CASCADERO COPPER CORPORATION

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AUGUST 31, 2015 and 2014

(Unaudited – Prepared by Management)

Index

NOTICE – NO Auditor Review of the Interim Financial Statements.

The accompanying unaudited condensed interim financial statements of Cascadero Copper Corporation (the "Company"), for the three months ended August 31, 2015, have been prepared by management and have not been the subject of a review by the Company's external independent auditor.

CASCADERO COPPER CORPORATION
Condensed Consolidated Interim Statements of Financial Position
August 31, 2015
(Unaudited – Prepared by Management)

	Aug. 31, 2015	November 30, 2014
ASSETS		
Current		
Cash and cash equivalents	**117,498**	13,147
Accounts receivable	**593,987**	28,657
Prepaid expenses	**3,206**	12,824
	714,691	54,628
Long –term Investment (Note 5)	**-**	1
Mineral properties (Note 6)	**1,061,963**	-
Equipment (Note 7)	**5,911**	3,658
	1,782,565	58,287
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Account payable	**587,280**	96,001
Accrued liabilities (Note 10)	**314,584**	343,187
Loan-current (Note 9)	**12,375**	-
Due to related parties (Note 9)	**924,929**	588,879
	1,839,168	1,028,067
Deposit (Note 12)	**444,266**	-
Loan payable (Note 9)	**70,674**	-
Provisions	**47,805**	-
	2,401,913	1,028,067
Shareholders' equity		
Share capital (Note 8)	**19,677,899**	19,677,899
Share subscriptions	**-**	-
Treasury shares	**(465,463)**	(465,463)
Contributed surplus	**4,108,172**	3,956,338
Deficit	**(23,939,956)**	(24,138,554)
	(619,348)	(969,780)
	1,782,565	58,287

Nature and continuance of operations
Commitments
Subsequent events

Approved by the Board:

"William McWilliam"
Director – William McWilliam

"Tom McCabe"
Director – Tom McCabe

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

CASCADERO COPPER CORPORATION
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
August 31, 2015
(Uunaudited – Prepared by Management)

	3 Months Ended Aug. 31, 2015 $	9 Months Ended Aug. 31, 2015 $	3 Months Ended Aug. 31, 2014 $	9 Months Ended Aug. 31 2014 $
REVENUE				
Interest income	-	-	133	1,256
	-	-	133	1,256
EXPENSES				
Accounting, audit and legal fees (Note 9)	39,750	45,025	5,675	19,500
Auto expenses	-	-	-	-
Amortization (Note 7)	921	1,722	232	695
Bank and interest charges	214	504	129	4,029
Filing and sustaining fees	809	15,989	777	10,518
Management fee (Note 9)	40,000	120,000	40,000	120,000
Office and miscellaneous	82,167	144,451	22,423	61,117
Part XII.6 tax (Note 10)	3,799	11,397	-	25,827
Professional fees	8,576	8,576	350	7,350
Rent	4,500	13,500	-	7,250
Telephone	-	-	2,521	8,827
Shareholder info/investor relations	-	-	(98)	7,402
Travel, meals and promotion	-	-	1,049	2,548
Stock based compensation (Note 8)	-	151,834	-	-
	180,736	512,998	73,058	275,063
Income (Loss) before other items	(180,736)	(512,998)	(72,925)	(273,807)
Other items				
Write-down of advances	(77,065)	(393,998)	-	-
Foreign exchange gain(loss)	-	(4,662)	(658)	(658)
Generated by assets and liabilities	8,426	8,426	-	-
Gain on bargain purchase	-	1,101,830	-	-
Net and comprehensive gain (loss) for period	(249,375)	198,598	(73,583)	(274,465)
Basic and Diluted Loss Per Common Share	(0.002)	0.001	(0.001)	(0.002)
Weighted Average Number of Common Share Outstanding	151,692,528	151,692,528	151,443,213	151,443,213

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

CASCADERO COPPER CORPORATION
STATEMENT OF SHARHOLDERS' EQUITY AND DEFICIT
FOR THE QUARTER ENDED AUGUST 31, 2015 AND 2014

	Shares	Amount	Contributed Surplus	Treasury Shares	Share Subscriptions	Deficit	Total
Balance, December 01,2013	151,692,528	$ 19,677,899	$ 3,850,037	$ (465,463)	-	(10,151,717)	$ 12,910,756
Shares issued pursuant to private placements	,						
Finder's fee							
Stock options granted							
Net Loss for the quarter – Feb. 28, 2014						(110,067)	(110,067)
Net Loss for the quarter – May 31, 2014						(90,815)	(90,815)
Net Loss for the quarter – Aug. 31, 2014						(73,583)	(73,583)
Balance , August 31, 2014	**151,692,528**	**19,677,899**	**3,850,037**	**(465,463)**	-	**(10,426,182)**	**12,636,291**
Balance, December 01, 2014	**151,692,528**	**19,677,899**	**3,956,338**	**(465,463)**	-	**(24,138,554)**	**(969,780)**
		-	-	-	-	-	-
Stock based compensation		-	151,834	-	-	-	151,834
		-	-	-	-	-	-
Net loss for the quarter – Feb. 28, 2015		-	-	-	-	(255,714)	(255,714)
Net loss for the quarter – May 31, 2015		-	-	-	-	703,687	703,687
Net loss for the quarter – Aug. 31, 2015		**-**	**-**	**-**	**-**	**(249,375)**	**(249,375)**
Balance, AUGUST 31, 2014	**151,692,528**	**19,677,899**	**4,108,172**	**(465,463)**		**(23,939,956)**	**(619,348)**

CASCADERO COPPER CORPORATION
Condensed Consolidated Interim Statements of Cash Flows
August 31, 2015
(Unaudited – Prepared by Management)

	3 Months Ended Aug. 31, 2015 $	9 Months Ended Aug. 31, 2015 $	3 Months Ended Aug. 31, 2014 $	9 Months Ended Aug. 31,2014 $
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (Loss) for the year	(249,375)	198,598	(73,583)	(274,465)
Items not affecting cash:				
Amortization	921	1,202	232	695
Stock based compensation	-	151,834	-	-
Write down of advances	77,065	393,998	-	-
Gain on bargain purchase	-	(1,084,409)	-	-
	(171,389)	(338,777)		
Changes in non-cash working capital items:				
Receivable from related company	-	-	(46,310)	(50,369)
(Increase) decrease in receivable	(34,430)	5,774	-	-
Increase (decrease) in accounts payable	(205,405)	(9,654)	-	-
Increase (decrease) in accrued liabilities	3,799	(28,603)	50,469	40,135
(Increase) decrease in prepaid expenses	3,206	9,618	-	7,613
Increase (decrease) in due to related parties	98,072	240,039	-	-
Net Cash Used in Operating Activities	(306,147)	(121,603)	11,652	(49,741)
CASH FLOWS FROM INVESTING ACTIVITIES				
Mineral property costs	(27,682)	(27,682)	(15,630)	(15,630)
Cash acquired from acquisition of subsidiaries	-	47,551	-	-
Advances made to equity affiliates	(77,065)	(393,998)	-	-
Net Cash Provided By (Used In) Investing Activities	(104,747)	(374,130)	(15,630)	(15,630)
CASH FLOWS FROM FINANCING ACTIVITIES				
Common shares issued	-	-	-	-
Share issue cost	-	-	-	-
Due to/from related parties	-	85,143	(27)	(15,190)
Prepaid deposits/sales	123,660	444,266	-	-
Loans payable	70,674	70,674	-	-
Net Cash Provided By (Used In) Financing Activities	194,334	600,083	(27)	(15,190)
Increase(decrease) in Cash During the Period	(216,560)	104,350	(4,005)	(80,561)
Cash, Beginning of the Period	334,058	13,148	71,226	147,782
Cash, End of the Period	117,498	117,498	67,221	67,221
Cash Paid During the Period for interest	-	-	-	-

Supplemental disclosure with respect to cash flows

(Expressed in Canadian dollars - unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Cascadero Copper Corporation ("Cascadero" or the "Company") was incorporated pursuant to the Alberta Business Corporations Act on October 30, 2003 and continued into the Province of British Columbia on June 3, 2004. The Company is engaged in the business of acquiring, exploring and developing mineral properties located primarily in Canada. The Company is considered to be in the development stage. The Company's head office, principal address, and records office are located at 554 East Kings Road, North Vancouver, British Columbia, Canada V7N 1J3.

The Company is in the process of exploring and developing most of its mineral properties and has not yet determined whether the properties contain precious mineral reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and the related deferred exploration costs are dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the mineral properties, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or proceeds from the disposition of the mineral properties.

These financial statements have been prepared on the basis of a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities 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. In making its assessment, management is aware of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as going concern as described in the following paragraph. These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business.

The ability of the Company to continue operations is dependent upon the continued financial support of its shareholders, other investors and lenders, and the successful development of mineral properties in the future. The outcome of these matters cannot be predicted at this time. Since inception, the Company has incurred cumulative losses for the quarter ending August 31, 2015 of $23,939,956 (Nov 30, 2014: $24,138,554) and for the quarter ended August 31, 2015 has a negative cash outflow from continuing operations of approximately $306,147 (positive operating cash outflow in August 31, 2014: $11,652). Management believes that the Company will be able to continue to raise additional funds and has prepared these financial statements on a going concern basis. Realization values may be substantially different from the carrying values as presented in the financial statements should the Company be unable to continue as a going concern. It is management's opinion that all adjustments considered necessary for fair presentation of the results for the years presented have been reflected in these financial statements.

2. BASIS OF PRESENTATION

Principles of consolidation

These consolidated financial statements include the accounts of Cascadero Copper and its wholly-owned subsidiaries:

Entity	Jurisdiction of Incorporation	
Cascadero Minerals Corporation	Canada	Inactive
Cascadero Minerals SA	Argentina	Holds Argentina mineral properties
Salta Exploraciones S.A.	Argentina	Holds Argentina mineral properties
SESA LLC	United States	Inactive

All significant intercompany transactions have been eliminated.

2. BASIS OF PRESENTATION - continued

b) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. These condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended November 30, 2014 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB.

These financial statements were approved and authorized for issuance by the Board of Directors on December 15, 2015.

c) Basis of Measurement

The annual financial statements have been prepared on a historical cost basis. The annual financial statements are presented in Canadian dollars, which is also the Company’s functional currency.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The accounting policies set out in Note 3 have been applied consistently by the Company to all periods presented.

d) Use of estimates and judgments

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

- the recoverability of mineral properties and exploration and evaluation expenditures incurred on its Canadian projects; the Company capitalizes acquisition, exploration and evaluation expenditures on its statement of financial position, and evaluates these amounts at least annually for indicators of impairment;
- the estimated useful lives and residual value of property, plant and equipment which are included in the statement of financial position and the related amortization included in the statement of loss and comprehensive loss;
- whether a past event has led to a liability that should be recognized in the statement of financial position or disclosed as a contingent liability;
- the inputs in accounting for share-based payment transactions in the statement of loss and comprehensive loss (using the Black-Scholes model) including volatility, probable life of options granted, time of exercise of the options and forfeiture rate;
- the expected future tax rate used in the determination of the Company’s future income tax liability on the statement of financial position; and
- the assessment of the Company’s ability to execute its strategy by funding future working capital requirements.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position is comprised of cash held at major financial institutions and short term investments which are readily convertible into a known amount of cash. The Company's cash is invested in business accounts which are available on demand by the Company.

b) Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided using the declining balance method at the following annual rates:

Computer equipment	45%
Furniture and fixtures	20%

Additions during the year are amortized pro-rata based on the annual amortization rate.

c) Accounts receivable

The Company estimates the allowance for doubtful accounts provision based upon management analysis of specific receivables that are considered to be uncollectible.

d) Exploration and evaluation assets

(i) Pre-license expenditures

Pre-license expenditures are costs incurred before the legal rights to explore a specific area have been obtained. These costs are expensed in the period in which they are incurred as exploration and evaluation expense.

(ii) Exploration and evaluation expenditures

Once the legal right to explore has been acquired, costs directly associated with the exploration project are capitalized as either tangible or intangible exploration and evaluation assets according to the nature of the asset acquired. Such E&E costs may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and directly attributable internal costs. E&E costs are not depleted and are carried forward until technical feasibility and commercial viability of extracting a mineral resource is considered to be determined. The technical feasibility and commercial viability of a mineral resource is considered to be established when proved and or probable mineral reserves are determined to exist. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the exploratory activity. When this is no longer the case, impairment costs are charged to exploration and evaluation expense. Upon determination of mineral reserves, E&E assets attributed to those reserves are first tested for impairment and then reclassified to development and production assets within property, plant and equipment, net of any impairment. Expired land costs are also expensed to exploration and evaluation expense as they occur. The Company has not established any NI 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

d) Exploration and evaluation assets – continued

(iii) Impairment

Exploration and evaluation assets are assessed for impairment when indicators and circumstances suggest that the carrying amount may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Industry-specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure for further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised, has expired or is expected to expire;
- Adverse changes in the taxation, regulatory or political environment;
- Adverse changes in variables in commodity prices and markets making the project unviable; and
- Variations in the exchange rate for the currency of operation.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

e) Revenue recognition

Revenues are recognized on the following bases:

(i) Interest income is recorded on an accrual basis at the stated interest rate over the term of the related instrument; and
(ii) Realized gains on investments are recorded upon disposal of the investment, on a trade date basis;

f) Share Capital

Common shares are classified as equity. Transactions costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

g) Warrants

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

h) Related party transactions

All monetary transactions in the normal course of operations are measured at the exchange value which is determined by management to approximate fair value. Non-monetary related party transactions in the normal course of operations that have commercial substance and do not involve the exchange of property or product held for sale are also measured at the exchange value. The commercial substance requirement is met when the future cash flows associated with the transfer of property are expected to change significantly as a result of the transaction. All other related party transactions are recorded at the carrying value.

i) Earnings (loss) per share

Earnings (loss) per share are calculated using the weighted average number of shares outstanding.

The Company uses the treasury stock method for computing diluted earnings (loss) per share. This method assumes that any proceeds obtained upon exercise of options or warrants would be used to purchase common shares at the average market price during the period.

Diluted earnings (loss) per share are equal to loss per share as the effect of applying the treasury stock method is anti-dilutive.

j) Share-based payments

Options and warrants granted are accounted for using the fair value method. Under this method, the fair value of stock options and warrants granted are measured at estimated fair value at the grant date and recognized over the vesting period. Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus on options granted is transferred to share capital.

The Corporation uses the Black-Scholes option pricing model to determine the fair value of these incentives taking into consideration terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

k) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income of loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

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

3. SIGNIFICANT ACCOUNTING POLICIES - continued

k) Income taxes – continued

Deferred tax is provided using the balance sheet liability method, providing for unused tax loss carry-forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 enactive or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred 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.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

l) Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of it exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company separates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and; ii) share capital. When the resource property expenditures are incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

To the extent that the Company has available tax pools for which the benefit has not been previously recognized as being realizable, the premium is recognized in profit or loss as a deferred income tax recovery to recognize the deferred tax asset offsetting the liability at the time of renunciation of the tax pools.

m) Provision for Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided 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 pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or straight line method. 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.

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

n) Investment in Joint Ventures

A joint venture is a contractual agreement under which two or more parties conduct an economic activity and unanimous approval is required for the financial and operating policies. Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Joint ventures are accounted for using the equity method, which involves recognition in the income statement of the Company's share of the net result of the joint ventures for the year. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Company. The Company's interest in a joint venture is carried in the statement of financial position at its share in the net assets of the joint venture together with goodwill paid on acquisition, less any impairment loss. When the share in the losses exceeds the carrying amount of an equity-accounted company (including any other receivables forming part of the net investment in the company), the carrying amount is written down to nil and recognition of further losses is discontinued, unless the Company has incurred legal or constructive obligations relating to the company in question.

o) Financial Instruments

Financial assets are classified into one of four categories:

- Fair value through profit or loss;
- Held-to-maturity;
- Available for sale and;
- Loans and receivables

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset.

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

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as at FVTPL if

- It has been acquired principally for the purpose of selling in the near future;
- It is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit-taking or;
- It is a derivative that is not designated and effective as a hedging instrument.

The Company does not have any assets classified as FVTPL assets.

Held-to-maturity ("HTM")

HTM investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as HTM investments.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

o) Financial Instruments - continued

Available-for-sale financial assets ("AFS")

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (i) loans and receivables, (ii) held-to-maturity investments or (iii) financial assets as at FVTPL. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on AFS monetary items, are recognized in other comprehensive income or loss. When an investment is derecognized, the cumulative gain or loss in the investment revaluation reserve is transferred to profit or loss. The Company classifies cash as AFS.

Loans and receivables

Loans and receivables are 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. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less and impairment losses.

- If the Company transfer the financial assets and substantially all risks and rewards of ownership to another entity.

De-recognition of financial assets

A financial asset is derecognized when:

- The contractual right to the asset's cash flows expire; or

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. 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 asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets is directly reduced by the impairment loss. With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss.

On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

o) Financial Instruments - continued

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue cost.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

i. *Other financial liabilities*

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company has classified accounts payable as other financial liabilities.

ii. *De-recognition of financial liabilities*

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

p) Critical Accounting Estimates and Judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgements

Long Term Investments

The Company uses the equity method of accounting for its investments in equity affiliates. Affiliates are entities over which the Company has significant influence, but not control. The evaluation of the information regarding the Company's control over the entities requires judgement in determining whether there is significant influence exhibited.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

p) <u>Critical Accounting Estimates and Judgements - continued</u>

Exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

<u>Estimates</u>

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

q) <u>New standards, amendments and interpretations</u>

New standards and amendments effective for the first time from December 1, 2014

On December 1, 2014, the company adopted certain other new standards and interpretations, none of which had a significant impact on the financial statements.

Accounting standards issued but not yet effective

IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments – to replace IAS 39 – Financial Instruments: Recognition and Measurement. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is in the process of determining the impact of IFRS 9 on its financial statements.

4. FINANCIAL INSTRUMENTS

		Aug. 31 2015	November 30, 2014
		$	$
FVTPL financial assets	a	**117,498**	13,147
Loans and receivables	b	**593,987**	28,657
Liabilities at amortized cost	c	**1,839,168**	1,028,067

a. Comprises cash.
b. Comprises receivables consisting of refundable sales tax credits paid for purchases.
c. Comprises accounts payable and accrued liabilities, due to related parties, and loans payable.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. Cash and cash equivalents are carried at fair value using a level 1 fair value measurement. The fair values of accounts receivable, accounts payable, accrued liabilities, due to related parties and loans payable approximate their carrying values due to the short-term nature of these instruments.

Management of Industry and Financial Risk
The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations. The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and GST recoverable. Risk associated with cash is managed through the use of major Canadian bank. The Company's GST recoverable is due from the Government of Canada; therefore, the credit risk exposure is low.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's cash. The Company's cash is held in corporate bank accounts available on demand.

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

Currency Risk
The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars; therefore, currency risk is minimal.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

(Expressed in Canadian dollars - unaudited)

4. FINANCIAL INSTRUMENTS – continued

Price Risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to finance due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to determine the appropriate course of action to be taken by the Company.

5. LONG TERM INVESTMENTS

In December 2008, the Company paid US$200,000 and TSX Venture Exchange approval was granted for the Company to issue 28,000,000 of its common shares with a fair value of $700,000 to Argentine Frontier Resources Inc. ("AFRI") for its 50% membership interest in SESA Holdings, LLC ("SHL"), a limited liability company formed under the laws of the State of Nevada, USA. Effective October 1st 2010, the interest of Argentine Frontier Resources Inc in SHL was assigned to Cascadero Copper Corporation ("CCD"). SHL is the legal and/or beneficial holder of 100% of the issued and outstanding equity interest in Salta Exploraciones S.A. ("SESA") a company duly formed under the laws of Argentina which holds certain mineral rights and properties. The Company's 50% partner in SHL initially was Coralbrook Ltd. ("CBL"). On June 28th 2013, by way of an Assignment and Assumption agreement Coralbrook Ltd. was replaced by Zoneplan Ltd ("ZP"). On June 30th 2014 the interest of Zoneplan in SHL was assigned to Cyprus River Holdings Ltd ("CRH"). As of February 28th, 2015 the two Members of SHL are CRH and CCD

The details of this arrangement are as follows:

- The Company and CRH have an equal 50% interest in SHL
- Interest in SHL cannot be increased by contributions of either member
- SHL does not have a Board of Directors
- SHL has two (2) Members and each Member appoints one Manager
- The Managers are appointed to manage the affairs of SHL for the Members
- The Managers have wide executive power to do whatever they decide to manage the business and assets of SHL

The Company previously accounted for the investment as a joint venture and used the equity method of accounting for its investment in SHL. The results of operations of SHL for the year ended November 30, 2014 and 2013 are as follows:

	2014	**2013**
Current assets	8,450	1,580
Non-current assets	6,190,778	7,914,933
Current liabilities	522,127	540,112
Non-current liabilities	7,579,939	8,397,565
Revenue	-	-
Expense	1,429,903	150,359
Net Loss	(1,429,903)	(150,359)

	2014	**2013**
Cash and cash equivalents	8,450	1,580
Current financial liabilities*	-	-
Non-current liabilities *	-	-
Amortization	2,292	740
Interest income	-	-
Interest expense	127	4,277
Income tax expense	-	-

*Excludes trade and other payables and provisions

(Expressed in Canadian dollars - unaudited)

5. LONG TERM INVESTMENTS - continued

The reconciliation of the Company's carrying value of SHL as at November 30, 2014 is as follows:

	2014
Acquisition cost of SESA Holdings LLC	**947,540**
Capital contributions	**3,558,514**
Write-down of advances	**(1,663,831)**
Loss in SESA Holdings LLC	**(2,842,222)**
Carrying value of SESA Holdings LLC	**1**

The Company's share of SHL's losses for the quarter ending August 31, 2015 have not been recorded as the Company's interest has been previously reduced to $1. The Company has not incurred legal or constructive obligations or made payments on behalf of the joint venture and as a result no additional losses have been recorded. In addition, the Company wrote down the remaining balance of the capital contributions to $nil, as the amounts were deemed to be uncollectible.

In late May 2015, CRH and the Company consented to the withdrawal of CRH as a member of SHL. This meant that the Company was the sole member of SHL and has the exclusive authority to manage the affairs of SHL and SESA. The acquisition was accounted for using the acquisition method in accordance with IFRS 3, Business Combinations, with the results of operations consolidated with those of the Company effective May 26, 2015. The incremental net loss for the five days of activity from the close of acquisition to May 31, 2015 is immaterial. The acquisition date fair value of the total consideration transferred was determined to be $Nil. As a result of CRH withdrawing from SHL with no consideration transferred, the identifiable net assets acquired exceeded the value of consideration transferred resulting in a gain for a bargain purchase. The gain on bargain purchase has been included in the consolidated statement of income (loss) and comprehensive income (loss) for the period ended August 31, 2015.

The fair values of the assets acquired and liabilities assumed in the acquisition at May 26, 2015 are as follows:

Cash	$	308,069
Receivables		541,285
Mineral properties		1,034,280
Equipment		3,975
Accounts payable		(704,756)
Accrued liabilities		(11,653)
Loans		(12,375)
Provisions		(47,805)
Due to related parties		(9,190)
Gain on bargain purchase	$	1,101,830

(Expressed in Canadian dollars - unaudited)

6. MINERAL PROPERTIES

Republic of Argentina Properties

As a result of the acquisition of SHL (Note 5), the Company acquired the following mineral projects in the Republic of Argentina:

Project	Balance at November 30, 2014	Balance as of May 31, 2015	Additions	Balance at Aug. 31, 2015
Ochaqui	$ -	$ 25,435	**$ -**	**25,435**
Oculto	-	19,455	**-**	**19,455**
Pancho Arias	-	215,850	**-**	**215,850**
Medio	-	773,540	**-**	**773,540**
Las Burras	-	-	**7,460**	**7,460**
La Sarita Group	-	-	**15,656**	**15,656**
Francisco I & II	-	-	**2,648**	**2,648**
Desierto I & II	-	-	**1,919**	**1,919**
TOTAL	$ -	1,034,280	**$ 27,683**	**1,061,963**

Toodoggone Property

On July 14, 2004, mineral properties were acquired in accordance with the Property Transfer Agreement dated May 10, 2004 between Stealth Minerals Limited and Cascadero Copper Corporation. The Property Transfer Agreement provided that the purchase price for certain land mineral claims would be equal to 60% of the total mineral property costs incurred by Stealth Minerals Limited as at May 10, 2004. Accordingly, the Company acquired the mineral properties for $6,295,586 and issued 21,000,000 shares to Stealth Minerals Limited.

On January 26, 2006, the Company acquired certain additional mining claims from Stealth Minerals Limited for $150,000 and issued 1,000,000 shares to Stealth Minerals Limited as consideration.

On March 3, 2009, the Company and Gold Fields Toodoggone Exploration Corporation ("Gold Fields"), a wholly owned subsidiary of Gold Fields Netherlands Services BV and a member of the Gold Fields Limited group of companies, signed an Option and Joint Venture Exploration Agreement. The Option Agreement grants Gold Fields an option to acquire a 51% interest in Cascadero's Toodoggone property by incurring expenditures of at least CDN$5 million over a three year period. If Gold Fields acquires the 51% interest, it has the option to acquire an additional 24% interest in the property by spending an additional $15 million or funding the completion of a feasibility study.

The Option Agreement also provides that Gold Fields, or one of its affiliates, will subscribe for 500,000 units of Cascadero at a price of $0.10 per unit with each unit consisting of one share and one share purchase warrant that can be exercised for one additional common share of the Company at $0.12 per share for one year. If Gold Fields continues with the Option Agreement, it is required to invest a further $100,000 in Cascadero units on each of the first three anniversaries. During the year ended November 30, 2009, Gold Fields purchased the 500,000 units and exercised the 500,000 share purchase warrants. Cascadero paid a finder's fee of $7,500 to an arm's length party.

During the year ended November 30, 2010, Gold Fields opted to exercise a Force Majeure on the Toodoggone Option. As a result, it did not purchase any units of Cascadero during the year ended November 30, 2010. This Force Majeure was removed during the year ended November 30, 2011, and Gold Fields subscribed to $100,000 in Cascadero's shares in March 2011.

As of November 30, 2013, Gold Fields has acquired the 51% interest in the property per the Option Agreement. Gold Fields did not present a budget or an exploration program for the Toodoggone property during the year ended November 30, 2014

(Expressed in Canadian dollars - unaudited)

6. MINERAL PROPERTIES - continued

Toodoggone Property - continued

During the year ended November 30, 2014, the Company recognized an impairment loss of $9,709,593 leaving the property with a carrying value of $ 0

Total costs included in mineral properties for 2013 and 2014 are as follows:

	November 30, 2013 $	Additions $	Disposals/ Write-downs $	November 30, 2014 $
	Acquisition		Total	Total
Toodoggone property				
BC, Canada	6,445,586	-	-	6,445,586
Deferred exploration – general	3,098,388	-	-	**3,098,388**
mineral property	1,750	-	-	**1,750**
Consulting	48,969	-	-	**48,969**
staking	84,306	-	-	**84,306**
prospecting	15,506	-	-	**15,506**
others	7,520	-	-	**7,520**
assay	7,568	-	-	**7,568**
Impairment recognized	-	-	(9,709,593)	**(9,709,593)**
	9,709.593	-	(9,709,593)	**-**

7. EQUIPMENT

Cost		**Computer Equipment**		**Furniture and Fixtures**		**Total**
Balance at November 30, 2013	$	37,503	$	591	$	38,094
Additions		2,404		-		2,404
Balance at November 30, 2014		39.907		591		40.498
Additions		**3,975**		**-**		**3,975**
Balance at May 31, 2015	**$**	**43,882**	**$**	**591**	**$**	**44,473**

Accumulated Depreciation and Amortization		**Computer Equipment**		**Furniture and Fixtures**		**Total**
Balance at November 30, 2013	$	35,540	$	373	$	35,913
Amortization		883		44		928
Balance at November 30, 2014		36,423		417		36,840
Amortization-February 2015		392		9		401
Amortization – May 2015		392		8		400
Amortization – August 2015		**912**		**9**		**921**
Balance at May 31, 2015	**$**	**38,119**	**$**	**443**	**$**	**38,562**

Balance at November 30, 2014	$	3,484	$	174	$	3,658
Balance at May 31, 2015		$6,675	$	157		$6,832
Balance at August 31, 2015		**5,763**		**148**		**5,911**

(Expressed in Canadian dollars - unaudited)

8. SHARE CAPITAL

a) Authorized

Unlimited number of no par value common shares
Unlimited number of preferred shares

b) Issued and Outstanding Common Shares
Please refer to the Statement of changes in shareholders' equity.

There were no share transactions during the period ended August 31, 2015.

c) Stock Option Plan

The Company has a stock option plan for the benefit of directors, management and certain consultants of the Company. Under the plan, the Company may grant options for up to 20% of the issued common shares. The exercise price of each option may be discounted up to 25% from the market price of the Company's common shares on the date of grant and an option's maximum term is five years.

During the period ended August 31, 2015:

The Company recorded total share-based compensation during the nine month period ended August 31, 2015 of $151,834. This amount represents the amount of $117,690 related to options issued in the six month period ended May 31, 2015 and $34,144 from options issued in prior years that vested during the six month period ended May 31, 2015.

In January 2015, the Company granted options to consultants to acquire common shares of the Company. The Management and Consultants were granted 7,650,000 at an exercise price of $0.05 per share. The options expire on January 13, 2018. The options vest 25% on the grant date, 25% six months from the grant date, 25% nine months from the grant date and 25% eighteen months from the grant date.

The following inputs were used to value the options granted in 2014 (as the grants were measured under graded vesting, a range of values were used for volatility based on each vesting date):

	January 2015 – 7,650,000 options
Weighted average fair value	$0.02
Weighted average risk-free interest rate	1.09% to 1.12%
Dividend yield	0%
Expected volatility*	135.14% to 139.16%
Weighted average expected life of option	2.88 to 3.00 years

(Expressed in Canadian dollars - unaudited)

8. SHARE CAPITAL – continued

The following options were outstanding as at August 31, 2015:

	2015		2014	
	Outstanding	**Weighted Average Exercise Price**	Outstanding	Weighted Average Exercise Price
Balance, beginning of year	11,250,000	$0.07	15,500,000	$0.13
Increase (decrease):				
Options granted	7,650,000	$0.05	8,050,000	$ 0.05
Options expired			(12,300,000)	$0.10
Options cancelled/forfeited	-	-	-	-
Balance, end of quarter	18,900,000	$0.06	11,250,000	$0.07

The following options were exercisable as at August 31, 2015 and 2014:

	2015		2014	
	Outstanding	**Weighted Average Exercise Price**	Outstanding	Weighted Average Exercise Price
Balance, beginning of year	8,320,201	$0.13	15,448,174	$0.13
Increase (decrease):				
Options vested	6,164,583	$0.05	5,172,027	$0.06
Options expired	-	-	(12,300,000)	$0.10
Options cancelled/forfeited	-	-	-	-
Balance, end of period	14,484,784	$0.11	8,320,201	$0.08

The following table summarizes information about the Company's share options outstanding:

2015			2014		
Number of Options Outstanding	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Life Years**	Number of Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life Years
2,900,000	$0.12	1.46	2,900,000	$0.12	1.96
300,000	$0.10	2.40	300,000	$0.10	2.90
8,050,000	$0.05	2.29	8,050,000	$0.05	2.79
7,650,000	$0.05	2.63			
18,900,000	$0.06	2.30	11,250,000	$0.07	2.58

(Expressed in Canadian dollars - unaudited)

8. SHARE CAPITAL - continued

(d) Warrants

The following summarizes warrants outstanding as at August 31, 2015:

	2015		2014	
	Outstanding	**Weighted Average Exercise Price**	**Outstanding**	Weighted Average Exercise Price
Balance, beginning of the year	16,879,166	$0.21	43,139,275	$0.15
Increase (decrease):				
Warrants granted	-	-	-	-
Warrants expired	(12,709,999)	$0.01	(26,260,109)	$0.01
Warrants exercised	-	-	-	-
Warrants extended	12,709,999	$0.05	-	-
Balance, end of quarter	16,879,166	$0.08	16,879,166	$0.21

The following table summarizes information about the Company's warrants outstanding:

2015			2014		
Number of Warrants Outstanding	**Weighted Average Exercise Price**	**Expiry Date**	Number of Warrants Outstanding	Weighted Average Exercise Price	Expiry Date
12,709,999	$0.05	Feb 13, 2017	12,709,999	$0.25	Feb. 13, 2015
4,169,167	$0.10	Oct. 22, 2017	4,169,167	$0.10	Oct 22, 2017
16,879,166	$0.08		16,879,166	$0.21	

9. RELATED PARTY TRANSACTIONS

a) The Company has the following balances owed to and from related entities as at August 31, 2015:

i. $68,165 due to Stealth Minerals Ltd., a related Company (Nov 30, 2014: $68,165). This amount is unsecured, has no specific terms of repayment, and bears interest at a rate of 7.5% per year.
ii. $565,708 due to Bill McWilliam an officer and director of the Company (Nov 30, 2014: $327,485).
iii. $227,722 due to Judith Harder, an immediate family member of Bill McWilliam, a director of the Company (Nov 30, 2014: $159,130) for services provided.
iv. $ NIL due to Paul McWilliam, an immediate family member of the president of the company (Nov. 30, 2014 - $ 2,516) for purchase of computer equipment.
v. $49,159 due to Sharon Lewis, the CFO of the Company (Nov 30, 2014: $31,583).
vi. $14,175 due to Argentine Frontier Resources Inc., a related company (Nov 30, 2014: $nil)
vii. $12,375 loan due to Bill McWilliam, an officer and director of the Company (Nov 30, 2014: $nil). This amount is unsecured, has no specific terms of repayment, and bears no interest.
viii. $70,674 loan due to Bill McWilliam, an officer and director of the Company (Nov 30, 2014: $nil). This amount is unsecured, has no specific terms of repayment, and bears no interest.

b) During the three months ended August 31, 2015, the Company had the following transactions with related parties:

i. Charged $NIL in interest expense on advances payable to a Stealth Minerals Ltd., a related Company (August 31, 2014: $ 3,937)
ii. Incurred $40,000 in management fees to Bill McWilliam, a director of the Company (August 2014: $40,000).
iii. Reimbursed Bill McWilliam, a director of the Company $15,058 (August. 2014: $6,266) for amounts paid on the Company's behalf for office expenses, travel, telecommunications and vehicle expenses.
iv. Incurred $18,000 in office and administrative fees charged by Judith Harder, an immediate family member of Bill McWilliam, a director of the Company (August. 2014: $18,000).
v. Incurred $14,750 in accounting fees charged by Sharon Lewis, the CFO (August. 2014: $5,675)
vi. Incurred $4,500 in rent expense charged by Argentine Frontier Resources Inc., a related company (August. 2014 - $nil).

c) During the nine months ended August 31, 2015, the Company had the following transactions with related parties:

i. Charged $NIL in interest expense on advances payable to a Stealth Minerals Ltd., a related Company (August 31, 2014: $7,874).
ii. Incurred $120,000 in management fees to Bill McWilliam, a director of the Company (August 2014: $120,000).
iii. Reimbursed Bill McWilliam, a director of the Company $39,385 (August 2014: $15,832) for amounts paid on the Company's behalf for office expenses, travel, telecommunications and vehicle expenses.
iv. Incurred $54,000 in office and administrative fees charged by Judith Harder, an immediate family member of Bill McWilliam, a director of the Company (August. 2014: $54,000).
v. Incurred $31,025 in accounting fees charged by Sharon Lewis, the CFO (August. 2014: $19,500)
vi. Incurred $13,500 in rent expense charged by Argentine Frontier Resources Inc., a related company (August. 2014 - $nil).

10. COMMITMENTS AND CONTINGENT LIABILITY

During the period ended August 31, 2015

Canada Revenue Agency ("CRA") has disallowed certain exploration expenditures incurred by the Company as non-eligible exploration expenditures that do not qualify for transfer of the tax deduction to holders of the flow-through shares. In this connection, the Company has been assessed by CRA on Part XII.6 tax, in respect of certain flow-through shares issued in the 2004 taxation year, in the amount of $237,976 (2013: $237,976) plus interest of approximately $73,496 (2014: $65,899) for a total of $311,472 (2014: $303,875). Of this total in tax and interest, the Company will not contest an amount of $204,606 (2014: $199,616). Accordingly, the full amount, contested and not contested, has been included in accrued liabilities in the Company's financial statements.

The balance of $106,867 (2014: $104,260) in assessed Part XII.6 tax and interest is being formally contested by the Company as management disagrees with CRA's position on this amount. The outcome of this matter cannot be determined at this time. A provision has been made in these financial statements for the total amount of the contingent liability.

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year financial statement presentation.

12. SUBSEQUENT EVENTS

Subsequent to August 31, 2015.

The Company received US $515,000 from Regberg Ltd,, an arm's length company domiciled in Singapore (the "JV Partner"), as a deposit towards the purchase of a 25% interest in SHL for US $850,000. SHL is a Joint Venture (""JV") that manages the Argentine business. The Company has also granted the JV Partner the right to acquire an additional 5% interest in the JV. The JV partner has signed the JV documents which will be delivered to the Cascadero office about December 19th, 2015 for execution by Cascadero.

On October 1, 2015, the Company granted 3,000,000 stock options with an exercise price of $0.05 per option expiring on September 28, 2017.

In November 2015, the Company entered discussions with a copper producer with respect to a transaction between the Company and the copper producer with a view to signing a Confidentiality Agreement. This Confidentiality Agreement has now been signed.

In November 2015, the Company was approached by an industrial company who expressed an interest in a data transfer on a group of Company's properties in Argentina. This may result in the signing of a Confidentiality Agreement.

On December 14, 2015, the Company appointed Dr. Mohammad Mokmeli, PhD to the Cascadero Advisory Board. Dr. Mokmeli graduated from the University of British Columbia in Hydrometallurgy in 2013. Both his Bachelors and Masters degrees were in the field of extractive metallurgy/hydrometallurgy. He is presently working as a Postdoctoral Research and Teaching Fellow at UBC. Dr. Mokmeli has over five years of experience working in ferrous and nonferrous extraction industries.