MARITIME RESOURCES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended
June 30, 2016
(Expressed in Canadian Dollars)
(Unaudited)

MARITIME RESOURCES CORP.

Notice

Notice of No Auditor Review of the Condensed Interim Financial Statements

The accompanying unaudited condensed interim financial statements of Maritime Resources Corp. (“the Company”), for the six months ended June 30, 2016 have been prepared by management and have not been the subject of a review by the Company’s independent auditor.

MARITIME RESOURCES CORP.

Condensed Interim Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited - Prepared by Management)

	Note	June 30, 2016 ($)	December 31, 2015 ($)
Assets			
Current assets			
Cash	6	264,574	2,119
Receivables	7	9,050	7,038
Prepaid expenses		17,063	-
		290,687	9,157
Exploration and evaluation assets	8	5,064,295	4,924,533
		5,354,982	4,933,690
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	9, 14	238,454	368,366
Loans	10, 14	330,000	355,000
		568,454	723,366
Shareholders' Equity			
Capital Stock	12	6,807,268	6,088,885
Shares allotted but not issued	12	60,025	-
Warrants	13	129,360	-
Share-based payments reserve	12	465,210	462,734
Royalty reserve	12	65,700	-
Deficit		(2,741,035)	(2,341,295)
		4,786,528	4,210,324
		5,354,982	4,933,690

See accompanying notes to the financial statements.

Nature of operations and going concern (note 1)

Subsequent events (note 15)

Approved on behalf of the Board:

"Douglas Fulcher"
………………………………………………… Director
Douglas Fulcher

"Allan Williams"
………………………………………………… Director
Allan Williams

MARITIME RESOURCES CORP.

Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited -- Prepared by Management)

	Note	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2016	**2015**	**2016**	**2015**
		($)	**($)**	**($)**	**($)**
Expenses					
Administration		85,373	17,800	125,243	42,639
Consulting	14	46,400	23,400	76,800	46,800
Directors' fees	14	22,500	-	45,000	-
Financing expense and interest on loans payable	10	8,392	15,999	17,242	31,821
Investor relations and promotion		87,334	16,674	114,597	44,798
Professional fees		23,500	14,684	18,382	30,634
Share-based payments	12	1,264	130	2,476	27,163
		(274,763)	**(88,687)**	**(399,740)**	**(223,855)**
Loss and Comprehensive Loss for the Period		**(274,763)**	**(88,687)**	**(399,740)**	**(223,855)**
Loss Per Share - basic and diluted		(0.007)	(0.002)	(0.010)	(0.006)
Weighted Average Number of Common Shares Outstanding		# 41,163,729	# 35,867,795	# 40,885,542	# 35,867,795

See accompanying notes to the financial statements.

MARITIME RESOURCES CORP.

Condensed Interim Statements of Cash Flows

For the Six Months Ended June 30

(Expressed in Canadian Dollars)

(Unaudited -- Prepared by Management)

	2016 ($)	2015 ($)
Operating Activities		
Loss for the period	(399,740)	(223,855)
Items not involving cash:		
Share-based payments	2,476	27,163
Financing expense and interest accrued on loan payable	17,242	31,821
	(380,022)	(164,871)
Changes in non-cash working capital:		
Receivables	(2,012)	1,483
Prepaid expenses	(17,063)	3,209
Advance	-	8,500
Accounts payable and accrued liabilities	(145,840)	60,736
	(164,914)	73,928
Cash Used in Operating Activities	(544,936)	(90,943)
Investing Activities		
Exploration and evaluation expenditures	(139,762)	(80,648)
Cash Used in Investing Activities	(139,762)	(80,648)
Financing Activities		
Repayment of loan	(25,000)	-
Interest paid	(1,315)	-
Securities issued for cash	985,500	-
Shares allotted but unissued	60,025	25,000
Share issuance costs	(72,057)	-
Cash Provided by Financing Activities	947,153	25,000
Change in cash for the Period	262,455	(146,591)
Cash, Beginning of Period	2,119	155,709
Cash, End of Period	264,574	9,118
Fair value of broker warrants	64,360	-
Exploration and evaluation assets included in accounts payable and accrued liabilities	22,050	27,865

See accompanying notes to the financial statements.

MARITIME RESOURCES CORP.

Condensed Interim Statements of Changes in Shareholders Equity

(Expressed in Canadian Dollars)

(Unaudited-- Prepared by Management)

	Note	Capital Stock Shares (#)	Capital Stock Amount	Shares Allotted but not Issued	Royalty Reserve	Warrants	Share-based Payments Reserve	Deficit	Total Shareholders' Equity
		(#)	($)	($)	($)	($)	($)	($)	($)
Balance, December 31, 2014		**35,867,795**	**6,082,485**	**-**	**-**	**6,400**	**574,498**	**(1,961,907)**	**4,701,476**
Loss for the period		-	-	-	-	-	-	(223,855)	(223,855)
Received for shares allotted but not issued		-	25,000	-	-	-	-	-	25,000
Warrants expired		-	6,400	-	-	(6,400)	-	-	-
Non-cash transactions									
Share-based payments		-	-	-	-	-	27,163	-	27,163
Balance, June 30, 2015		**35,867,795**	**6,113,885**	**-**	**-**	**-**	**601,661**	**(2,185,762)**	**4,529,784**
Loss for the period		-	-	-	-	-	-	(453,220)	(453,220)
Received for shares allotted but not issued		-	(25,000)	-	-	-	-	-	(25,000)
Warrants expired		-	-	-	-	-	-	-	-
Share-based payments		-	-	-	-	-	158,760	-	158,760
Transfer of share-based payments expired		-	-	-	-	-	(297,687)	297,687	-
Balance, December 31, 2015		**35,867,795**	**6,088,885**	**-**	**-**	**-**	**462,734**	**(2,341,295)**	**4,210,324**
Loss for the period		-	-	-	-	-	-	(399,740)	(399,740)
Shares and warrants issued upon private placements	12	6,570,000	985,500	-	-	-	-	-	985,500
Share issuance cost		-	(136,417)	-	-	64,360	-	-	(72,057)
Warrants		-	(65,000)	-	-	65,000	-	-	-
Royalty reserve		-	(65,700)	-	65,700	-	-	-	-
Received for shares allotted but not issued		-	-	60,025	-	-	-	-	60,025
Share-based payments		-	-	-	-	-	2,476	-	2,476
Balance, June 30, 2016		**42,437,795**	**6,807,268**	**60,025**	**65,700**	**129,360**	**465,210**	**(2,741,035)**	**4,786,528**

See accompanying notes to the financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Maritime Resources Corp. (the "Company" or "Maritime") was incorporated under the *Business Corporations Act* (British Columbia) on May 14, 2007. The principal activities of the Company are the exploration of resource properties in Green Bay, Newfoundland and Labrador, Canada. The Company is considered to be in the exploration stage.

The address of the Company's corporate office and principal place of business is Suite 615 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

These condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of, participation in or interest in new properties, assets or business opportunities, and raise additional funds by way of equity financings. Any acquisition may be subject to shareholder and regulatory approval and obtaining the necessary financing. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations may be impaired. The available funds are insufficient to continue operations for the ensuing year. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be successful in doing so in the future. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting,* as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical basis, using the accrual basis of accounting except for cash flow information. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company's audited financial statements as at and for the year ended December 31, 2015. Accordingly accounting policies applied are the same as those applied in the Company's annual audited financial statements which are filed on SEDAR at www.sedar.com.

These financial statements were authorized for issue by the Board of Directors on August 16, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the historical cost basis, except for financial instruments which are stated at fair value. Accounting policies applied are the same as those applied in the Company's annual audited financial statements.

(a) Use of estimates and judgment

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical judgments exercised in the application of accounting policies and estimates having the most significant effects on the amounts recognized in these financial statements include:

Economic recoverability and profitability of future economic benefits of exploration and evaluation assets – Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits, including geological and other technical information, a history of conversion of mineral deposits with similar characteristics to its properties, evaluation of permitting and environmental issues and other such factors.

Valuation of share-based payments, agent compensation and finders' warrants – The Company uses the Black-Scholes Pricing Model for valuation of *share*-based payments, agent compensation and finders' warrants, which requires the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's results and equity reserves.

Income taxes – In assessing the probability of realizing deferred tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax position taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

While management believes that these estimates are reasonable, actual results could differ from those estimates and could impact future results of operation and cash flows.

(b) Functional and presentation currency

The Company's functional and presentation currency is the Canadian dollar.

(c) Segmented information

The Company has one operating segment, mineral exploration and development, and operates in one geographical segment, being Canada.

(d) Exploration and evaluation assets ("E&E")

Once the legal right to explore a property has been obtained, costs directly related to E&E expenditures are recognized and capitalized, in addition to the acquisition costs, net of recoveries, on a property-by-property basis. These direct expenditures include such costs as materials used, surveying costs, drilling costs and payments made to contractors during the exploration phase. Costs not directly attributable to E&E activities, including general administrative overhead costs, are expensed in the period in which they occur.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments and government assistance are recorded as property costs or recoveries when the payments are made or received.

If economically recoverable ore reserves are developed, capitalized costs of the related property will be reclassified as mining assets and will be amortized using the unit-of-production method. When a property is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of the project are deemed to be impaired. As a result those E&E costs, in excess of estimated recoveries, are written off to profit or loss.

The Company assesses E&E assets for impairment at each statement of financial position date or whenever facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. A cash-generating unit is the smallest identifiable group of E&E assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Although the Company has taken steps to verify title to the properties in which it has an interest in accordance with industry standards for properties in the exploration stage, these procedures do not guarantee that title to the properties will not be challenged or impugned. Property title may be affected by undetected defects, be subject to unregistered prior agreements, transfers or land claims, or be non-compliant with regulatory requirements.

(e) Adoption of new IFRS pronouncements

The adoption of the following new IFRS pronouncements did not have an effect on the Company's financial statements:

- IAS 36, "Impairment of Assets" is effective for annual periods beginning on or after July 1, 2014.

- IFRS 7, "Financial Instruments: Disclosures" (amendments) is effective for annual periods beginning on or after January 1, 2016.

- IAS 32, "Financial Instruments: Presentation" was adopted by the Company on January 1, 2014. IAS 32 applies to the offsetting of financial assets and financial liabilities.

- IFRS 10, "Exception from Consolidation for "Investment Entities"" in conjunction with IFRS 12 and IAS 27, was adopted by the Company on January 1, 2014. IFRS 10 amends the definition of "Investment Entity" and introduces and an exception from consolidation for investment entities. IFRS 12 and IAS 27 are amended to introduce disclosures required by an investment entity.

- IFRS 14, "Regulatory Deferral Accounts" is effective for annual periods beginning on or after January 1, 2016.

(f) New accounting standards not yet adopted

- IFRS 15, "Revenue from Contracts with Customers" is effective for annual periods beginning on or after January 1, 2017.

- IFRS 9, "Financial Instruments: Classification and Measurement" is effective for annual periods beginning on or after January 1, 2018.

The Company is currently evaluating the impact of these new and amended standards on its financial statements. The impact is not expected to have a material impact on the statements of financial position or results of operations.

4. FINANCIAL INSTRUMENTS

The Company has classified its cash as FVTPL (using level 1 of the fair value hierarchy); receivables (excluding tax arrangements) as loans and receivables; and accounts payable and accrued liabilities and loans as other financial liabilities.

The carrying values of cash, accounts receivables and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

5. FINANCIAL RISK MANAGEMENT

(a) Credit risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to its cash, restricted cash and receivables, other than Goods and Services Tax ("GST"). The maximum exposure to loss arising from accounts receivable is equal to their carrying amounts.

The Company manages credit risk with respect to its cash by maintaining demand deposits with a major Canadian financial institution; however, this exposes the Company's cash to concentration of credit risk as all amounts are held at a single institution.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company is exposed to liquidity risk.

(c) Market risk

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

(i) Interest rate risk

Interest rate risk consists of two components:

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

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

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to foreign currency risk as its monetary assets and liabilities are denominated in Canadian dollars.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

There were no changes in the Company's approach to managing the above risks.

(Expressed in Canadian Dollars)

6. CASH

		June 30, 2016		December 31, 2015
Cash	$	264,574	$	2,119

7. RECEIVABLES

		June 30, 2016		December 31, 2015
GST receivable	$	9,050	$	7,038

8. EXPLORATION AND EVALUATION ASSETS

Expenditures incurred on the Company's 100% owned Green Bay Property, located in central Newfoundland, during the periods ended June 30, 2016 and December 31, 2015 follow:

		June 30, 2016		December 31, 2015
Balance at the beginning of the period	$	4,924,533	$	4,798,178
Exploration costs:				
Drilling		1,950		3,900
Geology and report writing		82,562		113,741
Property		55,250		34,542
Other		-		2,110
		139,762		154,293
Less:				
Recoveries & Grants		-		(27,938)
Net additions		139,762		126,355
Balance at the end of the period	**$**	**5,064,295**	**$**	**4,924,533**

Recoveries and Grants:

- On May 7, 2015 the Company received $19,938 pursuant to an application made with the Newfoundland and Labrador government in respect of the Newfoundland and Labrador Mineral Incentive Junior Exploration Assistance Program ("JEAP") grant for exploration conducted during 2014.

- On December 8, 2015, the Company disposed of equipment to a party related by virtue of common officership, for total proceeds of $8,000, which funds were returned to the purchaser on June 23, 2016 on return of the equipment to the Company.

(Expressed in Canadian Dollars)

During 2010, the Company acquired a 50% initial interest in the Green Bay mineral property in Newfoundland, Canada, by way of issuance of 12,000,000 shares at a fair value of $0.18 per share, and legal, listing fees and other costs of $64,563, for total consideration of $2,224,563.

On January 31, 2012, the Company exercised its option to acquire the remaining 50% interest in the Green Bay property from a significant shareholder, through the issuance of an additional 5,000,000 common shares at $0.20 per share for total consideration of $1,000,000, such that the Company owns a 100% interest in the property, subject to a 2% net smelter return royalty on future production from the property with the exception of production from the Orion deposit.

On May 9, 2016 the Company announced that it had entered into an Engineering, Evaluation and Services Agreement ("Agreement") with Rambler Metals and Mining PLC ("Rambler") to evaluate the economic potential of re-opening the past producing Hammerdown gold mine.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		June 30, 2016		December 31, 2015
Accounts payable	$	(61,974)	$	12,882
Accrued liabilities		106,500		85,880
Interest payable [(1)]		48,721		32,793
Due to related parties (note 14)		145,207		236,811
	$	238,454	$	368,366

(1) Included in interest payable at June 30, 2016 is $20,863 (December 31, 2015 is $14,535) due to related parties (Note 14(b))

10. LOANS

2014 Notes	On December 15, 2014, the Company completed loan arrangements by way of promissory notes for total proceeds of $275,000. The 2014 Notes, subsequently amended, mature on November 14, 2016 and bear interest of 10% per annum. In connection with the 2014 Notes, the Company, as a bonus to the lenders, issued in the aggregate 366,665 common shares at a total fair value of $41,333, which transaction cost was amortized and expensed over the term of the loan.
2015 Notes #1	On June 18, 2015, the Company completed loan arrangements by way of promissory notes for total proceeds of $12,500 (2015 Notes #1). The 2015 Notes #1 matured on June 18, 2016 and bear interest of 10% per annum. The 2015 Notes #1 are unsecured and in default; however, no demand for repayment has been made.
2015 Notes #2	On June 18, 2015, the Company completed loan arrangements by way of promissory notes for total proceeds of $12,500("2015 Notes #2"). The 2015 Notes #2 matured on June 18, 2016 and bear interest of 10% per annum. The 2015 Notes #2 are unsecured and in default; however, no demand for repayment has been made.

(Expressed in Canadian Dollars)

2015 Notes #3	On October 8, 2015, the Company completed a loan arrangement by way of a promissory note for total proceeds of $30,000 (“2015 Notes #3”). The 2015 Notes #3 mature on October 8, 2016 and bear interest of 10% per annum.
2015 Notes #4	On October 15, 2015, the Company completed a loan arrangement by way of a promissory note for total proceeds of $25,000 (“2015 Notes #4”). The 2015 Notes #4 mature on October 15, 2016 and bear interest of 10% per annum. On April 24, 2016, the 2015 Notes #4, including interest of $1,315, was settled.

	Principal ($)		Value of bonus shares ($)	Amortized values of bonus shares ($)	Principle (net of unamortized value of bonus shares) ($)	Interest payable ($)	Total ($)
2014 Notes	275,000	(1)	(41,333)	41,333	**275,000**	43,945	**318,945**
2015 Notes #1	12,500	(2)	-	-	**12,500**	1,295	**13,795**
2015 Notes #2	12,500		-	-	**12,500**	1,295	**13,795**
2015 Notes #3	30,000		-	-	**30,000**	2,186	**32,186**
	330,000		**(41,333)**	**41,333**	**330,000**	**48,721**	**378,721**

(1) $125,000 provided by parties related to the company
(2) $12,500 provided by parties related to the company

11. CAPITAL MANAGEMENT

The Company defines capital as all components of shareholders’ equity and debt obligations. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company’s business. The Company does not pay dividends and is not subject to any externally imposed capital requirements.

The Company raises capital through the issuance of its share capital and promissory notes to fund operations, and the identification and evaluation of exploration assets. Although the Company has been successful at raising funds in the past through issuance of common shares, there can be no assurance that it will continue to be able to do so in the future.

There were no changes to the Company’s approach to capital management during the period ended June 30, 2016. The Company is not subject to any externally imposed capital restrictions.

12. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value

(b) Issued

I. November 5, 2015: Private Placement (Offering)

On November 5, 2015 the Company announced a private placement coupled with streaming royalties, to raise up to $1,500,000 (the "Offering") by way of non-brokered private placement of units ("Equity Units") coupled with a streaming Royalty ("Royalty Units") that will return 100% of the original investment made pursuant to the Offering to investors, which streaming Royalty is to be paid out of production from the Company's Green Bay project ("Project"). As a condition of the Offering, all participants acquiring Equity Units will be required to acquire an equal number of Royalty Units, at a total combined price of $0.15. The Offering is comprised of up to 10,000,000 Equity Units at $0.14 per Equity Unit, with each Equity Unit consisting of one common share and on half of one non-transferable share purchase warrant ("Warrant"). Each whole Warrant attached to the Equity Units will entitle the holder to purchase one additional common share at a price of $0.20 per common share for 36 months following closing. The Royalty Units will have a price of $0.01 per Royalty Unit, and, subject to written consent of the Company, may be assigned or transferred in their entirety only. Total royalties payable from the Royalty Units ("Royalty Payment") will be capped at an amount equal to 100% of the total Offering, with Royalty Payments being made annually beginning on the first anniversary of the date of commencement of commercial production for the Project. Royalty Payments will be funded solely from 10% of annual net cash flow from the Project, with net cash flow representing net production revenues realized from the Project after deduction all Project operating and debt servicing costs. At the option of the Company, Royalty Payments will be paid either in cash or in gold. Finders' fees in cash or Equity Units together with Finder/Broker Warrants, which will have the same terms as the Warrants attached to the Equity Units, may be payable on a portion of the placement to finders or brokers who assist in the placement, in accordance with applicable securities laws.

The first tranche closed on February 12, 2016 for gross proceeds of $195,000, pursuant to which the Company issued the following:

- 1,300,000 common shares
- Warrants allowing for the purchase up to, in the aggregate, 650,000 common shares at $0.20 per common share until February 12, 2019
- 1,300,000 Royalty Units

In connection with the Offering, finders' fees of $14,625 were paid and 97,500 finders' warrants ("Broker Warrants") were issued, with the Brokers Warrants having the same terms as the Warrants.

II. April 18, 2016: Private Placement (Second Offering)

On April 18, 2016, the Company announced a second private placement coupled with streaming royalties, to raise up to $2,000,000 (the "Second Offering") by way of non-brokered private placement of units ("Second Equity Units") coupled with a streaming Royalty ("Second Royalty Units") that will return 100% of the original investment made pursuant to the Second Offering to investors, which streaming Royalty is to be paid out of production from the Project. As a condition of the Offering, all participants acquiring Second Equity Units will be required to acquire an equal number of Second Royalty Units, at a total combined price of $0.15. The Second Offering is comprised of up to 13,500,000 Second Equity Units at $0.14 per Second Equity Unit, with each Second Equity Unit consisting of one common share and on half of one non-transferable share purchase warrant ("Second Warrant"). Each whole Second Warrant attached to the Second Equity Units will entitle the holder to purchase one additional common share at a price of $0.20 per common share for 36 months following closing. The Second Royalty Units will have a price of $0.01 per Second Royalty Unit, and, subject to written consent of the Company, may be assigned or transferred in their entirety only. Total royalties payable from the Second Royalty Units ("Second Royalty Payment") will be capped at an amount equal to 100% of the total Second Offering, with Second Royalty Payments being made annually beginning on the first anniversary of the date of commencement of commercial production for the Project. Second Royalty Payments will be funded solely from 10% of annual net cash flow from the Project, with net cash flow representing net production revenues realized from the Project after deduction all Project operating and debt servicing costs. At the option of the Company, Second Royalty Payments will be paid either in cash or in gold. Finders' fees in cash or Second Equity Units together with finder/broker Warrants ("Finder/Broker Warrants"), which will have the same terms as the Second Warrants attached to the Second Equity Units, may be payable on a portion of the placement to finders or brokers who assist in the placement, in accordance with applicable securities laws.

On April 22, 2016, the Company closed a portion of the Second Offering, for gross proceeds of $790,500, pursuant to which it issued the following:

- 5,270,000 common shares
- Second Warrants allowing for the purchase up to, in the aggregate, 2,635,000 common shares at $0.20 per common share until April 22, 2019
- 5,270,000 Second Royalty Units

In connection with this closed portion of the Second Offering, finders' fees of $57,431 were paid and 382,875 Finder/Broker Warrants were issued, with the Finder/Broker Warrants having the same terms as the Second Warrants.

III. *April 26, 2016: Increase of April 18, 2016 Private Placement (Second Offering Increase)*
On April 26 2016, the Company announced an increase, subject to regulatory approval, of up to 20% (a further $400,000) to the Second Offering (the "Second Offering Increase"). The Second Offering Increase did not close.

IV. *June 17, 2016: Private Placement ("Third Offering")*
On June 17, 2016, the Company announced a third private placement coupled with streaming royalties, to raise up to $2,250,000 (the "Third Offering") by way of non-brokered private placement of units ("Third Equity Units") coupled with a streaming Royalty ("Third Royalty Units") that will return 100% of the original investment made pursuant to the Third Offering to investors, which streaming Royalty is to be paid out of production from the Project. As a condition of the Third Offering, all participants acquiring Third Equity Units will be required to acquire an equal number of Third Royalty Units, at a total combined price of $0.15. The Third Offering is comprised of up to 15,000,000 Third Equity Units at $0.14 per Third Equity Unit, with each Third Equity Unit consisting of one common share and on half of one non-transferable share purchase warrant ("Third Warrant"). Each whole Third Warrant attached to the Third Equity Units will entitle the holder to purchase one additional common share at a price of $0.20 per common share for 36 months following closing. The Third Royalty Units will have a price of $0.01 per Third Royalty Unit, and, subject to written consent of the Company, may be assigned or transferred in their entirety only. Total royalties payable from the Third Royalty Units ("Third Royalty Payment") will be capped at an amount equal to 100% of the total Second Offering, with Third Royalty Payments being made annually beginning on the first anniversary of the date of commencement of commercial production for the Project. Third Royalty Payments will be funded solely from 10% of annual net cash flow from the Project, with net cash flow representing net production revenues realized from the Project after deduction all Project operating and debt servicing costs. At the option of the Company, Third Royalty Payments will be paid either in cash or in gold. Finders' fees in cash or Third Equity Units together with finder/broker Warrants ("Finder/Broker Warrants"), which will have the same terms as the Third Warrants attached to the Second Equity Units, may be payable on a portion of the placement to finders or brokers who assist in the placement, in accordance with applicable securities laws. (Note 15)

V. *April 6, 2016: Option and Share Purchase Agreement with Commander*
On April 6, 2016 the Company amended the terms of the Option and Share Purchase Agreement with Commander. Pursuant to the amended Option and Share Purchase Agreement, Maritime will identify third parties to purchase an initial 2,000,000 shares at a price of $0.14 per share on or before August 31, 2016 (the "Initial Sale"), of which 1,000,000 shares must be purchased before April 30, 2016 (completed). Provided that the Initial Sale is completed by August 31, 2016, Maritime will have the option to identify third party purchasers to purchase an additional 2,000,000 shares every 6 months over the next 18 months at escalating prices of $0.21, $0.25, and $0.30 per share. The final two option prices are further subject to the price being the greater of the option price or 85% of the volume weighted average price of the common shares for the 10 trading days immediately preceding the applicable option exercise date. Any shares not purchased in a particular option exercise period are carried forward one time to the next exercise period at the higher exercise price, provided that a minimum of 500,000 shares have been purchased in the preceding period. The Voting Trust Agreement remains in full force and effect for the duration of the Option and Share Purchase Agreement, as amended. Any shares not purchased pursuant to the terms of the Option and Share Purchase Agreement, as amended, will automatically be released from the provisions of the Voting Trust Agreement.

(c) Stock options

The Company has a “rolling” stock option plan for its directors, officers, employees and consultants. The terms of the plan provide for options to be granted to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant of the stock options. The exercise price of each option shall not be less than the minimum price permitted by the policies of the TSX Venture Exchange, and the options may be granted for a maximum term of ten years from the date of grant. The Company records the fair value of all options granted using the Black-Scholes model as share-based payment expense over the vesting period of the options. Vesting terms are determined by the Board of Directors.

A summary of the Company’s stock options as at June 30, 2016 and December 31, 2015 and changes during the periods then ended follows:

(Expressed in Canadian Dollars)

	Number of Options		**Weighted Average**
Outstanding December 31, 2014	3,275,000	$	0.195
Granted	150,000	$	0.160
Expired	(175,000)	$	0.200
Expired	(115,000)	$	0.280
Outstanding, June 30, 2015	3,135,000	$	0.180
Granted	1,785,000	$	0.150
Expired	(1,000,000)	$	0.150
Expired	(150,000)	$	0.165
Expired	(140,000)	$	0.200
Expired	(125,000)	$	0.280
Outstanding, December 31, 2015	3,505,000	$	0.178
Outstanding, June 30, 2016	3,505,000	$	0.178
Exercisable, June 30, 2016	3,480,000	$	0.178

The Company has estimated the forfeiture rate to be 0.00%. Expected volatility was determined based on the historical movements in the closing price of the Company's, or comparable companies', stocks for a length of time to the expected life of each option.

The fair value of each option granted is estimated at the time of the grant using the Black-Scholes option pricing model with weighted average assumptions for the grants as follows:

	2016	**2015**
Risk-free interest rate	0.94%	0.94%
Expected dividend yield	Nil	Nil
Expected stock price volatility	114%	114%
Expected option life in years	5	5

As at June 30, 2016, stock options outstanding were as follows:

(Expressed in Canadian Dollars)

Outstanding					
Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life in Years	Weighted Average Exercise Price
250,000	250,000	$0.200	14-Dec-16		
200,000	200,000	$0.175	26-Apr-17		
500,000	500,000	$0.200	21-Jan-18		
420,000	420,000	$0.280	29-May-19		
200,000	200,000	$0.150	15-Oct-19		
150,000	150,000	$0.160	04-Mar-20		
1,785,000	1,760,000	$0.150	13-Nov-20		
3,505,000	3,480,000			3.22	0.178

13. WARRANTS

During the period ended June 30, 2016, the Company in connection with the Offering and Second Offering, issued warrants allowing for the purchase of up to, in the aggregate, 3,765,375 common shares. The warrants entitle the holder to purchase one common share at a price of $0.20, with 747,500 of the warrants expiring on February 12, 2019 and 3,017,875 warrants expiring on April 22, 2019. The warrants were valued using the residual method, such that the 650,000 warrants issued on February 19, 2016 were valued at $65,000 and the 2,635,000 warrants issued on April 19, 2016 were valued at $Nil. The Company also issued 480,375 finders' fee warrants having the same terms as the Warrants, which finders' fee warrants were valued at $64,360, using the Black-Scholes model.

A summary of the status of the Company's warrants as at June 30, 2016 and December 31, 2015 follows:

	Number of Warrants		Amount	Expiry Date	Price
Outstanding and Exercisable, December 31, 2015	-		-		
Private placement					
- *Offering*	650,000	$	65,000	12-Feb-19	0.20
- *Offering- Finders fee warrants*	97,500		10,166	12-Feb-19	0.20
- *Second Offering*	2,635,000		-	22-Apr-19	0.20
- *Second Offering- Finders fee warrants*	382,875		54,194	22-Apr-19	0.20
Outstanding and exercisable, June 30, 2016	3,765,375	$	129,360		

14. RELATED PARTY TRANSACTIONS

(a) Services

Effective July 1, 2014 the Company entered into arrangement with an administration and exploration services contractor ("AESC") in which a director is a shareholder, pursuant to which it receives office, administrative and exploration services. For the period ended June 30, 2016 and 2015, the Company was charged for exploration costs and to reimburse office and administrative costs as follows:

(Expressed in Canadian Dollars)

	For the Three Months Ended		For the Six Months Ended	
	2016	**2015**	**2016**	**2015**
Rent	$ 10,178	$ 9,000	$ 20,357	$ 18,000
Consulting	-	-	-	7,500
Geological consulting	-	15,000	-	28,050
Office administration	1,913	3,776	3,534	8,332
	$ 12,091	$ 27,776	$ 23,891	$ 61,882

At June 30, 2016 the company owed $842 (2015: $Nil) to AESC.

(b) Loans

In respect of the 2014 Notes (Note 10), the Company received gross proceeds of $275,000, of which $125,000 was provided by parties related to the Company, and issued 166,666 common shares valued at $17,330 as bonus shares to these related parties. At June 30, 2016, interest of $19,568 was owed to those related parties.

In respect of the 2015 Notes (Note 10), the Company received $12,500 from key management and directors to the Company. At June 30, 2016, interest of $1,295 (2015: $Nil) was owed to those related parties, as well as principle of $12,500 (2015: $Nil), which amount is included in Loans.

2014 Notes		**2015 Notes**	
Principal ($)	**Bonus shares (#)**	**Principal ($)**	**Bonus shares (#)**
-	-	-	-
125,000	166,666	12,500	-

(c) Compensation of key management personnel

Key management personnel consist of the directors and executive officers of the Company. The remuneration, including stock-based compensation, of key management personnel during the periods ended June 30, 2016 and 2015 were as follows:

	For the Three Months Ended		For the Six Months Ended	
	2016	**2015**	**2016**	**2015**
Consulting	$ 38,400	$ 23,400	$ 76,800	$ 46,800
Directors' fees	22,500	-	45,000	-
Geological consulting	21,000	16,200	37,800	32,400
Share-based payments	1,264	130	2,476	27,163
	$ 83,164	$ 39,730	$ 162,076	$ 106,363

At June 30, 2016, in respect of services provided to and expenses incurred on behalf of the Company during the period ended June 30, 2016, the Company owed $7,875 (2015:

$Nil) to the CEO and a director of the Company,$22,050 (2015:$Nil) to an officer and former director of the Company,$2,625 (2015: $Nil) to the CFO of the Company, $3,040 (2015: $Nil) to an officer of the Company, and $2,275 to a director of the Company. Effective April 1, 2015, the Company has agreed to provide for directors' fees, as to $1,500 per month for each of the 5 non-executive directors. At June 30, 2016, directors' fees, totaling $106,500, remain unpaid.

15. SUBSEQUENT EVENTS

- On July 19, 2016, the Company closed the Third Offering, for gross proceeds of $2,250,000, as well as an oversubscription of 10% ($225,00) for total gross proceeds of $2,475,000, pursuant to which it issued the following:
  - 16,500,000 common shares
  - Third Warrants allowing for the purchase up to, in the aggregate, 8,250,000 common shares at $0.20 per common share until July 19, 2019
  - 16,500,000 Third Royalty Units

  In connection with the Third Offering, finders' fees of $178,605 were paid and 1,190,700 Finder/Broker Warrants were issued, with the Finder/Broker Warrants having the same terms as the Third Warrants.

- On July 29, 2016 the Company granted incentive stock options to directors, officers, employees and consultants of the Company allowing for the purchase of up to, in the aggregate, 2,400,000 shares at $0.25 per share until July 29, 2021.