GETTY COPPER INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDING DECEMBER 31, 2015

(Stated in Canadian dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Getty Copper Inc.,

We have audited the accompanying financial statements of Getty Copper Inc., which comprise the statements of financial position as at December 31, 2015 and 2014, and the statements of operations, comprehensive loss and deficit, changes in equity and cash flows for the years ended December 31, 2015 and 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Getty Copper Inc. as at December 31, 2015 and 2014 and its financial performance and its cash flows for the years ended December 31, 2015 and 2014 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has no current sources of revenue and is dependent upon its ability to secure new sources of financing. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
April 22, 2016

GETTY COPPER INC.
STATEMENTS OF FINANCIAL POSITION
(Stated in Canadian dollars)

	December 31, 2015	December 31, 2014
ASSETS		
Current Assets		
Cash	$ 10,564	$ 93,351
Accounts receivable (Note 5)	7,360	3,152
Prepaid expenses	3,926	1,423
	21,850	97,926
Reclamation Bonds	17,000	17,000
Exploration and Evaluation Assets (Note 6)	5,312,005	5,079,323
Property, Building and Equipment (Note 7)	107,335	111,316
	$ 5,458,190	$ 5,305,565
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 314,154	$ 84,161
Provisions (Note 9)	151,000	22,500
Current portion of mortgage payable (Note 11)	7,288	6,870
Loan payable (Note 17)	15,000	–
Indemnity	–	520,732
	487,442	634,263
Indemnity	551,976	–
Mortgage Payable (Note 11)	52,280	59,568
	604,256	59,568
	1,091,698	693,831
SHAREHOLDERS' EQUITY		
Share Capital (Note 13)	23,565,099	23,307,299
Share Base Reserves (Note 14)	1,491,558	1,491,558
Deficit	(20,690,165)	(20,187,123)
	4,366,492	4,611,734
	$ 5,458,190	$ 5,305,565

Continuing Operations (Note 1)

Approved by the Directors:

"Donald R. Willoughby"

"Dennis Milburn"

See accompanying notes to financial statements

GETTY COPPER INC.
STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
(Stated in Canadian dollars)

	Year Ending Dec. 31, 2015	Year Ending Dec. 31, 2014
Expenses:		
Depreciation	$ 283	$ 388
Bank charges & interest	206	505
Consulting (Note 17)	50,000	32,618
Filing fees	12,530	10,862
Interest - long term (Note 17)	34,997	32,758
Insurance	3,481	3,368
Management fees (Note 17)	–	12,500
Marketing & promotion	1,083	1,884
Office & miscellaneous	12,155	13,981
Professional fees (Note 17)	318,804	74,854
Property tax	5,532	5,602
Rent (Note 17)	6,000	6,000
Share-based compensation (Note 13(d))	–	240,524
Telephone	6,638	9,550
Transfer fees	7,969	7,674
Travel	4,166	8,154
Wages & benefits	39,499	40,251
	503,343	501,473
Other Income:		
Interest income	301	293
Loss before income taxes	(503,042)	(501,180)
Income tax recovery	–	662
Net and comprehensive loss for the period	(503,042)	(500,518)
Deficit, beginning	(20,187,123)	(19,686,605)
Deficit, ending	$ (20,690,165)	$ (20,187,123)
Loss per share (Note 3(c))	$ (0.005)	$ (0.005)
Number of common shares outstanding	(106,964,556)	(104,960,537)

See accompanying notes to financial statements

GETTY COPPER INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDING DECEMBER 31, 2015 AND 2014
(Stated in Canadian dollars)

	Share Capital	Share Base Reserves	Deficit	Total
Balance, January 1, 2015	$ 23,307,299	$ 1,491,558	$ (20,187,123)	$ 4,611,734
Net and comprehensive income for the period			(503,042)	(503,042)
Shares issued	260,000			260,000
Cost of issue	(2,200)			(2,200)
Balance, December 31, 2015	$ 23,565,099	$ 1,491,558	$ (20,690,165)	$ 4,366,492
Balance, January 1, 2014	$ 22,978,420	$ 1,251,034	$ (19,686,605)	$ 4,542,849
Net and comprehensive loss for the period			(500,518)	(500,518)
Share-based compensation		240,524		240,524
Shares issued	333,400			333,400
Cost of issue	(4,521)			(4,521)
Balance, December 31, 2014	$ 23,307,299	$ 1,491,558	$ (20,187,123)	$ 4,611,734

See accompanying notes to financial statements

GETTY COPPER INC.
STATEMENTS OF CASH FLOWS
(Stated in Canadian dollars)

	Year Ending Dec. 31, 2015	Year Ending Dec. 31, 2014
Cash Provided By (used for)		
Operating Activities		
Net loss for the period	$ (503,042)	$ (500,518)
Items not involving cash:		
Depreciation	283	388
Share-based compensation	–	240,524
Indemnity interest expense	31,244	28,611
	(471,515)	(230,995)
Net Change in Non-Cash Working Capital Items:		
Accounts receivable	(4,208)	(2,267)
Prepaid expenses	(2,503)	(46)
Accounts payable and accrued liabilities	229,993	28,384
Loan payable	15,000	–
Provisions	128,500	2,500
Other:		
Interest income	(301)	(293)
Interest income received	301	293
Interest expense	3,753	4,147
Interest paid	(3,753)	(4,147)
	(104,733)	(202,424)
Financing Activities		
Mortgage principal repayments	(6,870)	(6,476)
Shares issued	260,000	333,400
Cost of issue	(2,200)	(4,521)
	250,930	322,403
Investing Activities		
Investment in exploration and evaluation assets	(228,984)	(64,763)
	(228,984)	(64,763)
Increase (Decrease) in Cash	(82,787)	55,216
Cash, beginning of the period	93,351	38,135
Cash, end of the period	$ 10,564	$ 93,351

Non-cash transactions - See Note 18.

See accompanying notes to financial statements

1. Nature of Business and Continuing Operations:

Getty Copper Inc. (the "Company") was incorporated under the Canada Business Corporations Act in September 1987 and its common shares are listed for trading on the TSX Venture Exchange. Subsequent to incorporation, the Company has gone through a number of name changes and in March 2003, its name was changed to Getty Copper Inc. The Company is in the business of mineral exploration and mine development in the Highland Valley area of British Columbia.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due. The Company has incurred losses since inception, has no source of operating revenue and at December 31, 2015, has working capital deficit of $465,592. The Company has been and remains dependant on its capacity to raise funds via equity issuances under terms that are consistent with the best interests of shareholders in order to finance its operations. These conditions may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements contain no provisions for adjustments which may become necessary if the Company becomes unable to continue on a going concern basis.

As the Company is in the exploration and evaluation stage, the Company has not yet determined whether its mineral rights contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral rights and the ability of the Company to meet its obligations are dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of the mineral rights and future profitable production or proceeds from the disposition thereof.

2. Basis of Preparation:

Statement of compliance

These financial statements are audited and have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements of the Company for the year ended December 31, 2015, and 2014 have been prepared by management and approved and authorized for issue by the Board of Directors on April 22, 2016.

Basis of Preparation

These financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS.

The financial statements have been prepared on the historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts and assets and liabilities, revenues 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.

2. Basis of Preparation (Continued):

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.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Notes 3(h) and 3(i).

All amounts are presented in Canadian dollars, unless otherwise indicated, as a significant amount of the Company's business is conducted in this currency

Changes in accounting policies and comparability:

Adoption of new and revised standards and interpretations

The following amendments to the existing standards and interpretations were adopted as of January 1, 2015:

New and revised standards not yet effective for the relevant periods

The IASB issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning after January 1, 2016. For the purpose of preparing and presenting the financial statements for the relevant periods, the Company expects to consistently adopt all these new standards.

IAS 1– Presentation of Financial Statements

For annual periods beginning on or after July 1, 2016 the Company will be required to adopt amendments to IAS 1 which will involve applying professional judgement in determining what information to disclose in the financial statements. The amendments also involve applying professional judgement to determine where and in what order information is presented in the financial disclosure. The Company is currently evaluating the impact the final standard is expected to have on its financial statements.

IAS 16 – Property, Plant and Equipment

For annual periods beginning on or after January 1, 2016 the Company will be required to adopt the clarified definition of "Acceptable Methods of Depreciation and Amortization" to exclude a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset. The company is currently evaluating the impact this clarification is expected to have on its financial statements.

3. Significant Accounting Policies:

IFRS 9 – Financial Instruments

The IASB intends to replace IAS 39 – *Financial Instruments: Recognition and Measurement* in its entirety with IFRS 9 – *Financial Instruments* ("IFRS 9") which is intended to reduce the complexity for the classification and measurement of financial instruments.

The Company shall apply this new standard for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the impact the final standard is expected to have on its financial statements.

The significant accounting policies used in the preparation of these financial statements are described below:

3. Significant Accounting Policies (Continued):

a) Critical accounting policies, key judgements and estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual outcomes could differ from those 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 future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgments, apart from those involving estimations that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

i. Impairments

Exploration and evaluation assets, and property, building and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be fully recoverable. If an asset's recoverable amount is less than the asset's carrying amount, an impairment loss is recognized. Future cash flow estimates which are used to calculate the asset's fair value are based on expectations about future operations primarily comprising estimates about production and sales volumes, commodity prices, reserves, operating, rehabilitation and restoration costs and capital expenditures. Changes in such estimates could impact recoverable values of these assets. Estimates are reviewed regularly by management. Refer to Notes 6 and 7.

ii. Key sources of measurement uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

a. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event; it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision, is the best estimate of the consideration required to settle the related liability, including any related interest charges, taking into account the risks and uncertainties surrounding the obligation. The Company assesses its liabilities and contingencies based upon the best information available, relevant tax laws and other appropriate requirements. Refer to Note 9.

3. Significant Accounting Policies (Continued):

b) Income taxes

Income tax expense represents the sum of tax currently payable and changes to deferred tax assets and liabilities as a result of operations during the period.

Current income taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income taxes

Deferred income tax is provided using the statement of financial position liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets and liabilities are recognized for all taxable temporary differences, except where the deferred income tax asset and liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income or loss.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of income and comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

c) Loss per share

Loss per share has been calculated using the weighted-average number of common shares outstanding during each period. Diluted loss per share has not been calculated as it is anti-dilutive when the numerator used in the calculation is a net loss. For purposes of the calculation of the weighted-average number of common shares outstanding, share consolidations are considered to have occurred on the first day of the earliest fiscal year presented.

3. Significant Accounting Policies (Continued):

d) Financial Assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories:

- Fair value through profit or loss ("FVTPL");
- Held-to-maturity ("HTM");
- Available-for-sale ("AFS"); and
- Loans and receivables.

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

Financial assets are classified as FVTPL when the financial asset is held-for-trading or is designated as FVTPL. Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company has classified cash and cash equivalents and reclamation bonds as held-for-trading

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost using the effective interest method. The Company's receivables and reclamation bonds are classified as loans and receivables. The Company has not designated any financial assets as held-to-maturity.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income except for losses in value that are considered other than temporary. The Company has not classified any financial assets as available-for-sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Effective interest method

The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset or, where appropriate, a shorter period. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

Impairment of financial assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired. 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.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in income.

3. Significant Accounting Policies (Continued):

d) Financial Assets (continued)

Assets carried at amortized cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in income.

In relation to receivables, a provision for impairment is made and an impairment loss is recognized in income when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible. Changes in the carrying amount of the allowance account are recognized in profit or loss.

Available-for-sale

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in income, is transferred from equity to income. Reversals in respect of equity instruments classified as available-for-sale are not recognized in income.

De-recognition of Financial Assets

A financial asset is derecognized when:

- The contractual right to the asset's cash flow expires; or
- If the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

e) Financial Liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities. Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Company has classified accounts payable and accrued liabilities, indemnity, mortgage payable, provisions and loan payable as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of operations before other comprehensive income.

De-recognition of financial liabilities

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

3. Significant Accounting Policies (Continued):

f) Cash and cash equivalents

Cash consists of funds held in the Company's chequing and savings account that do not have any restrictions placed on them. Cash equivalents include highly liquid investments having terms to maturity of 90 days or less when acquired. As at December 31, 2015 and 2014, the Company had no cash equivalents.

g) Property, building and equipment

Property, building and equipment are recorded at cost less accumulated depreciation and any accumulated impairment write-downs.

Depreciation is charged to the statement of operations so as to write-off the cost of assets less their residual values using the declining balance basis at the following annual rates:

Automotive equipment	30%
Building	4%
Computer equipment	45%
Computer software	100%
Office equipment	20%
Portable buildings	30%

When parts of an item of property, building and equipment have different useful lives, they are accounted for as separate items (major components) of property, building and equipment.

The Company assesses at each reporting period date, whether there is an indication that property, building and equipment may be impaired. If any indication of impairment exists, the Company performs an impairment test to determine whether an impairment loss is required to be recognized. Impairment tests are performed in accordance with the steps discussed in the accounting policy note entitled “Impairment of non-financial assets”.

h) Exploration and evaluation assets

All direct costs relating to the exploration and evaluation assets that meet the generally accepted criteria for deferral are capitalized as incurred. These criteria include having a clearly defined process with identifiable associated costs, establishment of technical feasibility, an intention to process and sell the recovered minerals to a clearly defined market, and adequate resources exist or are expected to be available to complete the project to commercial production. Acquisition, option payments and direct exploration costs are deferred until the properties are placed into production, sold or abandoned or management has determined there to be impairment, at which time these deferred costs will either be amortized on a unit-of-production basis, charged to operations, if sold, or written-off.

Exploration and evaluation assets are recorded at cost less accumulated impairment losses. Direct costs include any cash consideration and fair market value of shares issued, if any, on the acquisition of mineral property interest. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when payments are made.

Carrying values of exploration and evaluation assets as reported on the statement of financial position do not necessarily reflect the actual present or future value. Recovery of carrying values is dependent upon the future commercial success of operations.

Upon establishment of commercial production, carrying values of mineral interests are amortized over the estimated life of the mines, using the unit-of-production basis, based upon the current estimated recoverable reserves and resources.

3. Significant Accounting Policies (Continued):

h) Exploration and evaluation assets (continued)

The Company reviews capitalized costs on its property interests at each statement of financial position date for impairment in value based upon current exploration results and upon management's assessment of the future profitability of profitable revenues from the property or from the sale of the property. Management's assessment of the property's estimated current market value may also be based upon a review of other property transactions that have occurred in the same geographical area as that of the property under review. Administrative exploration related costs are expensed as incurred.

i) Impairment of non-financial assets

At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. 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 assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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, or cash-generating unit, is estimated to be less than its carrying amount, the carrying amount of the asset, or cash-generating unit, is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. 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 so that the increased carrying amount 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.

j) Asset retirement and environmental provisions

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and property, building and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement and environmental provision is recognized as its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding asset retirement and environmental provision is added to the carrying amount of the related asset and the cost is amortized in a manner consistent with the depreciation of the related asset. Following the initial recognition of the asset retirement and environmental provision, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation and accreted over time to its present value. The accretion charge is included in the statement of operations within amortization expense. At December 31, 2015 and 2014, the Company cannot reasonably estimate the fair value of the resource properties site restoration costs, if any.

3. Significant Accounting Policies (Continued):

k) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

l) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount. Refer to Note 17.

m) Share-based compensation

The Company grants stock options and warrants to buy common shares of the Company to directors, officers, employees and service providers. The directors, officers, employees receive a portion of their remuneration in the form of share-based payment transactions, whereby employees and service providers render services as consideration for equity transactions (“equity-settled transactions”).

The Board of Directors grants such options and warrants for periods up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted.

The Company recognizes the fair value of share-based compensation over the vesting period of the options and warrants. The fair value of the options and warrants granted is calculated using the Black-Scholes option pricing model that takes into account the exercise price, expected life of the option, expected volatility of the underlying shares, expected dividend yield, and the risk free interest rate for the term of the option. The fair value excludes the effect of non-market based vesting conditions.

n) Equity-settled transactions

The costs of equity-settled transactions with employees and service providers are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (“the vesting date”). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in contributed surplus.

3. Significant Accounting Policies (Continued):

n) Equity-settled transactions (continued)

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied. Share options granted to employees and service providers are treated as forfeited when such employees cease employment before the end of the vesting period. Such forfeitures result in a reversal of the expense previously recognized, with a corresponding adjustment to the contributed surplus.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement.

o) Exploration tax credits

Exploration tax credits are recorded as a reduction in exploration costs once there is reasonable assurance that they will be received.

p) Flow through shares

The Company will, from time to time, issue flow-through shares to finance a portion of its exploration program.

Pursuant to the terms of flow-through share agreements and Canadian tax legislation, these shares transfer the tax deductibility of qualifying resource expenditures to investors.

On issuance, the Company allocates the flow-through share into:

i) Fair value of capital stock; and
ii) The residual as a flow-through share premium, if any, which is recognized as a liability. Upon expenses being incurred, the Company derecognizes the liability and the related deferred tax liability will be recognized.

The Company is required to spend the proceeds received from the issuance of flow-through shares on Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received, but not yet expended at the end of the Company's period, is disclosed separately in Note 19.

The company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with the Canada Revenue Agency flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

(Stated in Canadian dollars)

4. Financial Instruments:

Categories of financial instruments

	Dec. 31, 2015 $	Dec. 31, 2014 $
Financial Assets		
Cash	10,564	93,351
Reclamation bonds	17,000	17,000
	27,564	110,351

	Dec. 31, 2015 $	Dec. 31, 2014 $
Financial Liabilities		
Accounts payable and accrued liabilities	314,154	84,161
Provisions	151,000	22,500
Loan	15,000	–
Indemnity	551,976	520,732
Mortgage payable	59,568	66,438
	1,091,698	693,831

Fair Value

The Company estimates that the fair value of these financial instruments approximates the carrying values at December 31, 2015 and December 31, 2014, respectively.

All financial instruments revaluated at fair value must be classified according to a hierarchy containing 3 levels:

i. Level 1 – Fair values based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
ii. Level 2 – Fair value techniques based on inputs other than quoted prices included in Level 1 that are observable on the market for the assets and liabilities, which are directly (i.e. as prices) or indirectly (i.e. derived from prices); and
iii. Level 3 – Fair values based on inputs for the assets and liabilities that are not based on observable market data.

The following table outlines the financial assets and liabilities measured at fair value in the financial statements and the level of the inputs used to determine those fair values in the context of the hierarchy as defined above as at December 31, 2015 and December 31, 2014:

	Dec. 31, 2015	Dec. 31, 2014
Financial Assets		
Cash	$ 10,564	$ 93,351

5. Accounts Receivable:

	Dec. 31, 2015	Dec. 31, 2014
GST receivable	$ 7,278	$ 3,152

(Stated in Canadian dollars)

6. Exploration and Evaluation Assets:

The Getty mineral claims are contiguous and are located within the Kamloops Mining District of Highland Valley, British Columbia, covering an area of approximately 269 square kilometres. Building and equipment depreciation included in exploration costs during the year ending December 31, 2015 amounted to $3,698 (2014 - $3,918).

During the year ending December 31, 2015, the Company incurred $232,682 in deferred costs as follows:

	Getty Northwest	Getty Central	Getty North	Getty South 50% interest	Getty Southwest	Total Exploration & Development
Geology	$113,643	$910	$44,483	$1,820	$47,212	$208,068
Other	4,507	1,522	8,211	8,508	1,866	24,614
Total exploration & development costs	$118,150	$2,432	$52,694	10,328	$49,078	$232,682

As at December 31, 2015, the Company's historical deferred costs and the current carrying aggregate amount are derived as follows:

	Getty Northwest	Getty Central	Getty North	Getty South 50% interest	Getty Southwest	Total Exploration & Development
Assay	$ 35,746	$ 1,143	$ 507,075	$ 66,732	$ 13,971	$ 624,667
Drilling	13,770	625	4,181,817	453,304	65,810	4,715,326
Environmental	173,676	1,282	54,290	4,059	21,149	254,456
Pre-feasibility study	-	-	343,563	184,819	-	528,382
Geology	1,054,886	38,213	1,995,782	416,331	204,516	3,709,728
Metallurgy	525	-	973,983	16,423	-	990,931
Other	824,518	19,371	1,028,158	303,856	146,985	2,322,888
Total exploration & development costs	$ 2,103,121	$ 60,634	$ 9,084,668	$1,445,524	$ 452,431	$ 13,146,378
Mineral rights acquisition costs	33,210	111,846	352,397	1,069,134	113,883	1,680,470
	2,136,331	172,480	9,437,065	2,514,658	566,314	14,826,848
Write-offs	(1,730,130)	(56,635)	(6,541,306)	(800,706)	(386,066)	(9,514,843)
	$ 406,201	$115,845	$ 2,895,759	$1,713,952	$ 180,248	$ 5,312,005

As at December 31, 2014, the Company's historical deferred costs and the current carrying aggregate amount are derived as follows:

	Getty Northwest	Getty Central	Getty North	Getty South 50% interest	Getty Southwest	Total Exploration & Development
Assay	$ 35,746	$ 1,143	$ 507,075	$ 66,732	$ 13,971	$ 624,667
Drilling	13,770	625	4,181,817	453,304	65,810	4,715,326
Environmental	173,676	1,282	54,290	4,059	21,149	254,456
Pre-feasibility study	-	-	343,563	184,819	-	528,382
Geology	941,243	37,303	1,951,299	414,511	157,304	3,501,660
Metallurgy	525	-	973,983	16,423	-	990,931
Other	820,011	17,849	1,019,947	295,348	145,119	2,298,274
Total exploration & development costs	$ 1,984,971	$ 58,202	$ 9,031,974	$1,435,196	$ 403,353	$ 12,913,696
Mineral rights acquisition costs	33,210	111,846	352,397	1,069,134	113,883	1,680,470
	2,018,181	170,048	9,384,371	2,504,330	517,236	14,594,166
Write-offs	(1,730,130)	(56,635)	(6,541,306)	(800,706)	(386,066)	(9,514,843)
	$ 288,051	$113,413	$ 2,843,065	$1,703,624	$ 131,170	$ 5,079,323

(Stated in Canadian dollars)

6. Exploration and Evaluation Assets (Continued):

The Company acquired a 100% interest in the Getty North Property in 1992 from Robak Industries Ltd. ("Robak") and Masco Capital Inc. ("Masco"), two private corporations controlled by the Company's then President. As consideration, the Company issued 4,608,492 common shares to each of the private corporations involved, subject to the Company obtaining a valuation on the property establishing a minimum value of $2,304,246 and the approval of the securities commission in existence at that time. The property is subject to a 1.5% net smelter return royalty in favour of Robak.

The Getty Northwest property claims were acquired by the Company through staking this property. This property is also subject to a 1.5% net smelter return royalty in favour of Robak.

The Company originally entered into an agreement to acquire a 50% interest in the Getty Central, Getty South and Getty Southwest mineral rights from Robak. Certain terms and conditions laid out on this original contract were not met and on November 8, 2002, the Company and Robak terminated the original agreement and entered into a subsequent agreement for the Company to acquire a 100% interest in the Getty Central and Getty Southwest mineral rights and a 50% interest in the Getty South mineral rights in exchange for 6,000,000 common shares of the Company at a deemed value of $1,200,000. The Company also agreed to pay 100% of the costs to place the Getty South mineral rights into production and granted a 1.5% net smelter royalty on all of these claims in favour of Robak.

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

7. Property, Building and Equipment:

	Automotive equipment	Computer equipment	Computer software	Office equipment	Portable buildings	Building	Land	Totals
Cost								
Balance, January 1, 2014	$ 29,318	$ 100,841	$ 74,359	$ 54,407	$ 12,112	$ 178,124	$ 22,322	$ 471,483
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance, December 31, 2014	29,318	100,841	74,359	54,407	12,112	178,124	22,322	471,483
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance, December 31, 2015	$ 29,318	$ 100,841	$ 74,359	$ 54,407	$ 12,112	$ 178,124	$ 22,322	$ 471,483
								-
Depreciation and impairment losses								-
Balance, January 1, 2014	$ 29,254	$ 100,189	$ 74,359	$ 52,596	$ 12,112	$ 87,351	-	$ 355,861
Depreciation for the year	19	294	-	362	-	3,631	-	4,306
Impairment loss	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance, December 31, 2014	29,273	100,483	74,359	52,958	12,112	90,982	-	360,167
Depreciation for the period	45	161	-	290	-	3,485	-	3,981
Impairment loss	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance, December 31, 2015	$ 29,318	$ 100,644	$ 74,359	$ 53,248	$ 12,112	$ 94,467	$ -	$ 364,148
Carrying Amounts								
At January 1, 2014	$ 64	$ 652	$ -	$ 1,811	$ -	$ 90,773	$ 22,322	$ 115,622
At December 31, 2014	$ 45	$ 358	$ -	$ 1,449	$ -	$ 87,142	$ 22,322	$ 111,316
At December 31, 2015	$ -	$ 197	$ -	$ 1,159	$ -	$ 83,657	$ 22,322	$ 107,335

The Company owns land and office/storage building in Logan Lake. The premises are used for core storage, field offices and vehicle storage. The property is encumbered by a mortgage in the amount of $59,568 as of December 31, 2015 (see Note 11).

(Stated in Canadian dollars)

8. Accounts Payables and Accrued Liabilities:

		Dec. 31, 2015		Dec. 31 2014
Trade payables	$	231,751	$	18,086
Amounts due to related parties (Note 17)		82,403		66,075
	$	314,154	$	84,161

9. Provisions:

The provision below represents accruals for professional fees.

Balance, January 1, 2014	$	20,000
Decrease		(35,000)
Increase		37,500
Balance, December 31, 2014		22,500
Decrease		(48,000)
Increase		176,500
Balance, December 31, 2015	$	151,000

10. Indemnity:

In April, 2009, the Company reached a settlement with one of its Directors to indemnify him for approximately 88% of legal expenses incurred during 2004 to 2007 in connection with his prosecution of legal actions against former Directors who were alleged to have improperly attempted to impugn for personal reasons a 2002 mineral property interest sale agreement ("MPISA") between the Director's company, Robak, and the Company. The settlement was premised on the fact that the Director's legal actions were of benefit to the Company in the conduct of its own litigation in defense of the MPISA. The settlement provides that the Director will be entitled to receive $650,000 by way of cash of $50,000 upon execution of a definitive agreement and a secured debenture of $600,000 bearing interest at 6%, and was originally payable June 30, 2014. The payment must be accelerated in the event the Company completes a financing of $2 million or more or in certain customary events of default (failure to maintain the properties, insolvency etc.). The indemnity is secured by Company assets, excluding the Getty Properties.

On October 13, 2015, the date of repayment was extended to January 2, 2017.

11. Mortgage Payable:

The mortgage payable is associated with the Logan property (see Note 7).

The mortgage payable is secured by a first mortgage on land and building and requires monthly payments of $885 including interest at 6.0% per annum and the mortgage payable will mature on October 1, 2017.

Principal repayments required are as follows:

		Dec. 31, 2015		Dec. 31, 2014
Payable not later than one year	$	7,288	$	6,870
Payable later than one year and not later than five years		52,280		59,568
	$	59,568	$	66,438

(Stated in Canadian dollars)

12. Income Taxes:

A reconciliation of Canadian income taxes at the statutory rate is as follows:

	Dec. 31, 2015	Dec. 31, 2014
	26%	26%
Net and comprehensive loss for the period before income taxes	$ 503,042	$ 500,518
Expected income tax recovery	$ (130,791)	$ (130,135)
Net adjustment for deductible and non-deductible amounts	809	60,675
Unrecognized benefit of tax pool assets	129,982	69,460
Income recovery	$ –	$ –

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

	Dec. 31, 2015	Dec. 31, 2014
Deferred income tax assets:		
Mineral properties	$ 587,000	$ 642,200
Non-capital loss carry-forwards	1,567,000	1,601,300
Building & equipment	94,700	101,400
Share issue costs	1,200	900
	2,249,900	2,345,800
Valuation allowance	(2,249,900)	(2,345,800)
Net deferred tax assets	$ -	$ -

At December 31, 2015, the Company has approximately $6,025,000 of loss carry forwards which may be available to reduce taxable income in future years. These losses expire as follows:

2026	$ 1,132,000
2027	2,119,000
2028	205,000
2029	923,000
2030	305,000
2031	139,000
2032	254,000
2033	192,000
2034	256,000
2035	500,000
	$ 6,025,000

Subject to certain restrictions, the Company also has mineral property expenditures of approximately $7,569,700 available to reduce taxable income in future years.

Future tax benefits which may arise as a result of these losses and resource deductions have not been recognized in these financial statements and have been offset by a valuation allowance.

(Stated in Canadian dollars)

13. Share Capital:

a) Authorized: Unlimited number of common shares

b) Issued:

	Shares	Amount
Balance, January 1, 2014	98,292,537	$22,978,420
Shares issued	6,668,000	333,400
Share issue costs	-	(4,521)
Balance December 31, 2014	104,960,537	23,307,299
Shares issued	3,466,668	260,000
Share issue costs	-	(2,200)
Balance December 31, 2015	108,427,205	$23,565,099

During the period, the Company completed a non-brokered private placement offering of 3,466,668 common shares at a price of $0.075 per share for gross proceeds of $260,000. 2,773,333 of the shares issued are designated as flow-through common shares. Approximately 75% of the private placement was purchased by insiders of the Company. No finders' fees were payable. Proceeds from the private placement will be used to fund the Company's exploration programs on its Getty Copper project adjacent to the Highland Valley mine in British Columbia.

During the year ending December 31, 2014 the company completed a private placement of 6,668,000 common shares at a price of Cdn. $0.05 per Common Share for an aggregate subscription price of $333,400. Approximately 58% of the private placement was purchased by insiders of the Company. Proceeds from the private placement will be used for general and administrative expenses. No finders' fees were payable.

c) Warrants

There are currently no warrants outstanding.

d) Share purchase options

The following is a summary of changes in share purchase options from January 1, 2014 to December 31, 2014:

Expiry Date	Exercise Price $	Number of Options January 1, 2014	Issued	Expired	Number of Options December 31, 2014
Aug. 14, 2014	0.10	3,075,000	–	3,075,000	–
June 20, 2019	0.05		2,837,835		2,837,835
June 20, 2016	0.05		311,850		311,850
Aug. 15, 2019	0.07		1,712,165		1,712,165
Aug. 15, 2016	0.07		188,150		188,150
		3,075,000	5,050,000	3,075,000	5,050,000
Wt. Average price		0.10			0.06
Wt. Average remaining life (yrs.)		0.62			4.22

(Stated in Canadian dollars)

13. Share Capital (Continued):

The following is a summary of changes in share purchase options from January 1, 2015 to December 31, 2015:

Expiry Date	Exercise Price $	Number of Options January 1, 2014	Issued	Expired	Number of Options December 31, 2015
June 20, 2019	0.05	2,837,835	-	-	2,837,835
June 20, 2016	0.05	311,850	-	-	311,850
Aug. 15, 2019	0.07	1,712,165	-	-	1,712,165
Aug. 15, 2016	0.07	188,150	-	-	188,150
		5,050,000	-	-	5,050,000
Wt. Average price		0.06			0.06
Wt. Average remaining life (yrs.)		4.22			3.22

At the Company's 2007 Annual General Meeting, the shareholders approved an amendment to the Incentive Stock Option Plan to allow the issuance of up to a maximum 6,700,000 incentive stock options. During 2009, 2,675,000 options were cancelled and 3,325,000 options were issued at $0.10, expiring August 14, 2014.

During the year ending December 31, 2014, pursuant to the Company's stock option plan, the Company granted stock options to certain directors, officers, employees and/or consultants of the Company to purchase an aggregate of 5,050,000 common shares in the capital of the Company. The options are subject to a four month hold from the date issuance, and the vesting period has been waved.

On June 20, 2014 2,837,835 options were granted at an exercise price of $0.05 per common share for a period of five years and 311,850 options were granted at an exercise price of $0.05 per common share for a period of two years. On August 15, 2014 1,712,165 options were granted at an exercise price of $0.07 per share for a period of five years and 188,150 at an exercise price of $0.07 per common share for a period of two years.

Accordingly, using the Black-Scholes option pricing model, the stock options are recorded at fair value in the statement of operations. During the year ending December 31, 2014, the total share-based compensation recognized in the statement of operations for options granted was $240,524 and the weighted average fair value of each option granted was $0.476. This amount was also recorded as Share base reserves on the Statement of financial position.

The following is a summary of stock options outstanding as at December 31, 2015:

Exercise Price	Options Outstanding	Remaining Contractual Life (years)	Options Vested
0.05	2,837,835	3.47	2,837,835
0.05	311,850	0.47	311,850
0.07	1,712,165	3.62	1,712,165
0.07	188,150	0.62	188,150

The fair value of the stock options is estimated using Black-Scholes model with weighted average assumption as follows:

	2015	**2014**
Risk free interest rate	-	1.07 – 1.43%
Expected life of options in years	-	2 -5 years
Expected volatility	-	164% - 185%
Dividend per share	-	$0.00
Share-based compensation	-	$240,524

For the year ending December 31, 2015, no share-based compensation was recognized in the statement of operations for options granted to adjust share-based compensation to fair value.

(Stated in Canadian dollars)

14. Share Base Reserves:

The continuity is as follows:

		2015		2014
Balance at beginning of the period	$	1,491,558	$	1,251,034
Share-based compensation		–		240,524
Balance end of the period	$	1,491,558	$	1,491,558

15. Capital Management:

The Company manages its capital structure and makes adjustments to it based on available funds in order to support the acquisition, exploration and development 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 future development of the business. The Company defines capital to include its working capital position and capital stock, warrant, and option components of its shareholders' equity.

The Company manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through a combination of equity capital raised by way of issuing equity instruments and external debt. In order to maintain or adjust the capital structure, the Company may attempt to raise additional financing through the issuance of new equity instruments, the exercise of outstanding common share purchase warrants and stock options. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management year ending December 31, 2015. The Company is not subject to externally imposed capital requirements.

16. Financial Risk Factors:

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

a) Credit risk

Credit is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity by ensuring there is sufficient capital to meet short and long-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The Company also strives to maintain sufficient financial liquidity at all times in order to participate in investment opportunities as they arise, as well as to withstand sudden adverse changes in economic circumstances.

Management forecasts cash flows for its current and subsequent fiscal years to predict future financing requirements. Future requirements are met through a combination of committed credit facilities to access to capital markets.

(Stated in Canadian dollars)

16. Financial Risk Factors (continued):

a) Liquidity risk (continued)

The following table details the Company's expected remaining contractual maturities for its financial liabilities at December 31, 2015. The table used is based on the undiscounted cash flows of financial liabilities based on the earlier date on which the Company can be required to satisfy the liabilities.

As at December 31, 2015	6 months or less	6 to 12 months	1 to 2 years	Over 2 years	Total
Accounts payable and accrued liabilities, provisions and loan payable	$ 480,154	$ -	$ -	$ -	$ 480,154
Current portion of mortgage payable	3,644	3,644	-	-	7,288
Indemnity	-	-	551,976	-	551,976
Mortgage payable	-	-	7,732	44,548	52,280
	$ 483,798	$ 3,644	$ 559,708	$ 44,548	$ 1,091,698

b) Interest rate risk

Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates. The Company currently has no assets or liabilities subject to fluctuating rates of interest and consequently, the Company is of the opinion that interest rate risk is currently nominal.

17. Related Party Transactions:

In addition to transactions described elsewhere in these financial statements, the Company had the following balances with officers and directors of the Company and companies or professional firms with which officers or directors are associated:

	Dec. 30, 2015	Dec. 31, 2014
Companies affiliated with key management personnel	$ 85,353	$ 9,725
Companies controlled by directors	12,050	56,350
Companies controlled by directors - indemnity (Note 10)	551,976	520,732
	$ 649,379	$ 586,807

These amounts, except those related to the indemnity (Note 10) and the $15,000 Loan payable which bears interest at 6% and is due on demand, are unsecured, non-interest bearing and have no fixed terms of repayment.

The Company incurred the following transactions with directors of the Company and companies or professional firms with which directors are associated:

	Dec. 31, 2015	Dec. 31, 2014
Management fees	$ –	$ 12,500
Rent	6,000	6,000
Interest expense on indemnity	31,244	28,611
	$ 37,244	$ 47,111

(Stated in Canadian dollars)

17. Related Party Transactions (continued):

The Company incurred the following transactions with officers of the Company and companies or professional firms with which officers are associated:

	Dec. 31, 2015	Dec. 31, 2014
Exploration and development costs	$ −	$ 16,396
Consulting Fees	10,000	12,618
Professional fees	10,836	13,568
	$ 20,836	$ 42,582

These transactions are in the normal course of operations and are measured at fair value as determined by management.

18. Non-cash Transactions:

During the year ending December 31st, the Company incurred the following non-cash transactions that are not reflected in the statement of cash flows:

	Year Ended	
	Dec. 31, 2015	Dec. 31, 2014
Exploration and evaluation asset costs included within deferred costs.	$ 3,698	$ (34,945)

19. Flow-through Expenditures

On June 3, 2015 the Company received $208,000 in flow-through share proceeds. The Flow through funds were spent before December 31, 2015 in compliance with flow through tax requirements.

GETTY COPPER INC.

MANAGEMENT DISCUSSION & ANALYSIS

DECEMBER 31, 2015

The following discussion and analysis of the results of operations and financial position of Getty Copper Inc. (the “Company”) for the year ending December 31, 2015 should be read in conjunction with the December 31, 2015 financial statements and the related notes which have been prepared adopting International Financial Reporting Standards (“IFRS”). All dollar amounts in this Management Discussion and Analysis (“MD&A”) are stated in Canadian dollars. The effective date of this report is date of filing.

Forward Looking Statements

This document may contain forward-looking statements and forward-looking information (collectively, “**forward-looking statements**”) within the meaning of applicable securities legislation. All statements other than statements of historical fact are forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and the Company’s management in connection with the Company’s business operations. Forward-looking statements relate to future events or our future financial performance. In some cases you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of those terms or other comparable terminology. Although the Company believes the expectations expressed in its forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of the ultimate size, quality or commercial feasibility of the Company’s mineral exploration projects or of the Company's future performance. Forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Such statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for the Company’s exploration and development activities; operating and exploration costs; the Company’s ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements are subject to risks and uncertainties that could cause results to differ materially from those contemplated in such forward-looking statements. Risk factors that could cause the Company's actual results and performance to differ materially from those in forward-looking statements include adverse market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of resources, mining rates and metal recovery rates and the fact that necessary capital may not be available to the Company on terms acceptable to it or at all. The need for compliance with extensive environmental and socio-economic rules and practices and the requirement for the Company to obtain government permitting can cause a delay or even abandonment of a mineral project. The Company is subject to the specific risks inherent in the mining business as well as general economic and business conditions. See the heading “Risk Factors” in the Company’s annual information form filed at www.sedar.com for additional information on risks and uncertainties relating to the Company’s forward-looking statements.

There can be no assurance that forward-looking statements referenced herein will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Also, many of the risk and uncertainty factors are beyond the control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements contained in this MD&A. All forward-looking statements made herein are qualified by this cautionary statement. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. Please consult the Company’s public filings at www.sedar.com and www.sec.gov for more detailed information concerning these matters.

GETTY COPPER INC.

MANAGEMENT DISCUSSION & ANALYSIS

DECEMBER 31, 2015

Overall Performance

The Company is engaged in the acquisition and exploration of natural resource properties. Since 1993, the Company has been focusing on exploration, when funds permit, on parts of its approximately 269 km^2 (104 $miles^2$) mineral properties in Highland Valley, British Columbia, comprised primarily of the Getty North, Getty South and satellite properties (collectively, the "**Getty Copper Project**"). The Getty Copper Project is immediately adjacent to the large porphyry copper mining and milling operations of Highland Valley Copper.

Over the past year a compilation of historic data was conducted over the Getty Copper Property. The compilation was aimed at the expansion of known target areas, along with identifying new areas of interest.

In June of 2015, a detailed property wide airborne magnetic survey was undertaken to further aid with this compilation. As a result of this, a number of target areas have been identified, with ground follow up commencing in mid-September.

During the 3rd quarter, the review of the 2015 aeromagnetic data in conjunction with the historic data compilation yielded a number of targets of interest on the Getty Property.

Subsequently a detailed 30 kilometer induced polarization program is permitted and scheduled to commence in late November, to follow up on some of the high priority areas.

In late November 2015, 15 line kilometers of deep induced polarization surveying was conducted expanding on the historic Titan 24 Survey. The survey was designed to investigate a number of features identified in the regional compilation and the 2015 detailed airborne magnetic survey proximal to the Getty North and Getty West areas.

During the period the Company entered into an agreement with Robak Industries Ltd., a company owned and controlled by John Lepinski a company director, whereby the Getty South property in which each of the Company and Robak owns a 50% interest, will be unitized with the balance of the Company's property in the Highland Valley adjacent to Teck Resources Inc., Highland Valley Copper mine and a former copper producer, Bethlehem Copper.

The parties had been in favour of forming a holding company, Getty Mineral Holdings Ltd., to hold the unitized property and the Company will hold 82% of the shares and Robak 18% of the shares. All claims remain subject to 1½% net smelter return royalty in favour of Robak Industries Ltd. Subsequently it was determined to form a joint venture with the same terms as stated in the unitization agreement.

The ratio was agreed upon by using the reserve calculations on the Company's property and the portion of such reserves located on the Getty South deposit in relation to the reserves on the balance of the property based on the Pre-Feasibility technical report filed on SEDAR on May 25, 2010.

The Company believes that unitizing the property will be beneficial to its potential development.

The above transaction is subject to certain TSX Venture Exchange approvals.

In 2011, the Titan 24 DC/IP Geophysical Survey conducted by Quantec Geoscience Ltd. identified at least 39 geophysical anomalies of which 12 can be considered high priority drill targets.

The Company previously filed a National Instrument 43-101 pre-feasibility study on the Getty Copper Project.

Based in part on the Quantec program results and the Company's previous pre-feasibility work, the Company is generally pursuing a plan estimated at CDN $5 million to move the Getty Copper Project forward toward a feasibility report. In light of the Company's depressed share price and difficult junior mining capital market, it is endeavoring to find a joint venture partner prepared to move the project to the next level in exchange for a project interest. The plan would include approximately 12,000 meters of drilling to expand the Getty North and Getty South reserves and resources while also delineating the exploration targets revealed by the Quantec work and previous studies. Confirmatory Geotechnical and Metallurgical programs, environmental and permitting activities and basic engineering in support of a feasibility study would all be evaluated and where possible, undertaken.

There is no way to predict future metal prices, including the price of copper, and therefore current prices may not reflect future prices and this may have a bearing on the time frame that would be required to place any mineral deposit that may be located on the Getty Copper Project into commercial production. The Company continues its efforts to move the Getty Copper Project into the development stage to take advantage of the current demand for copper.

At present the Company is currently seeking parties to finance the Company for its minimum requirements and advance the Getty Copper Project to the next phase. However, there can be no assurances that the Company will be able to raise additional financing on terms that are acceptable to it, or at all. If the Company is unable to raise additional capital, it will need to curtail operations and the Company may be materially adversely affected.

Result of Operations

Due to reduced commodity prices and a lack of working capital, nominal exploration work was carried out by the Company between 1998 and 2003. Consequently at the years ended December 31, 2001 to December 31, 2003 the financial statements were adjusted to reflect a provision for impairment of mineral properties.

At December 31, 2015, the Company had cash of $10,564 and working capital deficit of $465,592, compared to $133,422 cash and working capital deficit $248,751 at September 30, 2015, The net change in cash and working capital during the three months ended December 31, 2015 is due the spending of the remaining flow through funds ($117,000), as well as the reallocation of the indemnity liability from current to long term as repayment was extended to January 2, 2017, in addition to payment and accruals of administrative expenses.

Current payable and long term liabilities totalled $1,091,698 at December 31, 2015. The Company's cash as at December 31, 2015 is insufficient to pay its current liabilities.

During the period, the Company completed a private non-brokered private placement offering of 3,466,668 common shares at a price of $0.075 per Share for gross proceeds of $260,000. 2,773,333 of the Shares issued are designated as flow-through common shares. Approximately 75% of the private placement was purchases by insiders of the Corporation. All securities issued in connection with the Private Placement were subject to a statutory hold period which expired on October 4, 2015. Proceeds from the Private Placement will be used to fund Getty's exploration programs on its Getty Copper project adjacent to the Highland Valley mine in British Columbia.

During the year ending December 31, 2014, $333,400 was raised through the issuance of 6,668,000 common shares at a price of Cdn. $0.05 per Common Share. Approximately 58% of the Private Placement was purchased by insiders of the Corporation. Proceeds from the Private Placement will be used for general and administrative expenses. No finders' fees were payable. All securities issued pursuant to the Private Placement were subject to a four-month hold period until November 17, 2014.

During 2014 stock options were granted to certain directors, officers, employees and/or consultants of the Corporation to purchase an aggregate of 5,050,000 common shares in the capital of the Corporation. 2,837,835 Options were granted at an exercise price of $0.05 per common share and 1,712,165 at an exercise price of $0.07 for a period of five years pursuant to the Corporation's Stock Option Plan and 311,850 Options were granted at an exercise price of $0.05 per common share and 188,150 at an exercise price of $0.07 for a period of two years pursuant to the Corporation's Stock Option Plan.

The Company's total assets during the year ending December 31, 2015 totalled $5,458,190, an increase of $152,625 from December 31, 2014, is due the private placement completed during the period and the spending of the flow through funds to deferred exploration. During the year ending December 31, 2015, the Company's liabilities increased by $397,867 compared to the year ending December 31, 2014. The increase in liabilities is a result of an increase in payables due to administrative expenses and accrued interest. The Company has no significant source of working capital other than funds raised through private placements, exercising of warrants and Incentive Stock Options.

The loss from operations for the year ending December 31, 2015 increased by $2,524 over the loss reported at December 31, 2014. The increase can be attributed by the following expense comparisons: an increase of $17,382 Consulting and an increase of $243,950 Professional fees. In the year ending December 31, 2014 $240,524 was recorded in Share base compensation, and nil recorded in 2015. Due to limited funds, Freeway Properties Inc. (a company controlled by a director of the Company) elected not to charge the Company management fees commencing May 1, 2014. Operation expenditures for the year ending December 31, 2015 increased to $503,343 compared to $501,473 at December 31, 2014. Professional fees for the year ending December 31, 2015 $318,804 (2014 - $74,854) which include legal fees of $290,968 (2014 - $48,787), $27,836 (2014 - $26,067) in accounting and audit fees. Consulting fees for the year ending December 31, 2015, $50,000 (2014 – $32,618).

Selected Quarterly Information:

	Dec. 31, 2015	**Dec. 31, 2014**
Loss for the quarter	$88,899	$110,877
Loss for the year	$503,042	$500,518
Loss per share:	$0.001	$0.005
Assets	$5,458,190	$5,305,565

Summary of Quarterly Results

	IFRS Dec. 31 2015	IFRS Sept. 30 2015	IFRS June 30 2015	IFRS Mar. 31 2015	IFRS Dec. 31 2014	IFRS Sept. 30 2014	IFRS June 30 2014	IFRS Mar. 31 2014
Income	–	$ –	$ –	$ –	$ –	$ 662	$ –	$ –
Loss before Other items (Income)	88,899	167,177	129,222	117,744	110,877	179,298	$169,145	$41,860
Net loss (Income)	88,899	167,177	129,222	117,744	110,877	178,636	$169,145	$41,860
Loss (Earnings) per share	$0.001	$0.001	$0.001	$0.001	$0.001	$0.002	$ 0.002	$ 0.001
Loss (Earnings) per share diluted	$0.001	$0.001	$0.001	$0.001	$0.001	$0.002	$ 0.002	$ 0.001

IFRS – International Financial Reporting Standards

Selected Annual Information:

	Dec. 31, 2015	**Dec. 31, 2014**	**Dec. 31, 2013**
Revenue and Cash Dividend	$Nil	$Nil	$Nil
Loss for the year ending	$503,042	$500,518	$196,865
Loss per share:	$0.005	$0.005	$0.002
Total Assets	$5,458,190	$5,305,565	$ 5,218,606
Long term liabilities	$ 604,256	$ 59,568	$ 558,560
Share holders Equity	$4,366,492	$4,611,734	$ 4,542,849

During the year ending December 31, 2015, the Company incurred $232,682 in deferred costs as follows:

	Getty Northwest	Getty Central	Getty North	Getty South 50% interest	Getty Southwest	Total Exploration & Development
Geology	$113,643	$910	$44,483	$1,820	$47,212	$208,068
Other	4,507	1,522	8,211	8,508	1,866	24,614
Total exploration & development costs	$118,150	$2,432	$52,694	10,328	$49,078	$232,682

During the year ended December 31, 2014, the Company incurred $33,736 in deferred costs as follows:

	Getty Northwest	Getty Central	Getty North	Getty South 50% interest	Getty Southwest	Total Exploration & Development
Other	$6,763	$124	$12,832	$13,119	$898	$33,736
Total exploration & development costs (credits)	$ 6,763	$124	$12,832	$13,119	$898	$33,736

Liquidity

The Company has no operating revenues and therefore must utilize its current cash reserves and other financing transactions to maintain its capacity to meet ongoing discretionary and committed exploration and operating activities.

The Company has no producing properties at this time and receives no revenues. All of the Company's properties are prefeasibility stage projects (Getty North and Getty South) and/or exploration projects, and there is no assurance that a commercially viable ore deposit exists in any such properties. The Getty North and Getty South deposits were the subject of a 2010 Pre-Feasibility Study, however until further exploration work and a comprehensive evaluation based upon unit costs, grades, tonnages, recoveries, and other technical and economic factors are evaluated, no conclusion about current economic feasibility of these projects is possible.

Financing for the Company's operations has historically been funded primarily from private placements and to a lesser extent the exercise of share purchase warrants and share purchase options. The Company is currently pursuing financing opportunities, but there can be no assurance that the Company will be able to raise additional financing on terms that are acceptable to it, or at all; nor can there be any assurance that any of the outstanding share purchase warrants or stock options of the Company will be exercised. If the Company is unable to raise additional capital it will need to curtail its operations and the Company may be materially adversely affected.

As of December 31, 2015, and to the date of this MD&A, the cash resources of the Company are held with a Canadian bank.

The Company owns land and a small office and storage building in Logan Lake, British Columbia, which was encumbered by a first mortgage in the amount of $80,000 as of October 1, 2012 at a 6% interest per annum, amortized over 10 years.

The Company's use of cash at present occurs, and in the future is expected to occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its investment activities. Those investing activities include the cash components of the cost of exploring and developing the Getty Property.

The Company has funds available of $10,564 as of December 31, 2015. The Company has an administrative expenditures rate of approximately $17,000 per month, excluding legal fees.

Financial Instruments

The Company keeps its financial instruments denominated in Canadian dollars and does not engage in any hedging operations with respect to currency or in-situ minerals. Funds which are currently excess to the Company's needs are invested in government of Canada or like debt obligations and other short term near cash investments pending the need for the funds.

Capital Resources

The Company manages its capital structure and makes adjustments to it based on available funds in order to support the acquisition, exploration and development 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 future development of the business. The Company defines capital to include its working capital position and capital stock, warrant, and option components of its shareholders' equity.

The Company manages its capital structure in a manner that provides sufficient funding for mine development and operational activities. Funds are primarily secured through a combination of equity capital raised by way of issuing equity instruments and external debt. In order to maintain or adjust the capital structure, the Company may attempt to raise additional financing through the issuance of new equity instruments, the exercise of outstanding common share purchase warrants and stock options. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during year ending December 31, 2015. The Company is not subject to externally imposed capital requirements.

Outlook

The Company continues its efforts to advance the status of its mineral properties. Although the 2010 Pre-Feasibility Study has accorded probable reserve status to a portion of the known resources, it is uncertain whether the Company currently has potentially economically recoverable reserves as the 2010 estimates must be considered in need of updating and further refinement. It is unclear whether the Company will be able to obtain the necessary financing to complete the exploration and commercial development of its properties. The Company believes that it may be able to economically develop the Getty North and Getty South deposits on its mineral properties depending on continuing strength in the copper market and future financing conditions which are currently quite weak. The ability to raise funds to develop its properties may be challenging in light of current metal prices and market conditions for financing junior exploration companies. However, International Financial Reporting Standards require that development costs related to mineral properties be written down for impairment unless there is persuasive evidence that impairment has not occurred.

The Company advises that the previous litigation it was involved in no longer impacts the levels of performance or achievements.

The Company's management remains committed to the advancement of the Company's Highland Valley mineral claims, subject to a positive feasibility study, production permitting and financing.

Related Party Transactions

Except as disclosed in this report there were no related party transactions. During the year ending December 31, 2015, Cinnamon Jang Willoughby, a professional accounting firm to which director and CFO Donald Willoughby is associated, billed the Company $10,836 (2014- $13,567) in accounting fees related to tax filings, quarterly report review and other professional accounting related matters. For the year ending December 31, 2015, the Company was billed, $6,000 (2014 - $6,000) office rent to Deborah Resources Ltd. and $Nil (2014 - $12,500) management fees to Freeway Properties Inc., and both companies are controlled by the Managing Director**,** John Lepinski. During the year ending December 31, 2015, the company owed $450,000 plus interest at 6% per annum to Mr. Lepinski as part of 2009 indemnity settlement. (See note 10 of the December 31, 2015 Financial Statements.) During the year ending December 31, 2015 the Company was billed $10,000 US (2014- $29,015 CDN) to Allihies Engineering Inc. for consulting services, which is a company held by director and former president Corby Anderson.

Outstanding share data

As of April 22, 2016 there were 108,427,205 common shares outstanding.

Changes in accounting policy

Accounting changes:

International Financial Reporting Standards ("IFRS"):
The Company adopted International Financial Reporting Standards ("IFRS") on January 1, 2011, with a transition date of January 1, 2010. These condensed financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS and in accordance with International Accounting Standards ("IAS") 34 - and IFRS 1 – First-time Adoption of IFRS.

Additional Disclosure

West Coast Environmental and Engineering (WCE) has completed the independent, National Instrument 43-101 compliant preliminary feasibility study (PFS) in June 2009 covering the Getty North and Getty South claims (together the "Getty Project"). This PFS has been filed on www.SEDAR.com as a technical report. This report was subsequently updated in May 2010 and has been filed on SEDAR. WCE is a consulting and engineering firm comprised of independent, qualified technical personnel with multiple disciplines who are professionally registered and certified. The Getty Project is located in the Highland Valley near Logan Lake, British Columbia, in the Kamloops Mining Division of British Columbia, Canada. The Highland Valley area is a well known mining district that has historically produced copper and molybdenum, since 1962. Production of these metals as well as by-product gold is carried out today by Teck's Highland Valley Copper mine located in the immediate vicinity of the Getty Project.

The purpose of the PFS was to provide estimates of copper and molybdenum resources and probable reserves in accordance with Canadian Institute of Mining and Metallurgy standards within the Getty North and South deposits, prepare preliminary mining and processing plans, and perform an economic analysis to determine the feasibility of the project on a 100% project basis (meaning the PFS includes 100% of the Getty South claims although it is only 50% owned by Getty and 50% owned by Robak Industries Ltd., a private company owned by John Lepinski, a director of Getty).

In addition, WCE recommends the further exploration with a view to expansion of both the Getty North and Getty South deposits. The Getty North property is comprised of 26 mineral claims located in south central British Columbia, Canada near latitude 50° 34' 15" North and longitude 121° 0' 3" West. To date diamond drilling on the Getty North property totals approximately 46,490 meters in 210 holes and percussion drilling totals approximately 5724 meters in 74 holes. In addition, 23 kilometers of induced polarization surveys, 23 kilometers of geochemical soil sampling surveys and detailed geological mapping has been conducted. The Getty North deposit is recommended by WCE to be developed laterally to the west, southwest and northeast of the deposit and also in the deeper sulphide zone. The deeper resources appear to occur within the continuous shoots that are amenable to open-pit mining followed by rubber tire underground mining methods. Additional drilling and sampling will likely increase the tonnage and grade estimates of the Getty North deposit as well as raise the resources to a higher category.

The Getty South property is currently 50% owned and 100% controlled by Getty Copper Inc. and 50% owned by Robak Industries Ltd., a related party. The parties operate the Getty South under a 2002 agreement which gives Getty discretion over spending and operations on the property. Getty carries Robak's share of expenses with any carried amounts to be recovered by Getty in priority to Robak in the event of commercial production from Getty South. The Getty South property is comprised of 22 Crown granted mining claims, located in south central British Columbia, Canada on map sheet 921/056 near latitude 50° 32' 32" North and longitude 120° 59' 28". The Getty South property has been explored with almost 400 meters of surface trenching, approximately 20,353 meters of diamond drilling from surface and underground sites and 1,719 meters of underground workings. Most recently, an exploration program composed of 13 reconnaissance diamond drill holes and 15 surface trenches with a total length of 1,572 meters were completed in 1996 and 1997. The Getty South deposit is recommended by WCE to be further explored with particular attention given to the west, northeast and southeast areas to fill in gaps identified in the mine model that would potentially increase the probable reserves of the deposit. Like the Getty North deposit, the deeper resources appear to occur within continuous shoots that should be amenable to open-pit mining followed by rubber tire underground mining methods. Proper in-fill drilling, trenching and bulk sampling should be conducted to reclassify the resource at a potentially higher category. Additional deep-level-in-fill and exploratory drilling is also recommended to examine the vertical and lateral extent of copper mineralization in the underlying sulphide zone.

The financial aspects and indicators for the Getty Project have been determined by using cash flow analysis to evaluate the capital and operating costs generated for the development, operation and closure for the estimated life of the Getty Project. A 12 month pre-production period is proposed to allow for capital outlay, pre-stripping and mine development. The Getty Project would have an estimated mine life of 17 years given the reserves independently determined by WCE in the PFS report. This assumes a nominal 15,000 tonnes of ore mined per day with an open-pit mining operation. The Getty ores would be treated with conventional crushing, grinding and flotation to produce bulk copper and molybdenum containing concentrates. The flotation tailings, which contain the oxide fraction of the copper ore, would then be treated by industrially proven, acidic vat leaching for copper recovery. The combined copper and molybdenum flotation concentrate will be pressure leached utilizing industrially-proven; nitrogen species catalyzed (NSC) pressure oxidation. Conventional copper solvent extraction and electrowinning would be used to produce on site LME quality electrowon copper metal cathodes. The leached molybdenum would be recovered via hydrometallurgical processing to produce molybdenum trioxide on site. A sodium sulphate by product will also be produced and sold. In addition, the Getty hydrometallurgical plant has been sized with extra process capacity to accommodate the treatment of outside custom copper and molybdenum concentrates. Overall, the designed production capacity of the Getty Project metallurgical facilities is estimated to be 30,000 tonnes of copper metal cathode and 2,250 tonnes of molybdenum trioxide per annum. Further, based on the financial and technical outcomes of metallurgical process detailed in the WCE PFS

The project is subject to a 1½% net smelter return royalty in favour of Robak Industries Ltd which was taken as a direct cost.

The project is subject to an environmental review by provincial and federal regulatory agencies and before any commercial production can be achieved a permit under the *Mines Act* of British Columbia will need to be obtained. The report contemplates reclamation and closure costs of $7,800,000 CDN.

Summary and Outlook

The Company is a British Columbia company engaged in the business of mineral exploration in the Highland Valley of British Columbia. The Company does not have any properties that are in production or that contain a proven reserve.

The Company's main focus is to concentrate on seeking exploration funding or a joint venture partner to advance the status of the Getty North and Getty South deposits.

Additional Information

Additional information relating to the company, its activities and operations is available on SEDAR at www.sedar.com.