

VR RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended June 30, 2017
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

NOTICE TO READER

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

The condensed consolidated interim financial statements of the Company for the first quarter ended June 30, 2017 have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these unaudited condensed consolidated interim financial statements in accordance with the standards established by the CPA Canada for a review of interim condensed consolidated financial statements by an entity's auditor.

VR RESOURCES LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by management)
(Expressed in Canadian Dollars)

	As at June 30, 2017	As at March 31, 2017
ASSETS		
Current		
Cash and cash equivalents (Note 3)	\$ 3,255,340	\$ 4,157,167
Receivables (Note 4)	58,762	49,413
Prepaid expenses	11,721	16,000
	<u>3,325,823</u>	<u>4,222,580</u>
Equipment (Note 5)	3,148	3,403
Exploration and evaluation assets (Note 6)	<u>1,613,255</u>	<u>1,329,000</u>
	<u>\$ 4,942,226</u>	<u>\$ 5,554,983</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current		
Accounts payable and accrued liabilities (Note 7)	\$ 70,886	\$ 444,027
Shareholders' equity		
Share capital (Note 8)	8,485,349	8,485,349
Reserves (Note 8)	888,489	836,620
Deficit	(4,801,676)	(4,536,699)
Accumulated other comprehensive income	299,178	325,686
	<u>4,871,340</u>	<u>5,110,956</u>
	<u>\$ 4,942,226</u>	<u>\$ 5,554,983</u>

Nature of operations and going concern (Note 1)

**On behalf of the Board
on July 26, 2017**

“Michael Gunning”

Director

“Craig Lindsay”

Director

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

VR RESOURCES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited – Prepared by management)

(Expressed in Canadian Dollars)

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016
EXPENSES		
Consulting fees	\$ 14,706	\$ 17,500
Depreciation (Note 5)	255	-
Foreign exchange loss	23,751	476
Investor relations and promotion	34,639	-
Office	7,834	431
Professional fees	24,995	1,805
Rent	5,100	3,407
Salaries (Note 10)	83,987	-
Share-based payments (Note 8,10)	51,869	-
Regulatory and transfer agent	17,270	-
Travel	4,648	-
	<u>(269,054)</u>	<u>(23,619)</u>
Interest income	4,077	-
Net Loss for the period	<u>(264,977)</u>	<u>(23,619)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent years:		
Translation adjustment	<u>(26,508)</u>	<u>(3,309)</u>
Loss and comprehensive loss for the period	<u>\$ (291,485)</u>	<u>\$ (26,928)</u>
Loss per common share		
-Basic and diluted	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding		
-Basic and diluted	35,405,225	12,598,450

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

VR RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIODS ENDED JUNE 30
(Unaudited – Prepared by management)
(Expressed in Canadian Dollars)

	2017	2016
OPERATING ACTIVITIES		
Loss for the period	\$ (264,977)	\$ (23,619)
Items not affecting cash:		
Share-based payments	51,869	-
Depreciation	255	-
Foreign exchange on reclamation deposit	-	(213)
Changes in non-cash working capital items:		
Receivables	(9,349)	81
Prepaid expenses	4,279	(4,787)
Accounts payable and accrued liabilities	(373,141)	2,399
Net cash used in operating activities	<u>(591,064)</u>	<u>(26,139)</u>
FINANCING ACTIVITIES		
Proceeds from the issuance of shares, net of share issue cost	<u>-</u>	<u>315,000</u>
Net cash provided by financing activities	<u>-</u>	<u>315,000</u>
INVESTING ACTIVITIES		
Exploration and evaluation assets	<u>(310,763)</u>	<u>(43,489)</u>
Net cash used in investing activities	<u>(310,763)</u>	<u>(43,489)</u>
Change in cash during the period	(901,827)	245,372
Cash, beginning of period	<u>4,157,167</u>	<u>15,412</u>
Cash, end of period	<u>\$ 3,255,340</u>	<u>\$ 260,784</u>
Cash paid during the period for:		
Income taxes	\$ -	\$ -
Interest	\$ -	\$ -

Supplemental disclosure with respect to cash flows (Note 9)

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

VR RESOURCES LTD.
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited – Prepared by management)
(Expressed in Canadian Dollars)

	Share capital		Reserves	Deficit	Accumulated Other Comprehensive Income	Total
	Number of Shares	Amount				
Balance as at March 31, 2016	12,443,027	\$ 2,750,611	\$ 68,291	\$ (2,421,263)	\$ 312,547	\$ 710,186
Private placement	1,500,000	315,000	-	-	-	315,000
Translation adjustment	-	-	-	-	(3,309)	(3,309)
Loss and comprehensive loss	-	-	-	(23,619)	-	(23,619)
Balance as at June 30, 2016	13,943,027	3,065,611	68,291	(2,444,882)	309,238	998,258
Private placement	3,000,001	630,000	-	-	-	630,000
Share issue cost - Private placement	146,500	(15,750)	-	-	-	(15,750)
Brokered finance	13,333,333	4,000,000	-	-	-	4,000,000
Non-brokered financing	1,382,364	414,709	-	-	-	414,709
Share issue cost - Financing	-	(127,783)	-	-	-	(127,783)
Finder's fees - cash	-	(280,000)	-	-	-	(280,000)
Agents' warrants	-	(146,438)	146,438	-	-	-
Property acquisition	1,500,000	315,000	-	-	-	315,000
Shares of VR Resources Ltd.	2,100,000	630,000	-	-	-	630,000
Share-based payments	-	-	540,959	-	-	540,959
Valuation of stock options on reverse acquisition	-	-	80,932	-	-	80,932
Translation adjustment	-	-	-	-	16,448	16,448
Loss and comprehensive loss	-	-	-	(2,091,817)	-	(2,091,817)
Balance as at March 31, 2017	35,405,225	8,485,349	836,620	(4,536,699)	325,686	5,110,956
Share-based payments	-	-	51,869	-	-	51,869
Translation adjustment	-	-	-	-	(26,508)	(26,508)
Loss and comprehensive loss	-	-	-	(264,977)	-	(264,977)
Balance as at June 30, 2017	35,405,225	\$ 8,485,349	\$ 888,489	\$ (4,801,676)	\$ 299,178	\$ 4,871,340

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

VR RESOURCES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

VR Resources Ltd., formally Roll-Up Capital Corp. (“Roll-Up” the “Company”) was incorporated on May 7, 2015, by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) and continued in British Columbia. The Company’s head office address is at 700 West Pender Street, Suite 1750, Vancouver, BC, V6C 1G8. The Company’s registered and records office address is at 550 Burrard Street, Suite 2300, Vancouver, BC, V6E 2B5. To date, the Company has not earned operating revenue.

On March 21, 2017, the Company acquired all the issued and outstanding common shares of Renntiger Resources Ltd. (“Renntiger”) by an Arrangement Agreement (the “Transaction”) by issuing 33,305,225 common shares of Roll-Up. Because of the Transaction, Renntiger obtained a majority interest of the issued and outstanding shares of Roll-Up which constituted a reverse acquisition of Roll-Up by Renntiger, (the “Reverse Acquisition”) for accounting purposes with Renntiger being identified as the accounting acquirer, and accordingly, the Company is considered a continuation of Renntiger.

As at June 30, 2017, the Company has a working capital of \$3,254,937 and an accumulated deficit of \$4,801,676. The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

The Company is in the process of exploring its own mineral exploration properties, and evaluating new properties for potential acquisition. The Company has not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these interim consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. The condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended March 31, 2017, which have been prepared in accordance with IFRS as issued by the IASB. In the opinion of management, all adjustments considered necessary for fair presentation of the Company’s financial position, results of operations and cash flows have been included. Operating results for the three month period ended June 30, 2017 are not necessarily indicative of the results that may be expected for the year ending March 31, 2018.

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as held-for-trading, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting. These condensed consolidated interim financial statements are prepared in Canadian dollars.

These consolidated financial statements of the Company include the balances of its subsidiaries, Renntiger Resources Ltd. and Renntiger USA Ltd., which are wholly owned subsidiaries.

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The Company consolidates its subsidiaries on the basis that it controls the subsidiaries through its ability to govern its financial and operating policies.

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards (“IAS”) Board or International Financial Reporting Standards Interpretation Committee (“IFRIC”) that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- *IFRS 9 Financial Instruments*: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.
- *IFRS 16 Leases*: New standard to establish principles for recognition, measurement, presentation, and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.
- *IFRS 15 Revenue from Contracts with Customers*: New standard establishes a comprehensive framework for the recognition, measurement and disclosure of revenue replacing IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue — Barter Transactions Involving Advertising Services, effective for annual periods beginning on or after January 1, 2018

3. CASH AND CASH EQUIVALENTS

The Company’s cash and cash equivalents consist of the following:

	June 30, 2017	March 31, 2017
Cash held in CAD	\$ 242,157	\$ 827,259
Cash equivalents in CAD	2,000,000	2,000,000
Cash held in USD	1,013,183	1,329,908
Total	\$ 3,255,340	\$ 4,157,167

4. RECEIVABLES

Receivables consist of GST receivable. The Company does not have any significant balances that are past due. All receivables are current, and the Company does not have any allowance for doubtful accounts. Due to their short-term maturities, the fair value of receivables approximate their carrying value.

VR RESOURCES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

5. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment
Cost:	
Balance at March 31, 2017	\$ 3,913
Additions	-
Balance at June 30, 2017	\$ 3,913
Accumulated Depreciation:	
Balance at March 31, 2017	\$ 510
Depreciation	255
Balance at June 30, 2017	\$ 765
Net Book Value:	
Balance at June 30, 2017	\$ 3,148

6. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets 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 exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties are in good standing.

a) Bonita – Nevada USA

The Company staked the Bonita property in Humboldt County, Nevada, USA, in September, 2014. The Company owns the property 100%, with no underlying third-party payments, interests or royalties. A two-stage share payment totally 900,000 shares was agreed to in June 2014, with the party who introduced the area of interest to the Company. Upon initiation of a diamond drill program within the area of interest, the Company is obligated to issue an additional 450,000 common shares to the party. The Bonita property currently consists of one contiguous block of 429 unpatented mining claims covering 3,586 ha, an area of approximately 5 x 6 kilometres, and land administered by the federal Bureau of Land Management (BLM).

b) Danbo – Nevada USA

The Company acquired a 100% interest in the Danbo property, located in Nye County, Nevada, USA, in October 2016, by issuing 1,500,000 shares to a private mineral exploration company. The property consists of one contiguous block of 28 unpatented mining lode claims, on land administered by the Forest Service. The property is subject to a 3% net smelter returns royalty on 8 central claims.

c) Big Creek – Nevada USA

The Company staked the Big Creek property in Humboldt County, Nevada, USA, in July, 2017. The Company owns the property 100%, with no underlying third party payments, interests or royalties. The property consists of 30 claims in one contiguous block covering 620 acres (250 hectares), on land administered by the BLM.

VR RESOURCES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd)

	Big Creek	Bonita	Danbo	Total
Acquisition costs				
Balance, March 31, 2017	\$ -	\$ 627,724	\$ 315,000	\$ 942,724
Land administration	-	22,788	-	22,788
Staking fees	24,367	48,450	-	72,817
Translation adjustment	(764)	(9,734)	-	(10,498)
	23,603	61,504	-	85,107
Balance, June 30, 2017	\$ 23,603	\$ 689,228	\$ 315,000	\$ 1,027,831
Deferred exploration costs				
Balance, March 31, 2017	\$ -	\$ 382,180	\$ 4,096	\$ 386,276
Assays	-	-	14,874	14,874
Field	-	23,205	-	23,205
Geological	-	10,889	-	10,889
Geophysical	-	158,523	-	158,523
Geochemistry	-	7,304	363	7,667
Translation adjustment	-	(15,434)	(576)	(16,010)
	-	184,487	14,661	199,148
Balance, June 30, 2017	\$ -	\$ 566,667	\$ 18,757	\$ 585,424
Balance, June 30, 2017	\$ 23,603	\$ 1,255,895	\$ 333,757	\$ 1,613,255

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2017	March 31, 2017
Trade Payables	\$ 60,886	\$ 412,240
Accrued Liabilities	10,000	31,787
	\$ 70,886	\$ 444,027

8. SHARE CAPITAL AND RESERVES

Authorized – Unlimited common shares without par value

During the period ended June 30, 2017 there was no share issuances.

Stock options

The Company has an incentive stock option plan, which provides that the Board of Directors of the Company may from time-to-time, at its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Vesting of stock options is at the discretion of the Board of Directors. Stock options are exercisable for a maximum of 10 years, and the exercise price of the stock options is set in accordance with the policies of the TSX-V.

VR RESOURCES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd)

As at June 30, 2017, the Company had stock options outstanding enabling the holder to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date	Weighted Average Life Remaining
250,000	\$0.05	August 28, 2018	1.16
300,000	\$0.21	June 28, 2018	1.00
105,000	\$0.30	March 21, 2018	0.73
105,000	\$0.30	March 21, 2027	9.73
1,790,000	\$0.30	March 21, 2027	9.73
250,000	\$0.30	May 16, 2027	9.92
<u>2,800,000</u>			<u>7.71</u>

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
As at March 31, 2017	2,600,000	\$ 0.27
Granted	250,000	0.30
Expired	<u>(50,000)</u>	<u>0.30</u>
As at June 30, 2017	<u>2,800,000</u>	<u>\$ 0.27</u>
Number of options currently exercisable	<u>2,800,000</u>	<u>\$ 0.27</u>

During the period ended June 30, 2017, the Company recognized share-based payments expense of \$51,869 (2016 - \$Nil), regarding the vesting of stock options granted.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of stock options granted:

	June 30, 2017	March 31, 2017
Risk-free interest rate	1.88%	1.45%
Expected life of options	10.0	8.26
Annualized volatility	100%	150%
Dividend rate	0%	0%
Weighted average fair value per option granted	\$ 0.30	\$ 0.23

Warrants outstanding are as follows:

Number of Warrants	Exercise Price	Expiry Date
83,333	\$ 0.50	September 30, 2017
933,334	\$ 0.30	March 19, 2019
7,357,849	\$ 0.30	March 21, 2019
<u>8,374,516</u>		

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash investing or financing activities during the period ended June 30, 2017 and 2016.

10. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the periods ended June 30, were:

	2017	2016
Short-term benefits paid or accrued:		
Consulting fees	\$ 14,706	\$ 2,500
Salaries	48,000	-
	<u>62,706</u>	<u>2,500</u>
Share-based payments:		
Share-based payments	-	11,085
	<u>-</u>	<u>11,085</u>
Total remuneration	\$ 62,706	\$ 13,585

There were no other related party transactions for the periods ended June 30, 2017 and 2016.

11. SEGMENTED INFORMATION

The Company operates in one reportable segment being the acquisition and exploration of exploration and evaluation assets. Geographical information of the Company's non-current assets is as follows:

	June 30, 2017	March 31, 2017
Equipment - Canada	\$ 3,148	\$ 3,403
Exploration and evaluation assets - USA	\$ 1,613,255	\$ 1,329,000

12. CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. 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 properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity financing to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the period.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash and cash equivalents is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash and is deposited in accounts held at a large financial institution in Canada. As such, the Company

believes the credit risk with cash is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company considers the credit risk of receivables to be low.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of June 30, 2017, the Company had a cash balance of \$3,255,340 to settle current liabilities of \$70,886. All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

Interest rate risk

The Company has cash and cash equivalents balances and no interest-bearing debt. The Company's cash is held in accounts with floating interest rates. The Company is significantly exposed to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in USD. Amounts exposed to foreign currency risk include cash of US\$780,752 as of June 30, 2017 (Note 3). A 10% fluctuation in the USD against the CAD would result in a US\$104,620 charge to profit or loss for the period.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss and the ability to obtain financing, due to

VR RESOURCES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2017

(Unaudited - Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.