TRI ORIGIN EXPLORATION

FINANCIAL STATEMENTS

For the years ended June 30, 2016 and 2015

Stern & Lovrics LLP

Chartered Accountants

Samuel V. Stern, BA, CPA, CA

George G. Lovrics, BComm, CPA, CA
CPA (Illinois)

Nazli Dewji, CPA, CMA

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Tri Origin Exploration Ltd.

We have audited the accompanying financial statements of Tri Origin Exploration Ltd., which comprise the statements of financial position as at June 30, 2016 and 2015, and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tri Origin Exploration Ltd. as at June 30, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes that the Company has prepared the financial statements on the basis applicable for a going concern. The Company incurred a net income of $18,583 during the year ended June 30, 2016 (2015 – loss of $625,431), this condition, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern

Stern & Lovrics LLP

Toronto, Ontario
October 12, 2016

Chartered Accountants
Licensed Public Accountants

Tri Origin Exploration Ltd.

Statements of Financial Position

(Expressed in Canadian dollars, unless otherwise stated)

	As at June 30 2016 $	As at June 30 2015 $
Assets		
Current assets		
Cash	**500,801**	317,503
Accounts receivable *(note 5)*	**-**	14,895
Prepaid	**4,413**	4,076
Investment in Heron Resources Ltd. *(note 6)*	**801,122**	779,853
Total Current Assets	**1,306,336**	1,116,327
Exploration and evaluation assets *(note 7)*	**4,845,444**	4,701,051
Equipment *(note 8)*	**3,401**	5,560
Total Assets	**6,155,181**	5,822,938
Equity and Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(note 9)*	**182,749**	136,474
Funds on deposit	**115,890**	248,282
Flow-through share premium *(note 22)*	**24,000**	-
Debenture payable *(note 11)*	**-**	100,000
Promissory note payable *(note 11)*	**293,334**	200,000
Secured debenture *(note 10)*	**400,000**	400,000
Total Current Liabilities	**1,015,973**	1,084,756
Capital and Reserves		
Share capital *(note 12)*	**20,981,380**	20,941,200
Warrants *(note 13)*	**99,900**	5,700
Equity portion of convertible debenture *(note 11)*	**17,393**	5,620
Contributed Surplus	**1,838,135**	1,845,185
Deficit	**(17,797,600)**	(18,059,523)
Total Capital and Reserves	**5,139,208**	4,738,182
Total Liabilities, Capital and Reserves	**6,155,181**	5,822,938

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

The accompanying notes are an integral part of these financial statements.
On behalf of the Board

"Robert Valliant"
Dr. Robert Valliant, President and Director

"Jean-Pierre Janson"
Mr. Jean-Pierre Janson, Director

Tri Origin Exploration Ltd.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars, unless otherwise stated)

	Years ended June 30	
	2016	2015
	$	$
Expenses		
General and administrative costs *(note 16)*	**299,411**	405,315
Recovery of General and administrative costs	**(97,332)**	-
Project generation and reclamation costs *(note 7)*	**26,461**	32,307
Finance charges *(note 17)*	**112,322**	42,780
Total expenses	**(340,862)**	(480,402)
Income (loss) before other items	**(340,862)**	(480,402)
Other Items		
Unrealized gain (loss) on investments *(note 6)*	**296,712**	(182,118)
Realized gain (loss) on investments *(note 6)*	**62,733**	37,089
Total Other Items	**359,445**	(145,029)
Net income (loss) for the period	**18,583**	(625,431)
Basic and diluted loss per share *(note 15)*	**0.00**	(0.01)
Weighted average number of common shares outstanding *(note 12 and 15)*	**84,475,639**	89,403,306

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

Tri Origin Exploration Ltd.

Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars, unless otherwise stated)

	Share Capital	Warrant Reserve	Equity Portion of convertible Debenture	Contributed Surplus Reserve	Deficit	Total Equity
	$	$	$	$	$	$
Balance, June 30, 2014	**22,321,126**	**5,700**	**5,620**	**1,813,984**	**(18,747,745)**	**5,398,685**
Shares to be cancelled under normal course issuer bid	(1,379,926)	-	-	-	1,313,653	(66,273)
Stock based compensation	-	-	-	31,201	-	31,201
Net loss for the year	-	-	-	-	(625,431)	(625,431)
Balance, June 30, 2015	**20,941,200**	**5,700**	**5,620**	**1,845,185**	**(18,059,523)**	**4,738,182**
Shares issued pursuant to private placement	309,100	99,900	-	-	-	409,000
Flow-through Share premium	(24,000)	-	-	-	-	(24,000)
Shares to be cancelled under normal course issuer bid	(231,695)	-	-	-	215,220	(16,475)
Expired options	-	-	-	(16,800)	16,800	-
Expired warrants	-	(5,700)	-	-	5,700	-
Stock based compensation	-	-	-	9,750	-	9,750
Termination of debenture	-	-	(5,620)	-	5,620	-
Fair value of debenture	-	-	17,393	-	-	17,393
Share issue costs	(13,225)	-	-	-	-	(13,225)
Net loss for the year	-	-	-	-	18,583	18,583
Balance, June 30, 2016	**20,981,380**	**99,900**	**17,393**	**1,838,135**	**(17,797,600)**	**5,139,208**

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

Tri Origin Exploration Ltd.

Statements of Cash Flows

(Expressed in Canadian dollars, unless otherwise stated)

	Years ended June 30	
	2016	2015
	$	$
Cash flow from operating activities		
Net Income (loss) from operation	**18,583**	(625,431)
Items not involving cash		
Amortization	**4,910**	8,235
Accretion	**10,727**	2,554
Share based payments	**4,350**	31,201
Change in (gain) loss in investments	**(359,445)**	145,029
	(320,875)	(438,412)
Changes in non-cash working capital		
Accounts receivable	**14,895**	(8,775)
Prepaid	**(337)**	4,088
Accounts payable and accrued liabilities	**46,275**	(60,343)
Deposit for exploration funding	**(132,392)**	248,282
	(392,434)	(255,160)
Cash flow from financing activities		
Proceeds from private placement, net	**395,775**	-
Cash used to purchase shares in normal course issuer bid	**(16,475)**	(66,273)
Proceeds from issue of promissory note	**100,000**	100,000
Repayment of debenture	**(100,000)**	-
Proceeds from secured debenture	**-**	400,000
	379,300	433,727
Cash flow from investing activities		
Expenditures on exploration and evaluation assets	**(138,993)**	(256,988)
Expenditures on equipment	**(2,751)**	-
Proceeds from investments	**338,176**	392,269
	196,432	135,281
Increase (decrease) in cash and cash equivalents	**183,298**	313,848
Cash, beginning of period	**317,503**	3,655
Cash, end of period	**500,801**	317,503

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

1. Nature of Operations and Going Concern

Tri Origin Exploration Ltd. (the "Company" or "TOE") was incorporated on June 6, 1989 under the Business Corporations Act (Ontario). The Company is a publicly held company engaged principally in the acquisition and exploration of mineral properties in the Canadian Shield, Canada.

The accompanying annual financial statements of the Company have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, as described in the following paragraph. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

The Company had net income of $18,583 for the year ended June 30, 2016 (2015 – loss of $625,431) and a deficit of $17,797,600 (2015 - $18,059,523) as at June 30, 2016. The Company is in the exploration stage and is subject to risks and challenges similar to other companies in a comparable business. These risks include, but are not limited to, dependence on key individuals, successful exploration and the ability to secure adequate financing to meet the minimum capital required to successfully complete the projects and continue as a going concern. There is no assurance that these initiatives will be successful and as a result there is significant doubt regarding application of the going concern assumption.

On June 30, 2016, the Company had a working capital of $290,363 (2015 – $31,571) and is not generating positive cash flows from operations. Working Capital includes the Company's investment of $801,122 (2015 – $779,853) that consists of marketable securities in shares of the Company's former subsidiary and any or all of the shares could be sold to generate cash to fund ongoing operations. Apart from this investment, there may not be sufficient cash to meet general and administration expenses plus planned project activities for the following twelve months. The operations of the Company have primarily been funded by the issuance of common shares and debt instruments. Continued operations of the Company are dependent on the Company's ability to complete equity financing and enter into funding agreements with third parties in order to continue exploration of its mineral property interests. Management's plan in this regard is to continue to seek industry partners for its projects and to secure additional funds through future equity financings, which may or may not be available or may not be available on reasonable terms.

2. Basis of Presentation and Statement of Compliance

Statement of Compliance

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The policies applied in these financial statements are presented in Note 3.

The Board of Directors approved and authorized for issue the financial statements on October 12, 2016.

Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments as disclosed in Note 5. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

3. Significant Accounting Policies

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

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- Assets' carrying values and impairment charges
  In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- Capitalization of deferred assessment and evaluation costs
  Management has determined that deferred assessment and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See Note 7 for details of deferred assessment and evaluation costs.

- Impairment of deferred assessment and evaluation costs
  While assessing whether any indications of impairment exist for deferred assessment and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of assessment and evaluation assets. Internal sources of information include the manner in which assessment and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates may include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's deferred assessment and evaluation assets.

- Taxes, income taxes and deferred taxes
  The Company is subject to income and other taxes in various jurisdictions. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income and other tax liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax filings are subject to audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made. Any estimates for value added and withholding taxes have been included in accounts payable and accrued liabilities.

- Share-Based Payments
  Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

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

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.
A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against net income (loss) over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

The Company had no material provisions at June 30, 2016 and June 30, 2015.

Impairment of non-financial assets
At the end of each fiscal year, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use.

Financial instruments
All financial instruments are classified into one of the following categories: financial assets at fair value through profit or loss ("FVTPL"), held to maturity, loans and receivables, or available for sale. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial liabilities are classified as either financial liabilities 'at FVTPL" or "other financial liabilities".

Initial and subsequent measurement and recognition of the changes in the value of the financial instrument depend on their initial classification.

(a) Financial assets at FVTPL are measured at fair value. All gains and losses resulting from changes in fair value are included in net income (loss) in the period in which they arise. Transaction costs for financial instruments classified as financial assets at FVTPL are expensed as incurred
(b) Held to maturity investments, loans and receivables and other financial liabilities are initially measured at fair value, net of transaction costs and subsequently measured at amortized cost. Premiums or discounts and transaction costs are amortized into net income (loss), using the effective interest method.
(c) Available for sale financial assets are measured at fair value, with unrealized gains and losses recorded in accumulated other comprehensive earnings until the asset is realized, at which time they are recorded in the net income (loss).

The Company's financial instruments include cash, accounts receivables, long term investments, accounts payable and accrued liabilities, promissory note payable and debenture payables.

Cash and investments

Cash and investments are classified as financial assets at FVTPL and are measured at fair value with changes in fair value recorded in the statement of income (loss). Cash for purposes of the cash flow statements comprise cash at the bank and in hand.

Loans, receivables and other financial liabilities

Loans and receivables are classified as financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Accounts payable and other financial liabilities, debenture payable and promissory note payable are classified as "Other financial liabilities" and are recognized initially at fair value net of any directly attributable transaction costs.

Subsequent to initial recognition, loans, receivables and other financial liabilities are measured at amortized cost using the effective interest method, less any impairment losses. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Proportionate Cost Sharing Ventures

Certain of the Company's exploration activities may be conducted with others. These financial statements reflect only the Company's interest in such activities. Although the Company holds certain interests in mineral properties through option agreements, none of its operations are carried on through joint venture entities.

Impairment of financial assets

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

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

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

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

Management believes that there has been no impairment of the Company's long-lived assets as at June 30, 2016 and June 30, 2015.

Financial instruments recorded at fair value
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 levels:

Level 1	valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3	valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's carrying value and fair value of cash and cash equivalents, accounts receivable, shares in Heron Resources and Promissory Note are under the fair value hierarchy using Level 1 inputs. The Company's carrying value and fair value of convertible debenture is under the fair value hierarchy using Level 2 inputs.

Equipment
Equipment is stated at cost less accumulated depreciation and any recognized impairment loss. Cost includes expenditures associated with bringing the asset to its operating location and condition. The cost of equipment is depreciated over their expected useful lives, on a straight-line basis at the following rates;

Office Equipment – 5 years
Computer software – 3 – 5 years
Field Equipment – 5 years
Leasehold Improvements – 2 years

The depreciable amount of equipment is recorded on a straight line basis over the estimated useful life of the asset to the residual value of the asset. Each part of the item of equipment with a cost that is significant in relation to the total cost of the item depreciated separately if their useful lives differ.

The Company reviews the useful life, depreciation method and residual value and carrying value of its equipment at each reporting date.

Expenditures that extend the useful lives of the existing facilities or equipment are capitalized and amortized over the remaining useful lives of the assets. Repairs and maintenance expenditures are expensed as incurred.

Exploration and Evaluation Assets
Interest in exploration and evaluation assets are carried at cost until they are brought into production, at which time they are depleted on a unit-of-production method based on proven and probable reserves.
Acquisition costs include the cash consideration and the fair market value of the shares issued for the acquisition of exploration properties. The carrying value of mining interests is reduced by any option proceeds or government grants received until such time as the carrying values are reduced to nominal amounts. Properties acquired under option agreements or by joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at the time of payment.

Cash consideration received in a farm-out or option arrangement is applied against the carrying amount of the exploration and evaluation asset, with any excess included as a gain in profit or loss.

The cost of exploration properties abandoned or sold and their related deferred exploration costs are charged to operations when abandoned or sold. Accumulated costs on exploration and evaluation assets which are considered to be impaired either through external economic conditions or failure to advance the property to the development stage within a reasonable period of time are written down.

The Company reviews its exploration and evaluation assets regularly to determine if events or circumstances have transpired which indicate that its carrying value may not be recoverable. The recoverability of costs incurred on mineral resource property is dependent upon numerous factors, including exploration results, environmental risks, commodity risks, and the Company's ability to attain profitable production. It is possible that conditions in the near-term could change the Company's assessment of the carrying value.

Title to mineral properties involves inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from past conveyancing history characteristics of many mineral properties. The Company has investigated title to all of its mineral properties and to the best of its knowledge all properties are in good standing.

Revenue Recognition
The Company currently has no revenue from active mining operations. Interest revenue is recognized in the period in which it is earned. Project management fees are recognized in the period the services are performed and expenses incurred.

Loss per share
The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares.

Flow-through shares
The Company has financed a portion of its exploration activities through the issuance of flow-through shares. Under the terms of the flow-through share agreements, the tax attributes of the related expenditures are renounced to subscribers. To recognize the foregone tax benefits to the Company, the flow through share premium is recorded as liability and the residual balance is allocated to share capital. The liability is subsequently reversed to income on a proportionate basis as the tax benefits are renounced. At the end of each reporting period, the Company reviews its tax position and records an adjustment to its deferred tax expense and liability accounts for taxable temporary differences arising from tax benefits renounced to flow-through share investors.

Share based payments
The fair value of employee share option plans is measured at the date of grant of the option using the Black-Scholes pricing model, taking into consideration the terms and reconciliations upon which the options were granted. The resulting cost, as adjusted for the expected and actual level of vesting of the options, is charged to income over the period in which the options vest. At the end of each reporting date before vesting, the cumulative expense is calculated; representing the extent to which the vesting period has expired and management's best estimate of the number of equity instruments that will ultimately vest.

Income tax
Income tax on the net income (loss) for the periods presented comprises current and deferred tax. Income tax is recognized in net income (loss) except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred income tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Convertible Debentures

Convertible debentures are separated into their liability and equity components on the balance sheet. The liability component is initially recognized at fair value, determined as the net present value of future payments of interest and principal, discounted at the market rate for similar non-convertible liabilities at the time of issue. The liability component is recognized at amortized cost, using the effective interest method, until extinguished upon conversion, maturity or a normal course issuer bid. The fair value of the equity component of the convertible debentures is estimated using the residual method in which the difference between the face value of the instrument and the fair value of the debt component is allocated as the fair value of the equity component.

4. Future Changes in Accounting Policies

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which 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 financial statements of the Company.

- IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

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

- IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016.

- IAS 12 – Income Taxes ("IAS 12") was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier adoption is permitted.

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

5. Financial Instruments

The Company's cash is measured at fair market value. Accounts receivable are measured at amortized cost. The investments of the Company are classified as financial assets at FVTPL and measured at fair value. Accounts payable and the credit facility are classified as other financial liabilities and measured at amortized cost.

The following table indicates the carrying value of the Company's financial assets and financial liabilities.

Item	**As at June 30, 2016**		**As at June 30, 2015**	
Measured at	**Cost $**	**Market Value $**	**Cost $**	**Market Value $**
Cash		500,801		317,503
Accounts receivable	-		14,895	
Investments		801,122		779,853
Accounts payable	182,749		136,474	
Deposit for exploration funding	115,890		248,282	

Accounts Receivable is comprised of HST recoverable of $Nil (June 30, 2015 - $14,895).

6. Investment in Heron Resources Ltd.

The investments consist of the following:

	As at June 30 2016 $	**As at June 30 2015 $**
Investment in Heron Resources Ltd.	801,122	779,853
Total Investments	801,122	779,853

Investment in Heron Resources Ltd. (previously known as TriAusMin Limited)
At June 30, 2016, the Company owned 5,934,240 (June 30, 2015 - 9,174,740) common shares in Heron Resources Limited. The common shares trade on both the Australian Securities Exchange and the Toronto Stock Exchange.

During the year ended June 30, 2014, the Company's former subsidiary TriAusMin Limited ("TOR") announced a merger between it and Heron Resources Ltd ("Heron"), a West Australia based exploration company. The merger was to provide a significant amount of the capital held by Heron toward the advancement of TriAusMin's Woodlawn Underground project. The merger was completed in August of 2014. Tri Origin's holdings in TOR were then converted to 12,562,240 shares of Heron Resources Ltd.

For marketable securities traded in an active market, market value is based on quoted closing prices of the securities at the balance sheet date. The shares of Heron are valued based on the closing market prices on the Toronto Stock Exchange ("TSX"), which was $0.135 as of the close of June 30, 2016.

The investment is reflected as current asset as a result of using a portion of the investment as collateral for a secured loan payable (see note 10).

Unrealized and realized losses on Investment

During the year ended June 30 the Company had the following unrealized (losses) and realized gains:

	Year ended June 30	
	2016	**2015**
	$	**$**
Net realized gain (loss) on investment in Heron Resources	62,733	37,089
Net unrealized gain (loss) on investment in Heron Resources	296,712	(182,118)

During the year ended June 30, 2016 the Company sold 3,240,500 for gross proceeds of 338,176 and realized a net gain from these dispositions of $62,733. During the year ended June 30, 2015 the Company sold 3,387,500 shares for gross proceeds of $392,269 and the realized net gain from this disposition was $37,089.

7. Exploration and Evaluation Assets

South Abitibi Project (Sumac Alliance)
During the latter part of fiscal 2015, a gold and base metal alliance agreement was entered into between Tri Origin and Sumac Mines Ltd (a subsidiary of Sumitomo Metal Mining Co, Ltd.) Tri Origin, as operator of the Alliance, will acquire and explore properties in the southern part of the Abitibi greenstone belt of Ontario. The properties will be held as to a 50% Tri Origin and 50% Sumac interest. Sumac will provide funding for property acquisition and exploration up to a maximum of $4.5 million and as the project advances, individual property specific joint ventures may be entered into to advance successful projects.

Expenditures by TOE during the year ended June 30, 2016 totalled $1,582. This does not include exploration funds provided by Sumac which totalled $936,853 from the inception of the Alliance in late May, 2015 to June 30, 2016. As of June 30, 2016 the Company has on deposit $115,890 of deposits after expenditures still to spend on project and administrative expenditures.

Detour West Project
Detour West is a gold exploration project located 180 kilometres north of Timmins, Ontario and 20 kilometres west of the Detour Lake Gold Mine. The Detour West property consists of 30 staked mining claims comprising 480 claim units covering an area of approximately 77 square kilometres owned 100% by Tri Origin. The claims tie directly onto mining claims held by Detour Gold Corporation the operator of the nearby Detour Lake Mine.

Expenditures at Detour West during the year ended June 30, 2016 totalled $23,058 (for the year ended June 30, 2015 - $62,700). Total spending from inception to June 30, 2016 by the Company was $85,758.

Red Lake Extension Project (RLX)
RLX is a gold exploration project located 15 kilometres southeast of the town of Red Lake in northwestern Ontario. The Company has a 100% ownership in 62 adjoining mining claims consisting of 859 claim units totalling an area of 141 square kilometres in the Red Lake Greenstone Belt. Expenditures at RLX during the year ended June 30, 2016 totalled $22,579 (for the year ended June 30, 2015 - $21,374). Total spending from inception to June 30, 2016 by the Company was $3,044,132.

Sky Lake Project
Sky Lake is a gold exploration project covering an area of 41.4 square kilometres located 35 kilometres southwest of Pickle Lake in north western Ontario. It is comprised of 11 100% owned mining claims totalling 169 claim units covering an area of 27 square kilometers. A further 8 contiguous mining claims covering an area of approximately 14 square kilometres are owned as to an initial 80% interest which was acquired through meeting the terms of an earn-in option during the 2015 fiscal year. These 8 claims are now subject to a joint venture with future funding of programs subject to Tri Origin's pro-rata equity interest in the claims. During the 12 months ended June 30, 2016 Tri Origin's

interest increased to 84.34%. An option agreement on two other claims covering an area of approximately 5 square kilometres to acquire an initial 51% by February 2016 was terminated prior to the end of December, 2015.

During the year ended June 30, 2016, the Company spent $46,200 to conduct exploration on the property (for the year ended June 30, 2015 - $99,489). Total spending from inception to June 30, 2016 was $1,388,890.

North Abitibi Project
North Abitibi is a gold exploration project located 150 kilometres north of Kirkland Lake, Ontario, in the Abitibi Greenstone Belt. The property consists of 16 claims covering an area of 28.5 square kilometres. Late in the 2010 fiscal year, Vista Gold Corp. ("Vista"), transferred 100% of its interest in the North Abitibi mineral claims to Tri Origin which claims are subject to a back-in right held by Vista and to the return of claims to Vista if an expenditure commitment of $1,000,000 is not met by Tri Origin by 2015. Upon completion of the $1,000,000 expenditure and after the Company has spent $2,000,000, Vista Gold has the option to earn back a majority interest in the property.

During the final quarter of fiscal 2014, Tri Origin was able to negotiate an extension to the term of the Vista agreement from January 2015 to June 2017. As part of the extension, Vista was issued 1,000,000 warrants for the purchase of common shares of Tri Origin (see notes to the financial statements for details of these warrants). The fair value of the warrants, using the Black Sholes model, was valued at $5,700. The Vista warrants expired unexercised prior to yearend.

During the year ended June 30, 2016, the Company spent $50,974 on exploration expenditures on the property (for the year ended June 30, 2015 – $59,818, excluding the value of warrants issued for the extension agreement). Total spending from inception to June 30, 2016 was $325,082.

Project Generation
The Company continues to assess new areas for exploration. It is an objective of the Company to increase its portfolio of properties during the coming year. During the year ended June 30, 2016, the Company spent $26,461 on project generation activities including review and assessment of reports and preliminary analytical work (for the year ended June 30, 2015 - $82,307 all of which was expensed at year end) all of which was expensed at the end of the period.

Exploration and Evaluation Assets

The exploration and evaluation assets include costs related to the acquisition of the property including legal costs, claim staking costs and costs of options and other agreements to acquire property and are as follows:

	Red Lake Extension	North Abitibi	Sky Lake	Detour West	South Abitibi	Project Generation	Total
	$	$	$	$	$	$	$
Balance, June 30, 2014	**3,000,179**	**214,290**	**1,243,201**	**-**	**-**	**-**	**4,457,670**
Acquisition Costs, including staking	-	-	-	48,741	-	-	48,741
Geological, geophysical and Geochemical	8,384	41,110	71,135	-	-	-	120,629
Field supplies, travel and logistics	2,056	6,892	14,517	-	-	-	23,465
Management and other	10,934	11,816	13,837	13,959	-	82,307	132,853
Property fee	-	-	-	-	-	(50,000)	(50,000)
Sub-total	3,021,553	274,108	1,342,690	62,700	-	32,307	4,733,358
Amounts expensed in year	-	-	-	-	-	(32,207)	(32,207)
Balance, June 30, 2015	**3,021,553**	**274,108**	**1,342,690**	**62,700**	-	**-**	**4,701,051**
Acquisition costs	3,633	1,435	4,117	451	-	-	9,636
Drilling analytical	-	4,326	-	-	-	-	4,326
Geological, geophysical and Geochemical	9,243	29,414	15,082	2,755	-	-	56,494
Management and other	9,703	15,799	27,001	19,852	1,582	26,461	100,398
Sub-total	**3,044,132**	**325,082**	**1,388,890**	**85,758**	**1,582**	**26,461**	**4,871,905**
Amounts expensed in year	-	-	-	-	-	(26,461)	(26,461)
Balance, June 30, 2016	**3,044,132**	**325,082**	**1,388,890**	**85,758**	**1,582**	**-**	**4,845,444**

8. Equipment

Equipment consists of the following:

Cost	**Office Equipment**	**Leasehold Improvements**	**Computer Software**	**Field Equipment**	**Total**
	$	**$**	**$**	**$**	**$**
Balance, June 30, 2014	**95,271**	**3,701**	**9,010**	**27,625**	**135,607**
Additions	-	-	-	-	-
Balance, June 30, 2015	**95,271**	**3,701**	**9,010**	**27,625**	**135,607**
Additions	**-**	**-**	**-**	**2,750**	**2,750**
Balance, June 30, 2016	**95,271**	**3,701**	**9,010**	**30,375**	**138,357**

Accumulated Depreciation	Office Equipment $	Leasehold Improvements $	Computer Software $	Field Equipment $	Total $
Balance, June 30, 2014	**87,618**	**1,542**	**8,889**	**23,764**	**121,813**
Additions	4,216	616	121	3,281	8,234
Balance, June 30, 2015	**91,834**	**2,158**	**9,010**	**27,045**	**130,047**
Additions	3,436	617	-	855	4,204
Balance, June 30, 2016	**95,271**	**2,775**	**9,010**	**27,900**	**134,251**

Net Book Value	Office Equipment $	Leasehold Improvements $	Computer Software $	Field Equipment $	Total $
June 30, 2015	**3,437**	**1,543**	**-**	**580**	**5,560**
June 30, 2016	**-**	**926**	**-**	**2,475**	**3,401**

9. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

	As at June 30 2016 $	As at June 30 2015 $
Trade payables	50,285	68,900
Accruals	121,137	57,184
Government remittances owing	11,327	10,390
Total	182,749	136,474

10. Secured Debenture

On September 9, 2014, the Company closed a $400,000 private placement whereby the Company issued a $400,000 secured debenture. The secured debenture was entered into between Tri Origin and an arms-length third party investor.

The debenture initially matured on February 28, 2015, and was extended to December 31, 2015 and bears interest at a rate of 8.0 per cent per annum, payable at maturity or on conversion. On December 16, 2015, this debenture was replaced with a new debenture in the amount of $400,000 with the same arm's-length investor. The new debenture matures on December 31, 2016 and bears interest at a rate of 8.0 per cent per annum, payable at maturity.

The debenture is secured by 5,000,000 Heron shares, which the Company holds as an investment (see note 6) and will be held in escrow until released in accordance with the terms of debenture. The fair value of the debenture approximates its carrying value due to its current nature.

11. Convertible Debenture and Promissory Note

Convertible Debenture – Matured November 30, 2014

On December 15, 2013, the Company closed a $100,000 private placement whereby the Company issued a $100,000 convertible debenture which bears interest at a fixed rate of 8% per year payable monthly starting January 1, 2014. The debenture initially matured on November 30, 2014. Under the initial terms of the debenture, the holder has the option to convert the debenture in full into common shares of Tri Origin at a price of $0.05 per share. The conversion option expired on November 30, 2014. The convertible debenture was entered into between Tri Origin and a private corporation controlled by the Company's president. The maturity date of the Debenture was extended to October 31, 2015, and has now been replaced by the $300,000 promissory note noted below –" Promissory Note – Matures October 31, 2016".

The Company used the residual value method to allocate the proceeds between the liability and equity components. Under this method, the fair value of the liability component of $94,380 was computed as the present value of future principal and interest payments discounted at a rate of 15% per annum. The residual value of $5,620 was attributed to the liability components and no value was placed on the conversion feature of the debenture. The residual value was credited to contributed surplus.

	As at June 30 2016	**As at June 30 2015**
	$	$
Face value of debentures	**100,000**	**100,000**
Discount on face value of debentures	**(5,620)**	**(5,620)**
Accumulated accretion	**5,620**	**5,620**
Conversion to promissory note	**(100,000)**	**5,620**
	-	**100,000**

Promissory Note – Matured April 30, 2015

On May 1, 2014, the Company closed a $100,000 private placement whereby the Company issued a $100,000 promissory note. In February 2015 the promissory note was increased to $200,000.

The promissory note initially matured on April 30, 2015 and bears interest at a fixed rate of 8% per year payable monthly starting May 1, 2014. The promissory note was entered into between Tri Origin and a private corporation controlled by the Company's president. The maturity date of the promissory note was initially extended to October 31, 2015, and has now been replaced by the $300,000 promissory note noted below –" Promissory Note – Matures October 31, 2016".

The fair value of the promissory note approximates its carrying value due to its current nature.

Promissory Note – Matures October 31, 2016

On November 1, 2015, the Company closed a $300,000 private placement whereby the Company issued a $300,000 promissory note. The promissory note matures on October 31, 2016 and bears interest at a fixed rate of 8% per year payable monthly commencing November 30, 2015. Under the terms of the promissory note, the holder has the option to convert the note in full into common shares of Tri Origin at a price of $0.05 per share. The promissory note was entered into between Tri Origin and a private corporation controlled by the Company's president.

The Company used the residual value method to allocate the proceeds between the liability and equity components. Under this method, the fair value of the liability component of $282,607 was computed as the present value of future principal and interest payments discounted at a rate of 15% per annum. The residual value of $17,393 was attributed to the liability components and no value was placed on the conversion feature of the debenture. The residual value was credited to contributed surplus.

	As at June 30 2016 $	As at June 30 2015 $
Face value of debentures	**300,000**	-
Discount on face value of debentures	**(17,393)**	-
Accumulated accretion	**10,727**	-
	293,334	-

12. Share capital

Authorized:

Unlimited common shares without par value

Issued and outstanding:

	Number of shares	Amount
Balance, June 30, 2014	**89,403,306**	**$22,321,126**
Normal course issuer bid	(5,527,000)	(1,379,926)
Balance, June 30, 2015	**83,876,306**	**$20,941,200**
Normal course issuer bid	(924,000)	(231,695)
Private placements (i)	5,300,000	185,500
Private placements (ii)	2,400,000	123,600
Flow-through share premium	-	(24,000)
Share issue costs	-	(13,225)
Balance, June 30, 2016	**90,652,306**	**$20,981,380**

Regulatory approval for a Normal Course Issuer Bid ("NCIB") was received by the Company on December 10, 2014. The NCIB allows the Company to repurchase for cancellation up to 7,768,179 of its outstanding common shares through the facilities of the TSX-V during the period December 15, 2014 to December 14, 2015. For the period ended June 30, 2015 the Company repurchased 5,527,000 shares at an average cost of $0.012 per share for a total gross value of $66,273. A total of $66,273 was used to repurchase the shares. To account for the cancellation of these shares, $1,379,926 was attributed to a reduction in capital and an adjustment to retained earnings of $1,313,653 was made. For the year ended June 30, 2016 the Company repurchased 924,000 shares at an average cost of $0.018 per share for a total gross value of $16,475. A total of $16,475 was used to repurchase the shares. To account for the cancellation of these shares $231,695 was attributed to the reduction in capital and an adjustment of $215,220 was made to retained earnings. All shares purchased had been cancelled prior to June 30, 2016. Shareholders can obtain a copy of the notice of the NCIB, without charge, by contacting the issuer.

i. On April 7, 2016, the Company completed of a private placement for total gross proceeds of $265,000 and issued 5,300,000 units at a price of $0.05 per unit. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.07 for a period of 18 months from the date of issuance. All securities issued in connection with the offering and the underlying securities were subject to a four month hold period. The fair value of common share purchase warrants issued in this placement was estimated at $79,500.
ii. On May 18, 2016, the Company completed of a private placement for total gross proceeds of $144,000 and issued 2,400,000 flow-through units at a price of $0.06 per unit. Each unit consisted of one common share, issued on a flow-through basis, and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 for a period of 18 months from the date of issuance. All securities issued in connection with the offering and the underlying securities were subject to a

four month hold period. The fair value of common share purchase warrants issued in this placement was estimated at $20,400.

A flow-through share premium of 24,000 was recognized on this financing. As of June 30, 2016 no funds were recognized as spent on flow through.

13. Warrants

The movements in the number and estimated fair value of outstanding broker warrants and share purchase warrants are as follows:

	Year ended June 30, 2016		Year Ended June 30, 2015	
	Number Outstanding	Weighted Average Exercise Price	Number Outstanding	Weighted Average Exercise Price
Balance, beginning of the period	1,000,000	0.05	1,000,000	0.05
Issued	6,500,000	0.08	-	-
Expired	(1,000,000)	0.05	-	-
Balance, end of period	6,500,000	0.08	1,000,000	0.05

Warrants to purchase common shares outstanding at June 30, 2016 carry exercise prices and remaining terms to maturity as follows:

Expiry Date	Exercise Price $	Warrants Outstanding	Fair Value of Warrant	Remaining Term to Maturity (years)
September 6, 2017	0.07	5,300,000	79,500	1.19
November 17, 2017	0.10	1,200,000	20,400	1.38
		6,500,000	99,900	1.22

The fair value of the warrants issued during the year ended December 31, 2014 was estimated using the Black-Scholes option pricing model with the following assumptions:

	2016	**2015**
Risk free interest rate	0.65%	1.1%
Expected dividend yield	Nil	Nil
Expected volatility	153 - 123%	98%
Expected life	1.5 years	2 years

14. Stock Options

The Company has a stock option plan available to directors, officers, employees and consultants of the Company. Currently, a maximum of 13,084,661 common shares may be issued under the Plan from time to time after December 9, 2010, at prices determined by the market price of the common shares at the date of the grant, and vesting as the Board of Directors determines from time to time with a maximum five-year term. The number of common shares reserved for issuance to any one person may not exceed 5% of the issued and outstanding common shares at the date of such grant.

The purpose of the Plan is to attract, retain and motivate directors, officers, employees and certain third party service providers by providing them with the opportunity to acquire a proprietary interest in the Company and benefit from its growth. The options granted under the Plan are non-assignable.

	For the period ended June 30, 2016		For the year ended June 30, 2015	
	Number Outstanding	Weighted Average Exercise Price	Number Outstanding	Weighted Average Exercise Price
Balance, beginning of the period	5,400,000	$0.06	5,675,000	$0.10
Granted	550,000	0.05	2,700,000	0.05
Expired	(400,000)	0.11	(2,975,000)	0.12
Cancelled	-	-	-	-
Balance, end of period	5,550,000	$0.06	5,400,000	$0.06

Options to purchase common shares outstanding at June 30, 2016 carry exercise prices and remaining terms to maturity as follows:

Expiry Date	Exercise Price $	Options Outstanding	Options Exercisable	Remaining Term to Maturity (years)
November 6, 2017	0.10	200,000	200,000	1.35
January 15, 2018	0.10	600,000	600,000	1.55
February 19, 2019	0.05	1,500,000	1,500,000	2.64
December 15, 2019	0.05	500,000	300,000	3.46
June 25, 2020	0.05	2,200,000	2,200,000	3.96
June 2, 2021	0.05	550,000	183,000	4.93
		5,550,000	4,893,333	3.30

During the period ended June 30, 2016 the Company granted 550,000 new options to employees, directors and consultants (year ended June 30, 2015 – 2,700,000). The Company recognized a total expense of $4,350 for year ended June 30, 2016 (year ended June 30, 2015 - $31,201) and capitalized $5,400 to Exploration and evaluation assets in respect of the options vesting during the period.

The fair value of the options issued during the year ended June 30, 2015 was estimated using the Black-Scholes option pricing model with the following assumptions:

	June 30 2016	**June 30 2015**
Risk free interest rate	0.62%	0.95 - 1.00%
Expected dividend yield	Nil	Nil
Expected volatility	101%	113-138%
Expected life	5 years	5 years

Option pricing models require the input of subjective assumptions regarding the expected volatility. Changes in assumptions can materially affect the estimate of fair value, and therefore, use of Black-Scholes option pricing model, may not provide a realistic measure of the fair value of the Company’s options at the date of issue.

15. Income (Loss) per Share

The calculation of basic and diluted loss per share is as follows:

	Year ended	March 31
	2016	**2015**
Net income (loss)	$18,583	$(625,431)
Weighted average number of shares outstanding	84,475,639	89,403,306
Basic and fully diluted loss per share	$0.00	$(0.01)

Diluted loss per share is not calculated to include the effect of share purchase options and warrants as they are anti-dilutive.

16. General and Administrative Expense

General and administrative expense consists of the following:

	Year ended June 30	
	2016 $	**2015 $**
Salaries and benefits	**96,025**	177,298
Share Based Payments	**4,350**	31,201
Professional fees	**50,699**	42,554
Share control and listing fees	**27,290**	20,553
Travel	**3,926**	5,612
General office expenses	**112,213**	119,862
Amortization	**4,908**	8,235
Total	**299,411**	405,315

17. Finance Charges

Interest expense consists of the following:

	Year ended June 30	
	2016 $	**2015 $**
Interest on secured debenture (*see not 22*)	**80,044**	25,582
Interest charges from unsecured debentures and Promissory note	**21,551**	14,644
Accretion charges from debentures	**10,727**	2,554
Total	**112,322**	42,780

18. Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet current liabilities when due. As at June 30, 2016, the Company had cash of $500,801 (June 30, 2015- $317,503) to settle current liabilities of $1,015,973 (June 30, 2015 - $1,084,756). In addition the Company owns marketable securities comprised of the shares of Heron Resources Ltd. which have a market value of $801,122 as at June 30, 2016 (June 30, 2015 - $779,853). All of the Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

(a) Interest rate risk
The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by Canadian banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk
The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds its exploration and administrative expenses using Canadian dollars.

The Company has an investment in Heron Resources Ltd which is classified as a current asset. The investment is valued at fair value based on listed market quotations on the Toronto Stock Exchange, with unrealized gains and losses recognized in income. As such, the investment is not subject to foreign currency risk.

(c) Market risk
The market value of the shares of Heron fluctuates daily as the shares are traded publicly on the ASX and Toronto Stock Exchange. The market value of the Company's investment in Heron is calculated by the Company at each of its balance sheet dates at the investment's market value as traded on the Toronto Stock Exchange in Canadian dollar.

(d) Price risk
The Company is a mineral exploration company whose projects may be impacted, and consequently exposed to price risk, by the prices of certain commodities including the prices for precious and base metals. The Company believes that, because it is an exploration stage company and has no producing mines currently, the effect of metal price fluctuations is indirect. The indirect effects of metal price fluctuations on the Company might include an impact on its ability to raise capital in the future and could cause continued exploration and development of the Company's properties to be impracticable.

(e) Sensitivity Analysis
The Company has designated its cash as a financial asset at FVTPL, which is measured at fair value.

As at June 30, 2016, the carrying amount of accounts receivable and prepaid expenses are measured at amortized cost, which equals fair market value. Accounts payable and the short term credit facility are classified as other financial liabilities and measured at amortized cost.

Based on management's knowledge and experience of financial markets, the Company believes the following movements are "reasonably possible" over a twelve-month period:

The Company does not hold significant balances in foreign currencies that give rise to exposure to foreign currency risk.

The Company's investment in Heron is recorded at market value. Sensitivity to a plus or minus 5% change in market value would affect net loss and comprehensive loss by plus or minus $40,050.

19. Income Taxes

A reconciliation of income tax at statutory rates with the reported taxes follows:

	June 30, 2016	June 30, 2015
Statutory tax rate	26.5%	26.5%
Expected income tax (recovery)	$4,924	$(165,739)
Stock-based compensation	1,153	8,268
Amortization	1,301	2,182
General exploration	7,012	8,561
Share issue costs	(1,925)	(3,098)
Non-deductible items and other	663	1,897
Income tax benefits not recognized	82,125	109,497
Realized and Unrealized (gains) losses on investments	(95,253)	38,432
Effective tax recovery	$Nil	$Nil

Significant components of the Company's deferred income tax assets are as follows:

	2016	2015
Deferred income tax assets:		
Capital and Non-capital loss carry forwards	1,698,671	1,477,050
Other	280,549	464,816
Resource deductions	370,008	364,427
	2,349,228	2,306,293
Unrecognized deferred tax assets	2,349,228	2,306,293
Net deferred income tax assets	$Nil	$Nil

The Company has non-capital losses available for deduction against future taxable income of approximately $4,645,444 These losses, if not utilized, will expire as follows:

2026	373,014
2027	464,221
2028	606,774
2029	537,997
2030	456,568
2031	601,237
2032	492,592
2033	397,038
2034	302,809
2035	413,194
2036	309,908
	$4,955,352

The company has Canadian exploration expenditures and Canadian development expenditures available to reduce future years' taxable income, of approximately $6,241,700.

The Company also has approximately $2,909,455 of capital losses which under certain circumstances may be used to reduce the taxable income in future years.

20. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company considers its capital to be cash, investments, credit facilities and equity, comprising share capital, warrants, contributed surplus and deficit. The equity of the Company at June 30, 2016 totaled $5,139,208 (June 30, 2015 - $4,738,182). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, and acquire or dispose of assets to adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including but not limited to source and use of capital and general industry conditions.

The Corporation's capital management objectives, policies and processes have remained unchanged during the year ended June 30, 2016. The Corporation is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required to maintain operations and cover general and cover general and administrative expenses for a period of 6 months. As of June 30, 2016 the Corporation is Compliant with Policy 2.5.

21. Related Party Transactions

The Company had the following related party transactions for the year ended June 30, 2016. These transactions were in the normal course of operations and were measured at the exchange amount, which are the amounts agreed to by the related parties.

a) The Company's office is located at 125 Don Hillock Drive, Unit 18 in Aurora, Ontario and rents the property on a month-to-month basis. This rental property is owned by a private Ontario corporation controlled by Tri Origin Exploration Ltd.'s President. During the twelve month period ended June 30, 2016 the Company paid or accrued $53,430 (2015 - $53,430) for this rental. Prepaid assets include $2,750 (2015 - $2,750) related to rent paid in advance.

b) Remuneration of Directors and key management personnel of the Company were as follows:

	Years ended December 31	
	2016	**2015**
	$	**$**
Salaries and benefits	227,100	224,525
Stock based compensation	4,350	28,790
Total	**231,450**	**225,315**

Key management personnel include the President and Chief Financial Officer and companies controlled by the Chief Executive Officers. Accrued salaries and fees payable as of June 30, 2016 are $18,800 (2015- $3,000).

c) On December 15, 2013 a convertible debenture (*note 11*) was entered into between Tri Origin and a private corporation controlled by the Company's president. The Convertible Debenture was for $100,000 loaned to the Company and was repayable in cash or convertible in whole or in part at the lender's option into Common Shares of Tri Origin at $0.05 per share. This conversion option has expired.

The lender has previously extended the maturity date of the Debenture, and has been replaced by the $300,000 promissory note noted below –"Promissory Note – Matures October 31, 2016".

d) On May 1, 2014 a promissory note (*note 11*) was entered into between Tri Origin and a private corporation controlled by the Company's president in the amount of $100,000.

The lender has extended the maturity date of the promissory note, and has been replaced by the $300,000 promissory note–" Promissory Note – Matures October 31, 2016". See Note 11.

e) On November 1, 2015, the Company closed a $300,000 private placement whereby the Company issued a $300,000 promissory note. The promissory note matures on October 31, 2016 and bears interest at a fixed rate of 8% per year payable monthly commencing November 30, 2015. Under the terms of the promissory note, the holder has the option to convert the debenture in full into common shares of Tri Origin at a price of $0.05 per share. The promissory note was entered into between Tri Origin and a private corporation controlled by the Company's president. See Note 11.

22. Flow-Through Share Premium

Flow-through liabilities include the deferred premium portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share issues.

	Amount
Balance, June 30, 2015	**$nil**
Liability incurred on flow-through shares issued May 18, 2016	24,000
Balance, June 30, 2016	**$24,000**

Pursuant to the terms of the flow-through share agreements, the Corporation is in the process of complying with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As at June 30, 2016, the Corporation is committed to incurring approximately $144,000 in Canadian exploration expenditures by December 31, 2016 arising from the flow-through offering.

23. Subsequent Events

Secured Debenture

Subsequent to year end the Company repaid the principal portion of the secured loan in the amount of $300,000. Included with the payment was the payment of accrued interest and bonus interest payment calculated with this principal repayment.

Financing

Subsequent to year end , the Company intends to complete a non-brokered private placement financing of up to five million units at a price of seven cents per hard-dollar unit and up to seven million flow-through units at a price of nine cents per unit, for total gross proceeds to the company of up to $980,000. Each hard-dollar unit shall consist of one common share in the capital of the Company and one-half of one share purchase warrant. Each flow-through unit shall consist of one share issued on a flow-through basis and one-half of one warrant. Each whole warrant shall entitle the holder to acquire one share at a price of 12 cents per share for a period of 18 months from the closing date of the offering.

CORPORATE INFORMATION

Tri Origin Exploration Ltd.
125 Don Hillock Dr, Unit 18
Aurora, ON.
L4G 0H8
CANADA

Tel: (905) 727-1779
Fax: (905) 727- 8779

Stock Exchange: TSX-V

Trading Symbol : TOE
Email: explore@triorigin.com
www.triorigin.com

DIRECTORS & OFFICERS

Robert I. Valliant, President & Director
Uxbridge, Ontario

Jean-Pierre Janson, Director
Outremont, Québec

Alan Galley, Director
Ottawa, Ontario

Louis Nagy, Chief Financial Officer
Toronto, Ontario

REGISTRAR & TRANSFER AGENT

TMX Equity Transfer Services Inc.
200 University Ave. Suite 300
Toronto, ON. M5H 4H1

AUDITORS

Stern & Lovrics LLP Chartered Accountants
1210 Sheppard Ave. E, Suite 302
Toronto, ON., M2K 1E3