credit Facility that matured as at March 31, 2017.

At September 30, 2017, the Company had total principal, interest and royalties owing to Mighty River of $5,315,997 (US $4,142,706) (December 31, 2016 - $5,458,921 (US $4,142,706), which is included in amount due to related parties.

9. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value

(b) Issued

At September 30, 2017, 188,217,712 (December 31, 2016 - 188,217,712) common shares were issued and outstanding.

On October 13, 2016, the Company issued 7,655,283 three year $0.06 warrants after receiving the remaining US $350,000 of the stage 3 funding under the terms of the debt facility described in note 11. The warrants issued have a fair value of $86,432.

On September 7, 2016, the Company issued 1,500,000 units at a price of $0.05 per unit and received gross proceeds of $75,000. Each unit consists of one common share and one common share purchase warrant at a price of $0.10 for a period of one year subject to an acceleration provision. In the event the closing price of the Company's common shares on the TSXV equals or exceeds $0.25 for a period of 15 consecutive trading days, the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and the warrants will thereafter expire on the date that is thirty days after the date of the notice to the holders.

On September 7, 2016, the Company reached agreement with a related party to convert $400,000 in debt and issued 8,000,000 units at a deemed value of $0.05 per unit. Each unit consists of one common share and one common share purchase warrant at a price of $0.10 for a period of one year subject to an acceleration provision. In the event the closing price of the Company's common shares on the TSXV equals or exceeds $0.25 for a period of 15 consecutive trading days, the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and the warrants will thereafter expire on the date that is thirty days after the date of the notice to the holders (note 7). The warrants issued have a fair value of $152,202.

On August 15, 2016, the Company issued 16,762,000 units at a price of $0.05 per unit and received gross proceeds of $838,100 and issued 115,000 units at a price of $0.05 per unit for finder's fees of $5,750. Each unit consists of one common share and one common share purchase warrant at a price of $0.10 per for a period of one year subject to an acceleration provision. In the event the closing price of the Company's common shares on the TSXV equals or exceeds $0.25 for a period of 15 consecutive trading days, the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and the warrants will thereafter expire on the date that is thirty days after the date of the notice to the holders.

On July 29, 2016, the Company issued 15,067,846 three-year $0.065 warrants after receiving stage 2 funding of US $600,000 under the terms of the debt facility described in note 7. The warrants issued have a fair value of $230,415.

On May 27, 2016, the Company reached agreement with trade creditors to convert $224,625 in debt and issued 4,492,500 units at a deemed value of $0.05 per unit. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable into one common share of the Company for a period of one year from closing at an exercise price of $0.10. The warrants issued have a fair value of $163,081.

On May 18, 2016, the Company issued 11,750,000 three year $0.065 warrants after receiving stage 2 funding of US $600,000 under the terms of the debt facility described in note 7. The warrants issued have a fair value of $188,666.

On April 11, 2016, the Company reached agreement with trade creditors to convert $215,450 in outstanding debts and issued 4,309,000 units at a deemed value of $0.05 per unit. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant is exercisable into one common share of the Company for a period of one year from closing at an exercise price of $0.10. The warrants issued have a fair value of $62,588.

On April 11, 2016, the Company reached agreement with insiders to convert $179,800 in outstanding debts and issued 3,596,000 shares at a deemed value of $0.05 per share.

On March 15, 2016, the Company issued 12,461,538 three-year $0.065 warrants after receiving stage 1 funding of US $600,000 under the terms of the debt facility described in note 7. The warrants were issued have a fair value of $214,892.

On March 15, 2016, the Company issued 5,800,000 five-year $0.10 warrants under the terms of the debt facility described in note 7. The warrants were valued using the Black-Scholes pricing model at $283,620.

On March 11, 2016, the Company issued 3,000,000 shares with a deemed value of $0.05 per share to its CEO in accordance with his employment contract.

(Expressed in Canadian dollars, unless otherwise stated)

(c) Stock options

The Company has a stock option plan whereby the Board of Directors is authorized to grant options to a rolling ceiling of 10% of the issued and outstanding common shares of the Company.

Options to purchase common shares have been granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of the grant. The terms of the option and the option price are fixed by the directors at the time of grant subject to restrictions imposed by the TSXV. Stock options awarded have a maximum term of ten years. The vesting terms of the options are determined by the directors; however, options granted to investor relations consultants are subject to a minimum twelve-month vesting schedule whereby no more than 25% vest in any three-month period. Stock options held by officers, directors, employees or consultants of the Company expire one year following their departure from the Company.

During the nine months ended September 30, 2017 and the year ended 31 December 2016, the Company did not grant any options. During three months ended September 30, 2017 and 2016, 18,738 options expired. As at September 30, 2017 and December 31, 2016, the following incentive stock options were outstanding and exercisable:

Expiry Date	Exercise Price		**September 30, 2017**	**December 31, 2016**
July 24, 2017	$	4.00	-	18,738
October 16, 2017	$	1.20	125,000	125,000
November 6, 2017	$	4.00	20,000	20,000
December 23, 2020	$	0.05	12,000,000	12,000,000
			12,145,000	12,163,738

The options outstanding and exercisable at September 30, 2017 and December 31, 2016 have weighted average remaining contractual lives of 3.45 and 3.94 years, respectively.

Stock option activity is as follows:

	September 30, 2017		**December 31, 2016**	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding and exercisable, beginning of period	12,163,738	$0.07	12,386,738	$0.11
Granted	-	-	-	-
Expired	(18,738)	$4.00	(223,000)	$2.15
Outstanding and exercisable, end of period	12,145,000	$0.07	12,163,738	$0.07

The fair value of options that expired in the nine months ended September 30, 2017 was $99,253 (December 31, 2016 - $Nil).

Share-based payments

No options were granted during the nine months ended September 30, 2017.

(Expressed in Canadian dollars, unless otherwise stated)

(d) **Warrants**

During the nine months ended September 30, 2017, the Company issued no warrants (year ended December 31, 2016 – 87,913,167 warrants with exercise prices between $0.065 and $0.10), and 35,178,500 warrants expired with a value of 377,871 (year ended December 31, 2016 - 149,391,184 warrants with exercise prices between $0.10 and $0.12).

As at September 30, 2017 and December 31, 2016, the following share purchase warrants were outstanding:

Expiry Date	Exercise Price	**September 30, 2017**	**December 31, 2016**
April 11, 2017	$ 0.100	-	4,309,000
May 27, 2017	$ 0.100	-	4,492,500
August 15, 2017	$ 0.100	-	16,877,000
September 7, 2017	$ 0.100	-	8,000,000
September 7, 2017	$ 0.100	-	1,500,000
March 15, 2019	$ 0.065	12,461,538	12,461,538
May 18, 2019	$ 0.065	11,750,000	11,750,000
July 29, 2019	$ 0.065	15,067,846	15,067,846
October 13, 2019	$ 0.060	7,655,283	7,655,283
March 15, 2021	$ 0.100	5,800,000	5,800,000
		52,734,667	87,913,167

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

	September 30, 2017		**December 31, 2016**	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	87,913,167	$0.08	149,391,184	$0.10
Issued	-	-	87,913,167	$0.08
Expired	(35,178,500)	$0.10	(149,391,184)	$0.10
Outstanding, end of year	52,734,667	$0.07	87,913,167	$0.08

(Expressed in Canadian dollars, unless otherwise stated)

10. RELATED PARTY TRANSACTIONS AND BALANCES

At September 30, 2017, the Company owed $6,758,337 (2016 - $6,359,514) to related parties, of which amounts owed to officers and directors are included in accounts payable, and are as follows:

	September 30, 2017	December 31, 2016
Officers and directors for:		
Consulting and directors fees	$ 334,100	$ 678,952
Reimburse expenses	136,977	7,450
Convertible notes (note 8)	282,183	111,611
Due to related parties	5,315,997	5,561,501
	$ 6,069,257	$ 6,359,514

During the nine months ended September 30, 2017 and 2016, the Company incurred key management compensation during the year, including the issuance of 3,000,000 shares in the prior period to its CEO in accordance with his contract. The shares were valued at $150,000, the trading price at the time of issue. The following table describes the key management compensation during the three months ended September 30, 2017 and 2016:

	September 30, 2017	September 30, 2016
Short-term benefits paid or accrued to personal service corporations	$ 331,100	$ 357,000
Short-term benefits accrued or paid directly	42,750	12,000
	$ 373,850	$ 369,000

Included in short-term benefits is $111,000 (March 31, 2016 - $108,000) expensed to consulting fees.

At September 30, 2017 the Company was committed to pay termination payments to officers of the Company, in the event of termination without cause, of between two and three years of annual salary. If all termination payments are triggered, the Company would be required to pay $1,092,000 (December 31, 2016 - $1,092,000).

11. LOANS PAYABLE

(a) On December 3, 2012, the Company entered into a loan agreement for US $280,000. The loan bears interest of 8% per annum, and was payable at maturity, which was three months after the loan was granted. As at December 31, 2016, the loan remains in default and continues to accrue interest. The interest and principal of the loan totaled $470,982 as at September 30, 2017 (December 31, 2016 - $499,864).

(b) On November 4, 2015, the Company entered into a demand loan agreement for US $100,000. The loan bears interest of 15% per annum, matured on May 4, 2016 and was unsecured. The interest and principal owing on the loan on May 4, 2016, was $145,202 (December 31, 2015 - $140,994; January 1, 2015 –$Nil). On May 27, 2016, the Company reached a shares-for-debt settlement with the creditor to settle the debt by issuing 2,750,000 units in full settlement of the principal and interest owing on the loan (note 8).

(c) On January 11, 2016, the Company entered into an agreement with Claymore for a three-year US $6.4 million debt facility. Details of the debt facility include:

a) Term of 3 years
b) Annual interest rate of 12%
c) Four staged payments based on agreed targets which include

- Stage 1 – US $600,000 within 6 weeks of signing the Binding Term Sheet. Completed February 24, 2016.
- Stage 2 – US $600,000 – confirmation of sustainable production at 200 tonnes per day ("tpd"). Completed March 18, 2016.
- Stage 3 – US $1.1 million – subject to confirmation of planned increase in production to 400 tpd.
- Stage 4 – US $4.25 million – subject to confirmation of maintainable production at 400 tpd.

d) The Company has and will issue three-year detachable warrants on receipt of payments at each stage described above. The warrant prices for tranche 1 are the greater of $0.065 and the prevailing market price of Rizal's shares. The warrant prices for tranches 2 through 4 are the market price as at the date on which the advance was made (note 7). On March 15, 2016, the Company also issued 5,800,000 five-year $0.10 warrants under the terms of the debt facility as finder's fees, which is recorded as deferred financing costs and amortized over the term of the loan. The amount amortized for the nine months ended September 30, 2017 is $23,635 (September 30, 2016 - $Nil). The unamortized balance as at September 30, 2017, is $118,175 (September 30, 2016 - $Nil), of which $94,540 (September, 2016 - $Nil) is classified as a current asset.

e) Security – the debt facility shares first ranking security with Rizal's existing secured debt holders.

f) Production royalty – Rizal will pay a 1.5% royalty once a minimum of US $500,000 has been received. The royalty remains in place until the loans have been fully repaid.

The advances were recognized initially at fair value, which was calculated based on the application of a market interest rate of 22.5%. The difference between the face value and the initial fair value of the loan has been recorded in share-based payment reserves. As at September 30, 2017, the Company had received US $2,300,000, which is recorded on the consolidated statement of financial position at its fair value. Total principal and interest owing as at September, 2017 is US $2,001,156 ($2,841,919) (December 31, 2016 - US $1,968,286 ($2,642,817)).

(d) In July 2017, the Company consolidated loans payable to Gold Valley Holdings. The loan is unsecured and currently has no maturity. The interest and principal of the loan totaled $529,527.36 as at September 30, 2017

(e) On August 25, 2017, the Company received US $2,000,000 (CDN 2,520,560) from Cantrust (Far East) Limited as a loan secured against gold production. The loan has a term of 6 months and an interest rate of 20% per annum. The interest and principal of the loan totaled $2,405,600 as at September 30, 2017

(Expressed in Canadian dollars, unless otherwise stated)

12. SEGMENTED INFORMATION

The Company has one operating segment: resource property exploration. The Company's corporate assets are located in Canada. The Company's resource property investments are made through corporations located in the Philippines.

	September 30, 2017		
	Canada	Philippines	Consolidated
Current assets	$ 620,287	$ 2,410,429	$ 3,030,716
Deferred financing fees	118,175	-	118,175
Property, plant and equipment	-	10,084,517	10,084,517
Total Assets	$ 738,462	$ 12,494,946	$ 13,233,408
Total Liabilities	$ 22,419,921	$ 7,631,850	$ 30,051,771

	December 31, 2016		
	Canada	Philippines	Consolidated
Current assets	$ 328,678	$ 1,359,056	$ 1,687,734
Deferred financing fees	108,600	-	108,600
Property, plant and equipment	-	7,666,369	7,666,369
Total Assets	$ 437,278	$ 9,025,425	$ 9,462,703
Total Liabilities	$ 15,980,722	$ 5,769,195	$ 21,749,917

13. CONTINGENT LIABILITY

No contingent liabilities as at the quarter ending September 30, 2017.

14. EVENTS AFTER THE REPORTING DATE

(a) On November 6, 2017, Mr. Ryan Sander resigned as a Director and the Company appointed Mr. Paul Hogan as his replacement.

(b) On November 16, 2017, The Company reached a shares-for-debt settlement agreement for 29,318,720 units to current creditors of the Company. Each unit consists of one common share of the Company and one Share Purchase warrants allowing the holder to convert into one additional common share at a price of $0.05 for up to 3 years. The Units are being offered at $0.05 per unit to settle debt in the amount of $1,465,936.

(c) On November 16, 2017, The Company came to agreement with outstanding note holders to renew and reissue their notes in the amount of $1,105,125 with a conversion price of $0.05. The note holders will also receive 22,102,500 warrants. Each warrant exercisable into a common share of the Company for a period of 3 year from the issuance date at an exercise price of $0.05 per share.

(d) The Company also announced on November 16, 2017 that Mr. Derick Sinclair had resigned as the Corporations Chief Financial Officer. Mr. Peter Main will assume the role of interim CFO while the Company seeks to fill the position.