NOTICE TO SHAREHOLDERS

(A Development Stage Enterprise)

Condensed Interim Financial Statements
For the nine months ended September 30, 2015

(Stated in Canadian Dollars)

Responsibility for Financial Statements

The accompanying financial statements for Metals Creek Resources Corp. have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") consistently applied. Only changes in accounting policies have been disclosed in these unaudited condensed interim financial statements. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the period ended September 30, 2015.

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

September 30, 2015 and 2014

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Prepared by Management)

As at	**September 30, 2015 $ (Unaudited)**	December 31, 2014 $ (Audited)
ASSETS		
Current		
Cash (note 5)	**36,442**	58,637
Restricted cash (note 5)	**95,625**	-
Short term investments (note 3)	**405,663**	1,018,948
H.S.T. and other receivables	**25,626**	19,892
Staking security deposits (note 10)	**28,457**	41,257
Prepaid expenses	**12,672**	12,253
	604,485	1,150,987
Property and equipment (note 4)	**33,381**	44,132
Long term investments (note 6)	**204,777**	270,134
Exploration and evaluation assets (note 7)	**4,959,880**	4,751,531
	5,802,523	6,216,784
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities (note 9)	**63,481**	71,832
Deferred premium on flow-through shares (note 8(iv))	**8,606**	-
	72,087	71,832
Equity		
Share Capital (note 8)	**11,775,271**	11,728,403
Reserves (note 8)	**5,173,053**	5,051,615
Deficit	**(11,217,588)**	(10,635,066)
	5,730,736	6,144,952
	5,802,823	6,216,784

Nature and Continuance of Operations – Note 1
Subsequent Event – Note 14

These financial statements are authorized for issue by the Board of Directors on November 23, 2015. They are signed on the Corporation's behalf by:

"Alexander Stares" Director

"Nick Tsimidis" Director

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Prepared by Management – Unaudited)

	Three Months Ended Sept. 30, 2015 $	Three Months Ended Sept. 30, 2014 $	Nine Months Ended Sept. 30, 2015 $	Nine Months Ended Sept. 30, 2014 $
EXPENSES				
Business development	24,210	15,479	63,904	67,997
Depreciation	3,583	4,602	10,751	13,805
Office and general	20,740	20,651	72,755	76,668
Professional fees (note 9)	11,500	16,675	50,698	49,560
Salaries and benefits	87,479	70,454	270,754	268,048
Share-based payments (note 8(iii))	4,809	2,397	20,725	19,090
Write-down of exploration and evaluation assets	-	7,300	-	7,300
Pre-acquisition exploration and evaluation expenses	16,606	7,035	47,346	86,876
Adjustment to fair value for fair value through profit and loss investments	45,623	233,408	68,842	274,800
	214,550	378,001	605,775	864,144
Loss before the following:	214,550	378,001	605,775	864,144
Gain on sale of exploration and evaluation assets, net	-	-	-	(5,000)
Grant and other revenue	-	(630)	(2,670)	(1,155)
Loss (gain) on sale of long term investments	-	-	(1,165)	34,333
Interest and investment income	(3,001)	(6,451)	(14,524)	(20,415)
Loss before deferred tax recovery	211,549	370,920	587,416	871,907
Deferred tax recovery – flow-through (note 8(iv))	(4,894)	-	(4,894)	-
Loss and comprehensive loss for the period	206,655	370,920	582,522	871,907
Loss per share – basic and diluted	0.01	0.03	0.04	0.06
Weighted Average Shares Outstanding – basic and diluted	14,474,266	14,081,603	14,213,929	14,081,603

The accompanying notes form an integral part of these condensed interim financial statements

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Prepared by Management – Unaudited)
For the nine months ended September 30, 2015 and 2014

	Share Capital		Reserves			
	Number of Shares #	Share Capital $	Warrants $	Equity Settled Benefits $	Deficit $	Total
Balance at December 31, 2013	**98,571,214**	**11,728,403**	**1,822,527**	**3,193,227**	**(7,402,796)**	**9,341,361**
Share-based payments	-	-	-	19,090	-	19,090
Expiration of warrants	-	-	(1,822,527)	1,822,527	-	-
Loss and comprehensive loss for the period	-	-	-	-	(871,907)	(871,907)
Balance at September 30, 2014	**98,571,214**	**11,728,403**	**-**	**5,034,844**	**(8,274,703)**	**8,488,544**
Balance at December 31, 2014	**98,571,214**	**11,728,403**	**-**	**5,051,615**	**(10,635,066)**	**6,144,952**
Share consolidation: 1 for 7	(84,489,611)	-	-	-	-	-
Issued for cash:						
Private placement	2,125,000	99,287	100,713	-	-	200,000
Share issue costs	-	(38,919)	-	-	-	(38,919)
Flow-through share premium (note 8(iv))	-	(13,500)	-	-	-	(13,500)
Share-based payments	-	-	-	20,725	-	20,725
Loss and comprehensive loss for the period	-	-	-	-	(582,522)	(582,522)
Balance at September 30, 2015	**16,206,603**	**11,775,271**	**100,713**	**5,072,340**	**(11,217,588)**	**5,730,736**

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

CONDENSED INTERIM STATEMENTS CASH FLOWS
(Prepared by Management – Unaudited)

	Nine Months Ended Sept. 30, 2015 $	Nine Months Ended Sept. 30, 2014 $
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Loss and comprehensive loss for the period	(582,522)	(871,907)
Deferred tax recovery – flow-through	(4,894)	-
Depreciation	10,751	13,805
Share-based payments	20,725	19,090
Adjustment to fair value for fair value through profit and loss investments	68,842	274,800
Write-down of exploration and evaluation assets	-	7,300
Loss (gain) on sale of long term investments	(1,165)	34,333
Decrease in H.S.T. and other receivables	(5,734)	(3,250)
Decrease (increase) in prepaid expenses	(419)	5,401
Decrease in accounts payable and accrued liabilities	(8,351)	(36,450)
Cash flows used in operating activities	(502,767)	(556,878)
FINANCING ACTIVITIES		
Redemption of short term investments	604,385	276,152
Issuance of capital stock for cash	200,000	-
Share issue costs – cash commission and expenses	(38,919)	-
Cash flows from financing activities	765,466	276,152
INVESTING ACTIVITIES		
Decrease in staking security deposits	12,800	8,330
Net proceeds on sale of long term investments	7,780	129,000
Expenditures on exploration and evaluation assets	(209,849)	(188,192)
Acquisition of property and equipment	-	(7,761)
Cash flows used in investing activities	(189,269)	(58,623)
Increase (decrease) in cash	73,430	(339,349)
Cash and Restricted Cash - beginning of period	58,637	400,687
Cash and restricted Cash - end of period	132,067	61,338

Supplemental cash flow information (note 11)

The accompanying notes form an integral part of these condensed interim financial statements

METALS CREEK RESOURCES CORP.
(A Development Stage Enterprise)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
September 30, 2015
(Prepared by Management – Unaudited)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Metals Creek Resources Corp. (the "Company") was incorporated on June 21, 2004 under the Business Corporations Act (Ontario).

The Company is an exploration stage company, and is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The accompanying financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company's investment in exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop its properties and establish future profitable production from the properties, or from the proceeds of their disposition. The Company has working capital in the amount of $532,598 (December 31, 2014 - $1,079,155) and has a deficit in the amount of $11,217,588 (December 31, 2014 - $10,635,066). The Company has not earned any significant revenues to date and is considered to be in the exploration stage.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB ("International Accounting Standards Board") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 - Interim Financial Reporting. The accounting policies followed in these condensed interim financial statements are the same as those applied in the Company's audited annual financial statements for the year ended December 31, 2014.

The policies applied in these financial statements are based on IFRS issued and outstanding as of November 23, 2015, the date the Board of Directors approved the statements. Any subsequent changes to IFRS after this date could result in changes to the financial statements for the period ended September 30, 2015.

The condensed interim financial statements do not contain all disclosures required under IFRS and should be read in conjunction with Company's audited annual financial statements and the notes thereto for the year ended December 31, 2014.

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

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income taxes. Differences may be material.

3. SHORT TERM INVESTMENTS:

		Sept. 30, 2015	Dec. 31, 2014
Money Market Mutual funds		319,763	924,448
Investment Trust		85,900	94,500
	$	405,663	1,018,948

These funds are available for exploration and operations upon the request of the Company.

The money market mutual funds consist of fully liquid, managed money market fund units that yield regular monthly dividends at market rates.

The Investment Trust is a fully liquid senior loan fund bearing interest at 6.75%.

4. PROPERTY AND EQUIPMENT

		Cost		Acc. Depr.		Sept. 30, 2015 Net
Computer equipment	$	24,163	$	22,908	$	1,255
Furniture and fixtures		13,467		10,766		2,701
Computer software		63,020		62,256		764
General equipment		33,028		22,323		10,705
Automobile		54,882		36,926		17,956
Leasehold improvements		4,812		4,812		-
	$	193,372	$	159,991	$	33,381

		Cost		Acc. Depr.		Dec. 31, 2014 Net
Computer equipment	$	24,163	$	22,026	$	2,137
Furniture and fixtures		13,467		10,290		3,177
Computer software		63,020		59,965		3,055
General equipment		33,028		20,434		12,594
Automobile		54,882		31,713		23,169
Leasehold improvements		4,812		4,812		-
	$	193,372	$	149,240	$	44,132

5. RESTRICTION ON THE USE OF CASH AND CASH EQUIVALENTS

During the period ended September 30, 2015 the Company issued common shares that were designated as being flow-through shares. One of the conditions of issuing flow-through shares is that the Company is required to retain the gross proceeds for the exclusive purpose of paying for qualified Canadian exploration and development expenditures associated with its exploration and evaluation assets.

		September 30, 2015		December 31, 2014
Restricted cash, beginning of period	$	-	$	-
Gross proceeds received upon issuance of flow-through shares		150,000		-
Qualified exploration expenditures paid from these funds		(54,375)		-
Restricted cash, end of period	$	95,625	$	-
Cash, end of period		36,442		58,637
Cash and cash equivalents, end of period	$	132,067	$	58,637

6. LONG TERM INVESTMENTS

	September 30, 2015		December 31, 2014	
	Market $	Cost $	Market $	Cost $
Canadian Equities				
Spruce Ridge Resources Ltd. (i)	5,000	56,250	2,500	56,250
Americas Silver Corporation (i)	1,774	21,249	2,384	21,249
Noble Mineral Exploration Inc. (ii)	3,750	58,125	3,750	58,125
Sokoman Iron Corp. (iii)	19,000	585,000	19,000	585,000
GTA Resources and Mining Inc. (iv)	8,000	28,000	10,000	28,000
Sandstorm Gold Ltd. (v)	148,003	453,985	90,000	490,000
Xmet Inc. (vi)	11,500	83,500	138,000	83,500
White Metal Resources Corp. (vii)	3,750	4,000	1,000	2,500
Benton Resources Inc. (viii)	4,000	3,500	3,500	3,500
	204,777	1,293,609	270,134	1,328,124

(i) The Spruce Ridge shares are valued at the September 30, 2015 closing price of $0.02 per common share (December 31, 2014 - $0.01). The shares of Americas Silver Corporation (TSX:SPM) (formerly U.S. Gold & Silver Inc. (TSX:USA) were received from Spruce Ridge originally as shares of RX Gold & Silver (which later merged with U.S. Gold & Silver Inc.) as a dividend-in-kind based on the Company's pro-rata ownership of Spruce Ridge and are valued at the September 30, 2015 closing price of $0.155 per common share (December 31, 2014 - $0.35).

(ii) The shares of Noble are traded on the TSX-V exchange under the symbol "NOB" and are valued at the September 30, 2015 closing price of $0.005 per common share (December 31, 2014 - $0.005).

(iii) The shares of Sokoman Iron Corp. (TSX-V: SIC) are valued at the September 30, 2015 closing price of $0.01 (December 31, 2014 - $0.01).

(iv) The GTA Resources ("GTA") (TSX-V:GTA) shares are valued at the September 30, 2015 closing price of $0.04 per common share (December 31, 2014 - $0.05). The 200,000 GTA shares were received pursuant to an option agreement in 2013 on the Company's Squid East property in the Yukon but the agreement was terminated by GTA during the 2014 fiscal year.

(v) During 2013, the Company entered into an agreement with Gold Royalties Corporation ("Gold Royalties") in which Gold Royalties acquired a 1.0% royalty interest in the Iron Horse Project. The purchase price of $1,000,000 was payable through the issuance of 1,333,333 common shares of Gold Royalties (the "Gold Royalties Shares") at a deemed price of $0.75 per Gold Royalties Share (the "Share Consideration"). The Company has agreed to a contractual escrow period whereby the Share Consideration will be subject to escrow with a 25% release every six (6) months from the date of closing of the Transaction. During the period ended September 30, 2015, Gold Royalties was acquired by Sandstorm Gold Ltd. ("Sandstorm") in an all share transaction on the basis of 0.045 Sandstorm shares for each share of Gold Royalties. As a result, the Company received 41,691 shares of Sandstorm in exchange for its Gold Royalties shares (delisted). Sandstorm trades on under the symbol "SSL" on the TSX. The Sandstorm shares are valued at the September 30, 2015 closing price of $3.55 per common share.

(vi) During 2013, the Company executed an agreement with Xmet Inc. ("Xmet") pursuant to which Xmet has the option to purchase a 100% interest in 24 claim units staked by the Company. Under the agreement, Xmet will pay the Company $10,000 ($5,000 on regulatory approval (received) and $5,000 ninety days after regulatory approval (received)) and issue 2 million common shares of Xmet (300,000 upon regulatory approval (received) and 1,700,000 within four months after regulatory approval, provided Xmet decides to continue with the option following an EM airborne survey. During the year, Xmet informed the Company that they would not be proceeding with the EM airborne survey and therefore the second share payment was not made (see also note 7(f)).

The aggregate of 2.3 million shares held by the Company are valued at the September 30, 2015 closing price of $0.005 per common share (December 31, 2014 - $0.06). The common shares of Xmet trade on the TSX Venture Exchange under the symbol “XME”.

(vii) During 2014, the Company sold two claim blocks totaling 210 claim units in southwest Labrador known as the Senecal Lake Property (“SL”) to White Metal Resources Corp., (“WHM”) (formerly Trillium North Minerals Ltd.) a company associated by common directorship. Pursuant to the sale, WHM issued 500,000 common shares for a 100% ownership interest. In addition, WHM has granted a 1% N.S.R. on the SL property as well as a 1% N.S.R. on adjacent claims already owned by WHM. WHM may buy-back up to 0.5% of each respective N.S.R. for $500,000 each (or $1 million for both claim groups). Pursuant to a share escrow agreement, the Company received an initial 50,000 shares upon TSX-V acceptance and will receive the remainder in accordance with the escrow release schedule which is 15% every six months. The initial 50,000 shares of WHM (TSXV: WHM) were valued at the December 31, 2014 closing price of $0.02 per share. During the period ended September 30, 2015, the Company received an additional 75,000 shares of WHM from an escrow release. Receipt of the shares was recorded as a reduction in the carrying cost of the property. The 125,000 shares were valued at the September 30, 2015 closing price of $0.03 per share.

(viii) During 2014, the Company executed an Option/Joint Venture agreement with Benton Resources Inc. (“Benton”) (a company related to Metals Creek by common directorships) (see note 7(e) for details of the agreement). The 100,000 shares of Benton currently held by the Company are valued at the September 30, 2015 closing price of $0.04 per share (December 31, 2014 - $0.035). The shares of Benton trade on the TSX Venture Exchange under the symbol “BEX”.

7. EXPLORATION AND EVALUATION ASSETS

Mineral property acquisition, exploration and development expenditures are deferred until the properties are placed into production, sold, impaired or abandoned. These deferred costs will be amortized over the estimated useful life of the properties following commencement of production, or written-down if the properties are allowed to lapse, are impaired, or are abandoned. The deferred costs associated with each property for the period ended September 30, 2015 and the year ended December 31, 2014 is summarized in the tables below:

For the nine month period ended September 30, 2015

		Dog Paw (a)	Ogden (b)	Yukon (c)	Jackson's Arm (d)	Staghorn (e)	Other (f)	Total
Dec. 31, 2014 - Acquisition Costs	$	176,891	431,167	57,237	2,054	-	237,757	905,106
Additions		-	-	-	-	98	1,249	1,347
Writedowns/Recoveries		-	-	-	-	-	(1,500)	(1,500)
Subtotal	$	-	-	-	-	98	(251)	(153)
Sept. 30, 2015- Acquisition Costs	$	**176,891**	**431,167**	**57,237**	**2,054**	**98**	**237,506**	**904,953**
Dec. 31, 2014 - Exploration and Evaluation Expenditures	$	-	3,791,945	151,234	-	-	(96,754)	3,846,425
Assaying		1,824	3,275	-	-	-	266	5,365
Prospecting		24,298	-	-	-	4,305	839	29,442
Geological		23,585	44,103	1,540	-	4,366	16,776	90.370
Geophysical		-	-	-	-	-	1,614	1,614
Line Cutting		-	-	-	-	-	-	-
Trenching		-	-	-	-	6,120	-	6,120
Diamond Drilling		-	78,683	360	-	900	306	80,249
Miscellaneous		-	-	-	-	225	-	225
Writedowns/Recoveries		(4,883)	-	-	-	-	-	(4,883)
Subtotal	$	44,824	126,061	1,900	-	15,916	19,801	208,502
Sept. 30, 2015 - Exploration and Evaluation Expenditures	$	**44,824**	**3,918,006**	**153,134**	**-**	**15,916**	**(76,953)**	**4,054,927**
Sept. 30, 2015 - Total	$	**221,715**	**4,349,173**	**210,371**	**2,054**	**16,014**	**160,553**	**4,959,880**

For the year ended December 31, 2014

		Dog Paw (a)	Ogden (b)	Yukon (c)	Jackson's Arm (d)	Staghorn (e)	Other (f)	Total
Dec. 31, 2013 - Acquisition Costs	$	176,891	415,709	57,237	2,054	7,450	301,573	960,914
								-
Additions		-	15,458	-	-	3,110	34,259	52,827
Writedowns/Recoveries		-	-	-	-	(10,560)	(98,075)	(108,635)
Subtotal	$	-	15,458	-	-	(7,450)	(63,816)	(55,808)
Dec. 31, 2014 - Acquisition Costs	$	**176,891**	**431,167**	**57,237**	**2,054**	**-**	**237,757**	**905,106**
Dec. 31, 2013 - Exploration and Evaluation Expenditures	$	1,150,696	3,742,482	129,740	357,585	1,500	384,341	5,766,344
Assaying		1.613	330	684	-	2,.730	3,241	8,598
Prospecting		3,259	-	180	915	29,807	14,678	48,839
Geological		20,317	39,487	18,925	719	19,645	43,217	142,310
Geophysical		-	-	-	-	-	5,918	5,918
Line Cutting		-	-	-	-	-	-	-
Trenching		-	-	-	-	-	-	-
Diamond Drilling		-	9,646	1,705	-	1,800	-	13,151
Miscellaneous		-	-	-	-	-	538	538
Writedowns/Recoveries		(1,175,885)		-	(359,219)	(55,482)	(548,687)	(2,139,273)
Subtotal	$	(1,150,696)	49,463	21,494	(357,585)	(1,500)	(481,095)	(1,919,919)
Dec. 31, 2014 - Exploration and Evaluation Expenditures	$	**-**	**3,791,945**	**151,234**	**-**	**-**	**(96,754)**	**3,846,425**
Dec. 31, 2014 - Total	$	**176,891**	**4,223,112**	**208,471**	**2,054**	**-**	**141,003**	**4,751,531**

a. Dog Paw Gold Property

In 2007, the Company acquired an option on the Dog Paw Gold project which is located approximately 40 km east of Kenora, Ontario and consists of 23 claims totaling 269 units. The Company entered into an option agreement with Endurance Gold Corp. whereby under the Initial Option the Company could earn a 70% interest in the property by making share payments totaling 400,000 shares (completed in 2008) and completing work commitments of $200,000 on the property (completed). The Company exercised a Second Option to earn a further 5% in the property by issuing a further 50,000 common shares (completed in 2008) and spent an additional $250,000 on the property (completed). The Company has now earned a 78% interest and a joint venture has been formed on a 78% (the Company) and 22% (Endurance Gold Corp.) basis. The Company presently has no planned exploration activity on the project due to current market conditions and has written off exploration and evaluation expenditures totaling $1,175,885 during the 2014 fiscal year.

b. Ogden

During 2008, the Company entered into an agreement with Goldcorp Canada Ltd. ("Goldcorp") to jointly explore Goldcorp's mining claims located in Ogden and Deloro Townships, located six kilometres south of Timmins, Ontario. The property consists of 84 patented and unpatented claims totaling approximately 1,184 hectares (the "Property"). The agreement allows for the Company to earn 50% of Goldcorp's interest in the Property by funding total expenditures on the Property of $3,100,000 over four years as follows: (i) $400,000 in year one, (ii) $700,000 in year two and (iii) $1,000,000 in each of years three and four. The Company was also required to make cash and share payments to Goldcorp as follows: (i) $40,000 cash and $25,000 worth of common shares on signing (completed in 2008), (ii) $35,000 cash and $25,000 worth of common shares on the first anniversary (completed in 2009), (iii) $35,000 cash and $50,000 worth of common shares on the second anniversary (completed in 2010), (iv) $100,000 worth of common shares on the third anniversary (completed in 2011), and (v) $150,000 worth of common shares on the fourth anniversary (completed). Within six months of the Company's vesting its 50% interest in the Property, Goldcorp had the option to buy back a 20% interest from the Company for a cash payment of up to $310,000, expending $4,100,000 on the Property within two years, and completing a feasibility study within three years.

The Company was the operator of the Property during the earn-in period and afterwards, provided it holds a 50% or greater interest in the Property. During 2012, the Company received notice that Goldcorp did not intend to pursue its back-in right on the Ogden property and as a result, the Company and Goldcorp executed a 50/50 joint venture agreement. If either party becomes diluted to a 10% interest, that interest will be converted into a 2% Net Smelter Return Royalty.

c. Yukon

The Yukon property consists of 242 staked claims in four separate claim blocks in the Dawson Range gold district. Three of the claim blocks are located in the Matson Creek area (Squid East and West properties and Fogo property) and the fourth is located west of the Yukon River (Change property). The Company owns a 100% interest in all claim blocks.

Squid East Property

The Squid East property consists of 82 claims and was acquired by staking and is located in the Matson Creek area of Yukon.

During 2013, the Company entered into an Option/Joint Venture agreement with GTA Resources ("GTA") in which GTA can earn a 51% to 70% interest in the Company's Squid East property in the Matson Creek area of Yukon. The 82 claim property was initially staked by the Company in 2011 and the Company owns a 100% interest. To earn an initial 51% interest, GTA must make cash payments of $60,000 over three years ($20,000 received), issue a total of 2,000,000 GTA shares over three years (200,000 shares received) and incur work expenditures of $2,000,000 over three years ($500,000 firm including a minimum 400 meters of drilling by 1st anniversary - completed). The Company was to be the operator during the earn-in period. Once a 51% interest is earned by GTA, either a 51/49 joint venture will be formed, or GTA may elect to earn an additional 19% interest to bring its total property interest to 70%. The terms to increase its interest from 51% to 70% include payments of $210,000 and 400,000 GTA shares within 120 days of the 3rd anniversary date and incurring an additional $1,000,000 in exploration expenditures by the 5th anniversary. GTA would assume operatorship once it had earned a 51% interest. During 2013, the Company recovered $499,743 in exploration costs incurred under the joint venture. These costs were recorded as a reduction to the deferred exploration and evaluation expenditures with the exception of the operator fee totaling $19,399 which was recorded in income during the period.

During 2014, GTA decided not to proceed with the option and the Company now holds a 100% interest in the property.

d. Jackson's Arm

The Jackson's Arm property consists of 246 staked claim units totaling 6,150 hectares and is located in north-central Newfoundland. The Company owns a 100% interest in the project.

During 2013, the Company applied for a grant under the Mineral Incentive Program through the Government of Newfoundland and Labrador for exploration and evaluation work completed on its Jackson's Arm property. The amount of the grant was $90,413 and the funds were received by the Company during 2014. The grant was recorded as a reduction of deferred exploration and evaluation expenditures. The Company presently has no planned exploration activity on the project due to current market conditions and has written off exploration and evaluation expenditures totaling $359,219 during the 2014 fiscal year.

e. Staghorn

During 2008, the Company entered into an agreement with a group of prospectors to earn a 100% interest in a group of 76 claim units spread over 1,216 hectares in the Wood Lake area in west central Newfoundland. Terms of the option agreement include making a series of staged option payments totaling $95,000 and issuing 250,000 shares to the optionors over three years. During 2008, 2009 and 2010, the Company issued 50,000, 70,000 and 50,000 common shares respectively to the optionors. The optionors retain a 2% Net Smelter Royalty, 50% of which can be purchased for $1,000,000. During 2011, the Company reduced the carrying amount of the deferred exploration expenditures on the Staghorn project by $100,000 as a result of the receipt of a non-repayable grant from the Province of Newfoundland. Also during 2011, the Company paid $44,000 and issued 50,000 shares to the optionors pursuant to the option agreement and now holds a 100% interest.

During 2012, the Company determined that no further work would be conducted on the property, the Company wrote off $48,798 in deferred exploration and evaluation expenditures during the 2014 (December 31, 2013 - $15,188).

During 2014, the Company executed an Option/Joint Venture agreement on the Staghorn project with Benton Resources Inc. ("Benton") (a company related to the Company by common directorships) whereby Benton can earn up to a 70% interest in Staghorn. Pursuant to the agreement, Benton can earn an initial 60% interest by making cash payments totaling $50,000 ($10,000 received on signing), issuing a total of 500,000 shares of Benton (100,000 received on signing) and incurring work expenditures totaling $500,000, all over a three year period. Benton will be the operator during the earn in period. Once a 60% interest is earned by Benton, either a 60/40 joint venture will be formed, or Benton may elect to earn an additional 10% interest to bring its total property interest to 70% by paying $50,000 cash and issuing an additional 500,000 Benton shares within 60 days of the 3rd anniversary date and incurring an additional $500,000 in exploration expenditures by the 5th anniversary date.

f. Other Properties

Included in Other Properties (located in Ontario and Newfoundland) are the Wick's Lake; Tilt Cove; Sops Arm North; Gryba; Tally Pond; Hearst; Feagan Lake; Mealy Intrusion; Victoria Lake and Bobby's Pond properties. During the period ended September 30, 2015 the Company incurred $47,346 (September 30, 2014: $86,876) in pre-acquisition exploration and evaluation costs which were included in expenses for the year. In addition, due to current market conditions and no current work plans, the Company wrote off certain exploration and evaluation expenditures totaling $548,687 during fiscal 2014 related to the Wick's Lake, Tilt Cove, Gryba, Tally Pond, and Tillex properties.

Feagan Lake Graphite Property

The Feagan Lake claim block consists of 12 claims totaling 175 contiguous claim units and is located northwest of Hearst, Ontario.

During 2014, the Company executed an option agreement with Xmet pursuant to which Xmet has the option to earn a 60% interest in the Feagan Lake Graphite project. In order to earn a fifty percent (50%) interest in the claims, Xmet has agreed (a) to make a cash payment of $5,000 (received) and issue 1,000,000 common shares (received) to Metals Creek, forthwith after receiving the approval of the Exchange (received); (b) carry out $60,000 in work obligations (completed), make a cash payment of $15,000 (received) and issue a further 1,000,000 shares (received) to Metals Creek within five months of Exchange approval; (c) carry out a further $150,000 in work obligations and perform a minimum 500m of drilling within one year of Exchange approval; (d) carry out a further $250,000 in work obligations and issue 500,000 shares to Metals Creek within two years of Exchange approval; and (e) carry out a further $425,000 in work obligations and issue 500,000 shares to Metals Creek within three years of Exchange approval. Xmet may then increase its interest from fifty percent to sixty percent within 90 days after earning its fifty percent interest by making a cash payment of $100,000, issuing 1,500,000 shares to the Optionor and conducting $1,000,000 in work obligations over the next year. Xmet may at any time accelerate its obligations to earn its interest earlier. Once Xmet's interest is earned, the project will continue as a joint venture with Metals Creek.

Mealy Intrusion/Senecal Lake Property

During 2014, the Company sold two claim blocks totaling 210 laim units in southwest Labrador known as the Senecal Lake Property ("SL") to White Metal Resources Corp., ("WHM") (formerly Trillium North Minerals Ltd.) a company associated by common directorship. Pursuant to the sale, WHM issued 500,000 common shares for a 100% ownership interest. In addition, WHM has granted a 1% N.S.R. on the SL property as well as a 1% N.S.R. on adjacent claims already owned by WHM. WHM may buy-back up to 0.5% of each respective N.S.R. for $500,000 each (or $1 million for both claim groups). Pursuant to a share escrow agreement, the Company received an initial 50,000 shares upon TSX-V acceptance and will receive the remainder in accordance with the escrow release schedule which is 15% every six months.

Iron Horse

The Company retains a 0.9% royalty from the Iron Horse Project located approximately 120 km Northeast of Labrador City, Labrador and held by Sokoman Iron Corp.

8. CAPITAL AND RESERVES

i. Share Capital

At September 30, 2015, the authorized share capital comprised an unlimited number of common shares and an unlimited number of preferred shares.

To date, no preferred shares have been issued.

During the period ended September 30, 2015, the Company completed a consolidation of its share capital on the basis of 1 for 7. Prior to the consolidation, the Company had 98,571,214 shares issued and outstanding. The effect of the share consolidation on the outstanding common shares and both the number of stock options and warrants and their respective exercise prices have been reflected in these condensed interim financial statements.

ii. Share Purchase Warrants

Details of share purchase warrant transactions for the period ended September 30, 2015 and year ended December 31, 2014 are as follows:

	# of Warrants	Amount $	Wtd. Avg. Ex. Price
Balance, December 31, 2013	1,497,785	1,822,527	
-Expired during the period	(1,497,785)	(1,822,527)	$3.15
Balance, December 31, 2014	-	-	
Pursuant to private placements (note 7(iv))	1,375,000	90,215	$0.15
Finders warrants pursuant to above	160,000	10,498	$0.15
Balance, September 30, 2015	1,535,000	100,713	

For purposes of the warrants granted, the fair value of each warrant was estimated on the date of grant using an option pricing model, using the assumptions noted in note 7(iv).

Pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

The following table summarizes information about the warrants outstanding at September 30, 2015 and December 31, 2014:

Expiry Dates	Exercise Price	September 30, 2015 # of Warrants	December 31, 2014 # of Warrants
September 14, 2017	$0.15	1,535,000	-
		1,535,000	-

iii. Stock Options

Details of stock option transactions for the year ended December 31, 2014 and period ended September 30, 2015 are as follows:

	# of Options	Wtd. Avg. Ex. Price
Balance, December 31, 2013	1,347,145	$1.05
Granted during the year	178,571	$0.49
Expired during the year	(182,857)	$1.05
Balance, December 31, 2014	1,342,859	$0.98
Granted during the period	57,143	$0.70
Expired during the period	(194,285)	$1.12
Balance, September 30, 2015	1,205,717	$0.92

The following table summarizes information about the options outstanding at September 30, 2015 and December 31, 2014:

Expiry Dates	Exercise Price	September 30, 2015 # of Options	December 31, 2014 # of Options
February 2015	$1.12	-	180,000
May 2015	$0.70	-	14,286
March 2016	$1.645	210,715	210,714
August 2016	$0.91	422,143	422,143
July 2017	$0.91	42,858	42,858
March 2015	$0.70	14,286	14,286
August 2018	$0.70	280,000	280,000
October 2019	$0.49	178,572	178,572
May 2020	$0.70	57,143	-
		1,205,717	1,342,859

The Company applies the fair value method of accounting for share-based payments using an option pricing model.

Stock options granted to directors, officers, employees and consultants vested during the period ended September 30, 2015 are as follows:

Grant Date	# of Options	Exercise Price	Expiry Date
October 21,2014	80.824	$0.49	October 21, 2019
May 3, 2015	42,623	$0.70	May 3, 2020
	123,447		

The Company has calculated $20,725 as share-based payments expense and under capital stock as reserves for the 123,447 options vesting to directors, officers and employees and consultants during the period:

- For the 178,572 options granted on October 21, 2014, the fair value of each vested option is $0.1778 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 144%, a risk-free interest rate of 1.43% and an expected life of approximately 5 years.

- For the 57,143 options granted on May 3, 2015, the fair value of each vested option is $0.1491 and was estimated on the grant date with the following assumptions: dividend yield of 0%, expected volatility of 156%, a risk-free interest rate of 1.13% and an expected life of approximately 5 years.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

iv. Private Placements

During the period ended September 30, 2015, the Company completed the following private placement:

(i) The Company completed its first tranche of a private placement by issuing a total of 1,500,000 flow-through units at $0.10 per unit, each unit consisting of one flow-through common share and one half of one common share purchase warrant, each whole warrant entitling the holder thereof to acquire one common share of the Company at a price of $0.15 for a period of 24 months following the closing. In addition the Company issued 625,000 non flow-through units at $0.08 per unit, each unit consisting of one common share and one share purchase warrant, each warrant entitling the holder thereof to acquire one common share of the Company at a price of $0.15 for a period of 24 months following the closing. Total gross proceeds received in the first tranche of the private placement were $200,000.

The fair value of the 1,535,000 common share purchase warrants received by investors and finders have been estimated at $102,268 using the Black-Scholes option pricing model for the following assumptions:

dividend yield of 0%, expected volatility of 176%, a risk-free interest rate of 0.45%, and an expected life of 2 years.

In connection with the private placement, the Company issued 160,000 finders warrants having the same terms as the warrants issued in the private placement and described above and paid finders fees and other commissions equal to $22,700. All securities issued are subject to a four month hold period.

The deferred premium on flow-through shares in the amount of $8,606 (December 31, 2014 – nil) consists of the tax premium portion of 150,000 flow-through shares issued at $0.10 per unit during the current period. The difference between the closing prices and the issued prices, net of the value of the one-half warrant issued with each share, is treated as a liability in accordance with IFRS. This liability is reversed into earnings as the Company incurs flow-through eligible exploration and evaluation expenditures. This reversal amounted to $4,894 for the period ended September 30, 2015 (September 30, 2014 – nil).

9. RELATED PARTY TRANSACTIONS

The Company paid or accrued the following amounts to related parties during the period ended September 30, 2015 and 2014:

Payee	Description of Relationship	Nature of Transaction	September 30, 2015 Amount ($)	September 30, 2014 Amount ($)
Eastrock Exploration/ Wayne Reid	Company controlled by Wayne Reid, Director and Officer	Payments for geological consulting services	21,600	21,600
Nick Tsimidis	Director and Officer	Payments for consulting fees	18,000	18,000
Stares Contracting Corp.	Company controlled by Michael Stares, Director	Payments for staking services and reimbursement of expenses capitalized in exploration and evaluation assets	-	7,321

The purchases from/fees charged by related parties are in the normal course of operation and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Included in accounts payable and accrued liabilities at September 30, 2015 is:

- $2,712 payable to Eastrock Exploration Inc., (2014: $2,712)
- $6,780 payable to Nick Tsimidis (2014: nil)

During the period ended September 30, 2015 the Company recovered $18,705 in wages from a company related by common directorships for the use of the Company's field geological personnel (September 30, 2014 - $60,030)

Key management personnel remuneration during the period ended September 30, 2015 included $239,660 (September 30, 2014 - $239,436) in salaries and benefits and $10,347 (September 30, 2014 - $11,235) in share-based payments. There were no post-retirement or other long-term benefits paid to key management personnel during the period.

10. STAKING SECURITY DEPOSITS

Staking security deposits of $28,457 (December 31, 2014 – $41,257) represents security amounts paid to the Government of Newfoundland and Labrador in connection with mineral property claims located in the

Province of Newfoundland. These staking security deposits are refundable to the company upon submission by the company of a report covering the first year work undertaken which meets the requirements of the Government of Newfoundland and Labrador.

11. SUPPLEMENTAL CASH FLOW INFORMATION

The following transactions did not result in cash flows and have been excluded from operating, financing and investing activities:

	September 30, 2015 $	September 30, 2014 $
Non-cash financing activities		
Fair value of warrants issued	100,713	-
Deferred premium on flow-through shares	13,500	-
Non-cash investing activities		
Shares received for exploration and evaluation assets	1,500	38,075

12. LOSS PER SHARE

Basic loss per common share has been calculated using the weighted average number of common shares outstanding in each respective period. As the issue of shares upon the exercise of stock options and warrants would be anti-dilutive, diluted loss per common share is equivalent to basic loss per common share.

13. COMMITMENTS

The Company has entered into a lease agreement for its office premises in Thunder Bay, Ontario expiring September 15, 2016 for $1,219 per month.

During 2013, the Company hired King James Capital Corp. to provide investor relations and financial public relations services in exchange for a fee of $2,000 per month for a term of twelve months. In addition, the Company granted to King James Capital Corp. 14,286 stock options at an exercise price of $0.70 for a term of two years with one-quarter of the options granted vesting every three months following the date of grant. The monthly fee was reduced to $1,000 per month during the 2014 fiscal year. During the period ended September 30, 2015, the Company terminated these services.

During the period ended September 30, 2015, the Company hired Paradox Public Relations (“Paradox”) to provide investor relations. The agreement is for a minimum of three months and maximum of 24 months, at a monthly fee of $5,500. In addition Paradox received 57,143 stock options to acquire the same number of common shares of the Company at $0.70 per share. These options are subject to the vesting previsions under the Company’s stock option plan.

14. SUBSEQUENT EVENT

Subsequent to September 30, 2015, the Company closed the second tranche of the private placement for gross proceeds of $88,000. The second tranche of the private placement consisted of 600,000 flow-through units at a price of $0.10 per unit, each unit consisting of one flow-through common share and one half of one common share purchase warrant, each whole warrant entitling the holder thereof to acquire one common share of the Company at a price of $0.15 for a period of 24 months following the closing. In addition, the Company issued 350,000 non flow-through units at a price of $0.08, each unit consisting of one common share and one share purchase warrant, each warrant entitling the holder thereof to acquire one common share of the Company at a price of $0.15 for a period of 24 months following the closing.

In connection with the second tranche of the private placement, the Company issued 20,000 finders warrants having the same terms as the warrants issued in the private placement and described above and paid finders fees and other commissions equal to $1,600. All securities issued are subject to a four month hold period.

In addition, the Company announced subsequent to September 30, 2015 that it completed a private placement of common shares and flow-through common shares of the Company for aggregate gross proceeds of $660,100 (the “Offering”). Pursuant to the Offering, the Company issued 1,760,000 common shares at a price of $0.08 per common share (the “Hard Shares”) and 5,770,000 flow-through common shares at a price of $0.09 per flow-through common share (the “Flow-Through Shares”).

Oban Mining Corp. (TSX-V: OBM) (“Oban”) will participate in the offering to acquire 19.9% of the issued and outstanding common shares of the Company by purchasing 1.76 million Hard Shares and 3.17 million Flow-Through Shares. Upon closing, Oban will also have the right to nominate one member to the board of directors of Metals Creek.

Delbrook Capital Advisors Inc. acquired 10.5 per cent of the issued and outstanding common shares of the company by purchasing 2.6 million Flow-Through shares through a fund managed by it.

Medalist Capital Ltd. acted as financing advisor to Metals Creek with respect to the private placement. The Company may pay cash finders’ fees equal to 8% of the gross proceeds raised in the Offering to qualified registrants. As additional consideration, qualified registrants may be issued compensation warrants (the “Finder Warrants”) exercisable for that number of Hard Shares equal in number to 8% of the number of securities sold under the Offering. The Finder Warrants will be exercisable at a price of $0.10 per share for a period of 24 months from the date of issuance.

The proceeds from the Offering will be used for general working capital purposes and to further exploration work on the Ogden Gold Project in Timmins Ontario and other Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)), with the Company using its best efforts to ensure that such Canadian Exploration Expenses qualify as a “flow-through mining expenditure” for purposes of the Income Tax Act (Canada), related to the exploration of the Company’s exploration projects.

The private placement is subject to final acceptance by the TSX Venture Exchange. All the securities issued under the Private Placement are subject to resale restrictions under applicable securities legislation.