SALAZAR RESOURCES LIMITED

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2015

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

SALAZAR RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	September 30, 2015 $	December 31, 2014 $
ASSETS			
Current assets			
Cash		47,695	49,236
Amounts receivable		1,276	1,301
GST receivable		586	4,406
Prepaid expenses and deposits		62,684	60,405
Total current assets		112,241	115,348
Non-current assets			
Investment	4	3,045	3,915
Property, plant and equipment	5	376,493	437,403
Exploration and evaluation assets	6	20,060,256	19,595,735
Total non-current assets		20,439,794	20,037,053
TOTAL ASSETS		20,552,035	20,152,401
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9	1,911,067	830,161
Accrued interest payable	7	107,435	37,685
Advances	7	1,080,741	371,323
TOTAL LIABILITIES		3,099,243	1,239,169
SHAREHOLDERS' EQUITY			
Share capital	8	34,652,301	34,652,301
Share-based payments reserve		4,323,008	4,242,240
Deficit		(21,462,412)	(19,922,074)
Accumulated other comprehensive loss		(60,105)	(59,235)
TOTAL SHAREHOLDERS' EQUITY		17,452,792	18,913,232
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		20,552,035	20,152,401

Nature of Operations and Going Concern - See Notes 1 and 6

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on November 30, 2015 and are signed on its behalf by:

/s/ ***Fredy Salazar***	/s/ ***Pablo Acosta***
Fredy Salazar	Pablo Acosta
Director	Director

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

SALAZAR RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended September 30		Nine Months Ended September 30	
		2015 $	2014 $	2015 $	2014 $
Expenses					
Accounting and administration	9(b)(ii)	3,000	9,000	18,200	27,200
Audit		6,327	-	45,776	41,936
Community relations		-	394	46	1,800
Consulting	9(b)(i)	40,889	48,527	136,423	143,017
Corporate development		132	-	12,468	12,779
Depreciation		17,626	23,027	60,910	68,332
General exploration		525,000	16,357	525,000	40,489
Interest expense	7	29,751	9,512	144,329	29,760
Investor relations		-	5,625	-	5,625
Legal		629	59,237	20,898	61,639
Office		23,189	25,530	56,494	71,622
Regulatory		1,450	3,425	11,197	11,475
Rent		2,905	2,847	15,758	11,455
Salaries and benefits	9(a)	77,253	141,800	284,934	320,936
Shareholder costs		-	3,533	560	5,238
Transfer agent		605	1,431	2,202	6,878
Travel		-	350	3,024	2,636
		728,756	350,595	1,338,219	862,817
Loss before other items		(728,756)	(350,595)	(1,338,219)	(862,817)
Other items					
Interest income		94	231	299	813
Foreign exchange		(127,540)	(36,038)	(202,418)	(17,238)
		(127,446)	(35,807)	(202,119)	(16,425)
Net loss for the period		(856,202)	(386,402)	(1,540,338)	(879,242)
Other comprehensive loss, net of deferred income tax		(870)	(652)	(870)	(1,739)
Comprehensive loss for the period		(857,072)	(387,054)	(1,541,208)	(880,981)
Basic and diluted loss per common share		$(0.01)	$(0.01)	$(0.02)	$(0.02)
Weighted average number of common shares outstanding		63,497,743	61,073,105	63,497,743	58,197,545

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

SALAZAR RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended September 30, 2015					
	Share Capital					
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Accumulated Other Comprehensive Loss $	Total Equity $
Balance at December 31, 2014	63,497,743	34,652,301	4,242,240	(19,922,074)	(59,235)	18,913,232
Share-based compensation on bonus warrants	-	-	80,768	-	-	80,768
Unrealized loss on investment	-	-	-	-	(870)	(870)
Net loss for the period	-	-	-	(1,540,338)	-	(1,540,338)
Balance at September 30, 2015	63,497,743	34,652,301	4,323,008	(21,462,412)	(60,105)	17,452,792

	Nine Months Ended September 30, 2014					
	Share Capital					
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Accumulated Other Comprehensive Loss $	Total Equity $
Balance at December 31, 2013	56,122,573	33,069,377	4,242,240	(18,694,892)	(57,713)	18,559,012
Common shares issued for:						
Cash - private placement	5,102,443	1,122,537	-	-	-	1,122,537
Share issue costs	-	(6,362)	-	-	-	(6,362)
Unrealized loss on investment	-	-	-	-	(1,739)	(1,739)
Net loss for the period	-	-	-	(879,242)	-	(879,242)
Balance at September 30, 2014	61,225,016	34,185,552	4,242,240	(19,574,134)	(59,452)	18,794,206

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

SALAZAR RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended September 30,	
	2015	2014
	$	$
Operating activities		
Net loss for the period	(1,540,338)	(879,242)
Adjustments for:		
Depreciation	60,910	68,332
Interest expense	144,329	29,760
Foreign exchange	72,816	8,169
Changes in non-cash working capital items:		
Amounts receivable	25	(302)
GST receivable	3,820	(4,528)
Prepaid expenses and deposits	(2,279)	(104,397)
Accounts payable and accrued liabilities	977,623	834
Net cash used in operating activities	(283,094)	(881,374)
Investing activities		
Exploration and evaluation asset expenditures	(355,049)	(849,945)
Net cash used in investing activities	(355,049)	(849,945)
Financing activities		
Issuance of common shares	-	1,122,537
Share issue costs	-	(6,362)
Share subscriptions received	-	500,000
Advances received	936,810	540,856
Advances repaid	(300,208)	(460,602)
Net cash provided by financing activities	636,602	1,696,429
Net change in cash	(1,541)	(34,890)
Cash at beginning of period	49,236	177,745
Cash at end of period	47,695	142,855

Supplemental Cash Flow Information - see Note 11

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

1. Nature of Operations and Going Concern

Salazar Resources Limited (the "Company") was incorporated on July 23, 1987 under the provisions of the Company Act (British Columbia). The Company is listed and traded on the TSX Venture Exchange ("TSXV") under the symbol "SRL". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 Canada.

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of mineral properties located in Latin America. On the basis of information to date, the Company has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. Exploration and evaluation assets represent costs incurred to date, less amounts depreciated and/or written off, and do not necessarily represent present or future values.

The Company's material mineral properties are located in Ecuador and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

These condensed consolidated interim financial statements have been prepared on a going concern basis. As at September 30, 2015 the Company had a working capital deficit of $2,987,002 and an accumulated deficit of $21,462,412. The Company has not yet produced any revenues from its resource interests and further funds will be required to fund existing levels of overhead, planned exploration expenditures and property payments over the course of the next twelve months. In addition, exploration activities may change due to ongoing results and recommendations, or the Company may acquire additional properties, which may entail significant funding or exploration commitments. In the immediate term the Company's ability to continue as a going concern is dependent upon continued financial support from existing shareholders and creditors. In addition the Company will need to raise additional capital from the sale of common shares or other equity or debt instruments. If the Company is unable to raise the necessary capital and generate sufficient cash flows to meet obligations as they come due, the Company may have to reduce or curtail its operations or obtain financing at unfavourable terms. The material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. Furthermore, failure to continue as a going concern would require the Company's assets and liabilities be restated on a liquidation basis which would differ significantly from the going concern basis. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

See also Note 6.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"), and its interpretations, using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2014, which have been prepared in accordance with IFRS as issued by the IASB and interpretations of the IFRS Interpretations Committee ("IFRIC"). The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended December 31, 2014.

Basis of Measurement

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

(Unaudited - Expressed in Canadian Dollars)

3. Subsidiaries

The subsidiaries of the Company are as follows:

Company	Location	Ownership Interest
Curimining S.A.	Ecuador	100%
Perforaciones Andesdrill S.A.	Ecuador	100%
Mariana S.A. Comador	Ecuador	100%
Salazar Resources (BVI) Limited	British Virgin Islands	100%
Mataje Colombia S.A.	Colombia	100%
Exploruminahui S.A.	Ecuador	100%

4. Investment

	September 30, 2015			
	Number of Shares	Cost $	Accumulated Unrealized Loss on Available-for-Sale Investment $	Carrying Value $
Batero Gold Corp. ("Batero")	43,500	21,750	(18,705)	3,045

	December 31, 2014			
	Number of Shares	Cost $	Accumulated Unrealized Loss on Available-for-Sale Investment $	Carrying Value $
Batero	43,500	21,750	(17,835)	3,915

As at September 30, 2015 the quoted market value of the Batero common shares was $3,045 (December 31, 2014 - $3,915).

5. Property, Plant and Equipment

Cost:	Land $	Drill Rig and Equipment $	Other $	Total $
Balance at December 31, 2013 and 2014	93,299	861,004	329,148	1,283,451
Disposal	-	-	(21,412)	(21,412)
Balance at September 30, 2015	93,299	861,004	307,736	1,262,039
Accumulated Depreciation and Impairment:				
Balance at December 31, 2013	-	(431,004)	(306,169)	(737,173)
Depreciation	-	(106,342)	(2,533)	(108,875)
Balance at December 31, 2014	-	(537,346)	(308,702)	(846,048)
Depreciation	-	(58,699)	(2,211)	(60,910)
Disposal	-	-	21,412	21,412
Balance at September 30, 2015	-	(596,045)	(289,501)	(885,546)

(Unaudited - Expressed in Canadian Dollars)

5. Property, Plant and Equipment (continued)

Carrying Value:	Land $	Drill Rig and Equipment $	Other $	Total $
Balance at December 31, 2014	93,299	323,658	20,446	437,403
Balance at September 30, 2015	93,299	264,959	18,235	376,493

6. Exploration and Evaluation Assets

	As at September 30, 2015			As at December 31, 2014		
	Acquisition Costs $	Deferred Exploration Costs $	Total $	Acquisition Costs $	Deferred Exploration Costs $	Total $
Ecuador						
Curipamba	4,004,880	14,073,095	18,077,975	3,718,949	13,927,808	17,646,757
Ruminahui	509,225	99,706	608,931	505,309	99,706	605,015
Santiago	317,599	101,109	418,708	296,950	93,550	390,500
Mendez	541,937	178,953	720,890	540,758	178,953	719,711
	5,373,641	14,452,863	19,826,504	5,061,966	14,300,017	19,361,983
Colombia						
Other	233,752	-	233,752	233,752	-	233,752
	5,607,393	14,452,863	20,060,256	5,295,718	14,300,017	19,595,735

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (continued)

	Ecuador				Colombia	
	Curipamba $	**Ruminahui** $	**Santiago** $	**Mendez** $	**Other** $	**Total** $
Balance at December 31, 2013	16,663,933	592,095	368,458	663,656	233,752	18,521,894
Exploration costs						
Camp supervision and personnel	189,716	-	-	-	-	189,716
Camp supplies	19,714	-	-	-	-	19,714
Depreciation	37,416	-	-	-	-	37,416
Environmental studies	16,596	-	-	-	-	16,596
Exploration site	34,596	-	-	-	-	34,596
Fuel	829	-	-	-	-	829
Preliminary economic assessment	118,763	-	-	-	-	118,763
Supplies	6,123	-	-	-	-	6,123
Travel and mobilization	8,067	-	-	-	-	8,067
Vehicles repairs and maintenance	7,262	-	-	-	-	7,262
Water and soil sampling	4,224	-	-	-	-	4,224
	443,306	-	-	-	-	443,306
Acquisition costs						
Property / concession payments	539,518	12,920	22,042	56,055	-	630,535
Balance at December 31, 2014	17,646,757	605,015	390,500	719,711	233,752	19,595,735
Exploration costs						
Camp supervision and personnel	108,544	-	-	-	-	108,544
Camp supplies	7,271	-	-	-	-	7,271
Environmental studies	3,764	-	-	-	-	3,764
Exploration site	13,116	-	7,559	-	-	20,675
Supplies	3,076	-	-	-	-	3,076
Travel and mobilization	3,870	-	-	-	-	3,870
Water and soil sampling	5,646	-	-	-	-	5,646
	145,287	-	7,559	-	-	152,846
Acquisition costs						
Property / concession payments	285,931	3,916	20,649	1,179	-	311,675
Balance at September 30 , 2015	18,077,975	608,931	418,708	720,890	233,752	20,060,256

(a) *Ecuador*

The Company has previously filed the 2015 work program with the Ecuadorian government showing budgeted expenditures of approximately US $1,000,000 on the Company's Ecuadorian mineral properties. The Company is seeking to amend the work program submitted as it has been unable to obtain funding to implement the submitted work program. The Company is confident an amendment to the 2015 work program will be negotiated. However, should the Company be unable to negotiate an amendment ramifications could include a fine for the shortfall in the work program costs and/or termination of certain of the Company's concession holdings. The Company was deficient in its 2015 work program costs for all of its Ecuadorian properties.

The Company holds interests in the following properties in Ecuador:

(i) Curipamba Project

The Company owns a 100% interest in seven concessions located in the provinces of Bolivar and Los Rios, Ecuador.

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets (continued)

(ii) Ruminahui Project

The Company owns a 100% interest in two concessions located in the province of Pichincha, Ecuador. One concession, the Moncayo concession, is being acquired pursuant to an option agreement. As at September 30, 2015 there remains US $50,000 of option payments outstanding.

(iii) Santiago Concession

The Company holds a 100% interest in a concession (the "Santiago Concession") located in the province of Loja, Ecuador. The Santiago Concession is subject to a 1.5% net smelter return royalty ("NSR"). The Company may purchase a 0.75% NSR upon payment of US $850,000.

(iv) Mendez Project

The Company owns a 100% interest in two concessions in the province of Morona Santiago, Ecuador.

(b) *Colombia*

The Company holds mineral concessions and has applied for additional concessions located in the department of Narino, Colombia. The Company is awaiting government approval.

7. Advances

	September 30, 2015 $	December 31, 2014 $
Non-interest bearing advances (a)	101,134	85,128
Interest bearing advances (b)	510,817	286,195
Promissory notes (c)	468,790	-
	1,080,741	371,323

(a) The Company has received ongoing advances from a private corporation controlled by the President and the CFO of the Company. During the nine months ended September 30, 2015 the Company received advances of US $121,740 (fiscal 2014 US $221,600) and repaid US $ 119,613 (fiscal 2014 - US $148,220). The advances are non-interest bearing with no fixed terms of repayment.

(b) The advances, comprising US and Canadian dollar amounts, bear interest at 10% per annum and have no fixed terms of repayment. During the nine months ended September 30, 2015 the Company received ongoing advances of $341,680 (fiscal 2014 - $540,856) and repaid advances of $151,682 (fiscal 2014 - $459,067). In addition, the Company recorded interest expense of $36,352 (2014 - $29,760). As at September 30, 2015 interest of $78,724 (December 31, 2014 - $37,685) was unpaid.

The advances are due to a private corporation controlled by family members of the President of the Company and private corporations controlled or affiliated with a director of the Company.

(c) During March 2015 the Company received US $350,000 and on May 1, 2015 issued promissory notes (the "Promissory Notes") and 4,038,417 non-transferable share purchase warrants. The Promissory Notes are unsecured, bear interest at 12% per annum, and are scheduled to mature on March 31, 2016. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.11 per share on or before May 1, 2016.

7. Advances (continued)

The fair value of the warrants issued was estimated using the the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate 0.72%; estimated volatility 101%; expected life 1 year; expected dividend yield 0%; and estimated forfeiture rate 0%. The value assigned to the warrants was $80,768 and has been recorded in interest expense.

During the nine months ended September 30, 2015 the Company recorded interest expense of $27,209. As at September 30, 2015 interest of $28,711 was unpaid.

8. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Equity Financings*

No financings were completed during the nine months ended September 30, 2015.

During fiscal 2014 the Company completed private placement financings as follows:

(i) On June 5, 2014 the Company completed a first-tranche closing of a non-brokered private placement financing of 4,247,943 units of the Company at $0.22 per unit for $934,547. On July 18, 2014 the Company completed a final closing of the private placement and issued 854,500 units for $187,990. Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of $0.35 per share for a period of eighteen months from the dates of closing.

Officers and a private corporation controlled by family members of the President of the Company purchased a total of 1,995,670 units of this private placement.

The Company incurred $6,362 for filing fees associated with this private placement.

(ii) On October 24, 2014 the Company completed a private placement financing for 2,272,727 units, at a price of $0.22 per unit, for $500,000. Each unit consisted of one common share of the Company and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share of the Company at a price of $0.35 per share expiring April 24, 2016. A finder's fee of $30,000 is payable and has been included in accounts payable and accrued liabilities as at September 30, 2015.

The Company incurred $3,251 for filing fees associated with this private placement.

(Unaudited - Expressed in Canadian Dollars)

8. Share Capital (continued)

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at September 30, 2015 and 2014 and the changes for the nine months ended on those dates is as follows:

	2015		2014	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning of period	4,965,122	0.35	7,860,265	0.47
Issued	4,038,417	0.11	2,551,221	0.35
Expired	(1,277,538)	0.35	(4,310,000)	0.61
Balance, end of period	7,726,001	0.22	6,101,486	0.35

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at September 30, 2015:

Number	Exercise Price $	Expiry Date
2,123,971	0.35	November 6, 2015
427,250	0.35	January 18, 2016
1,136,363	0.35	April 24, 2016
4,038,417	0.11	May 1, 2016
7,726,001		

On November 6, 2015 the warrants to purchase 2,123,971 common shares of the Company at an exercise price of $0.35 per share expired.

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of five years.

No share options were granted during the nine months ended September 30, 2015 and 2014.

A summary of the Company's share options at September 30, 2015 and 2014 and the changes for the nine months ended on those dates, is as follows:

	2015		2014	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of period	-	-	967,500	1.04
Expired	-	-	(967,500)	1.04
Balance, end of period	-	-	-	-

(Unaudited - Expressed in Canadian Dollars)

9. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

During the nine months ended September 30, 2015 and 2014 the following amounts were incurred with respect to the President and the Chief Financial Officer ("CFO") of the Company:

	2015 $	2014 $
Salaries	141,750	118,184
Health benefits	6,390	5,550
	148,140	123,734

As at September 30, 2015, $264,546 (2014 - $22,989) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

(i) During the nine months ended September 30, 2015 and 2014 the following amounts were incurred with respect non-executive directors of the Company:

	2015 $	2014 $
Consulting	96,387	83,720

As at September 30, 2015, $301,365 (2014 - $137,077) remained unpaid and has been included in accounts payable and accrued liabilities.

(ii) During the nine months ended September 30, 2015 the Company incurred a total of $18,200 (2014 - $27,200) to Chase Management Ltd. ("Chase"), a private corporation owned by a director of the Company, for accounting and administration services provided by Chase personnel, excluding the director. As at September 30, 2015, $3,000 (2014 - $8,000) remained unpaid and has been included in accounts payable and accrued liabilities.

(c) See also Notes 7 and 8(b).

10. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following five categories: fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; available-for-sale and other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

(Unaudited - Expressed in Canadian Dollars)

9. Related Party Disclosures (continued)

Financial Instrument	Category	September 30, 2015 $	December 31, 2014 $
Cash	FVTPL	47,695	49,236
Amounts receivable	Loans and receivables	1,276	1,301
Investment	Available-for-sale	3,045	3,915
Accounts payable and accrued liabilities	Other financial liabilities	(1,911,067)	(830,161)
Accrued interest payable	Other financial liabilities	(107,435)	(37,685)
Advances	Other financial liabilities	(1,080,741)	(371,323)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable, accounts payable and accrued liabilities, accrued interest payable and advances approximate their fair value due to their short-term nature. The Company's cash and investment under the fair value hierarchy are measured using Level 1 inputs.

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

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

10. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at September 30, 2015				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	47,695	-	-	-	47,695
Amounts receivable	1,276	-	-	-	1,276
Investment	-	-	3,045	-	3,045
Accounts payable and accrued liabilities	(1,386,067)	(525,000)	-	-	(1,911,067)
Accrued interest payable	(107,435)	-	-	-	(107,435)
Advances	(1,080,741)	-	-	-	(1,080,741)

	Contractual Maturity Analysis at December 31, 2014				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	49,236	-	-	-	49,236
Amounts receivable	1,301	-	-	-	1,301
Investment	-	-	3,915	-	3,915
Accounts payable and accrued liabilities	(830,161)	-	-	-	(830,161)
Accrued interest payable	(37,685)	-	-	-	(37,685)
Advances	(371,323)	-	-	-	(371,323)

Market Risk

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

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company's significant subsidiary is located in Ecuador which has adopted the US Dollar as its currency. The Company also maintains cash deposits in US Dollars with its Canadian bank. As such, the fluctuation of the Canadian Dollar in relation to the US Dollar will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks. At September 30, 2015, 1 Canadian Dollar was equal to 0.75 US Dollar.

Balances are as follows:

	US $	CDN $ Equivalent
Cash	15,974	21,298
Amounts receivable	953	1,276
Accounts payable and accrued liabilities	(1,256,215)	(1,678,837)
Accrued interest payable	(57,415)	(76,553)
Advances	(694,894)	(926,526)
	(1,991,597)	(2,659,342)

(Unaudited - Expressed in Canadian Dollars)

10. Financial Instruments and Risk Management (continued)

Based on the net exposures as of September 30, 2015 and assuming that all other variables remain constant, a 10% fluctuation on the Canadian Dollar against the US Dollar would result in the Company's net loss being approximately $241,000 higher (or lower).

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain development of the business. The Company defines capital that it manages as share capital and cash. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

11. Supplemental Cash Flow Information

During the nine months ended September 30, 2015 and 2014 non-cash activities were conducted by the Company as follows:

	2015 $	2014 $
Operating activities		
Depreciation	-	28,062
Accounts payable and accrued liabilities	109,472	202,748
	109,472	230,810
Investing activity		
Exploration and evaluation assets	(109,472)	(230,810)

12. Segmented Information

The Company operates in one reportable segment, the exploration and development of unproven exploration and evaluation assets. As at September 30, 2015 and December 31, 2014 the Company's exploration and evaluation assets are located in Ecuador and Colombia and its corporate assets are located in Canada.

	September 30, 2015			
	Corporate Canada $	Mineral Operations Ecuador $	Mineral Operations Colombia $	Total $
Current assets	54,422	57,819	-	112,241
Investment	3,045	-	-	3,045
Property, plant and equipment	-	376,493	-	376,493
Exploration and evaluation assets	-	19,826,504	233,752	20,060,256
	57,467	20,260,816	233,752	20,552,035

(Unaudited - Expressed in Canadian Dollars)

12. Segmented Information (continued)

	December 31, 2014			
	Corporate Canada $	Mineral Operations Ecuador $	Mineral Operations Colombia $	Total $
Current assets	67,434	47,914	-	115,348
Investment	3,915	-	-	3,915
Property, plant and equipment	-	437,403	-	437,403
Exploration and evaluation assets	-	19,361,983	233,752	19,595,735
	71,349	19,847,300	233,752	20,152,401