Atlantic Gold Corporation

Unaudited Condensed Interim Consolidated Financial Statements
March 31, 2016 and 2015
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

Atlantic Gold Corporation
Condensed Interim Consolidated Balance Sheets

		March 31, 2016	December 31, 2015
Assets			
Current assets			
Cash and cash equivalents	$	**7,645,382**	$ 10,764,172
Prepaid expenses and deposits (Note 4)		**795,351**	135,319
Receivables (Note 5)		**385,586**	513,519
Due from related party (Note 10)		**20,131**	19,305
Total Current Assets		**8,846,450**	11,432,315
Property, plant and equipment (Notes 6)		**4,465,446**	4,411,126
Mineral Properties (Notes 7)		**29,144,989**	27,630,686
Other non-current assets (Note 8)		**448,077**	448,077
TOTAL ASSETS	$	**42,904,962**	$ 43,922,204
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	$	**1,301,855**	$ 1,577,265
Due to related parties (Note 10)		**29,000**	356,308
TOTAL LIABILITIES		**1,330,855**	1,933,573
Shareholders' equity			
Share capital (Note 9a)		**68,594,009**	68,594,009
Contributed surplus (Note 9b, 9c)		**12,971,204**	12,657,504
Deficit		**(39,991,106)**	(39,262,882)
Total Shareholders' Equity		**41,574,107**	41,988,631
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	**42,904,962**	$ 43,922,204

Commitments (Note 12)
Subsequent Events (Note 13)

Approved by the Board:

"Donald Siemens" Director

"Robert Atkinson" Director

Atlantic Gold Corporation

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(unaudited)

		Three months ended March 31, 2016		Three months ended March 31, 2015
Expenses				
Amortization	$	7,597	$	21,873
Corporate Development and investor relations		42,458		110,928
Director fees		18,750		18,750
Management Fees, salaries and benefits		255,915		206,774
Office and general		53,131		41,864
Professional fees		26,102		80,958
Rent		45,391		43,449
Share-based payments (Note 9b)		255,539		221,296
Transfer agent and filing fees		11,216		34,404
Travel, meals and entertainment		27,227		9,895
Net loss from operations		(743,326)		(790,191)
Other income / (expense)				
Impairment of property, plant & equipment		-		(36,681)
Interest and other income		15,102		29,818
Net loss and other comprehensive loss for the period	$	(728,224)	$	(797,054)
weighted average number of shares outstanding		115,491,447		113,559,001
Loss per share, basic and diluted	$	(0.01)	$	(0.01)

The accompanying notes are an integral part of these unaudited interim financial statements

Atlantic Gold Corporation

Condensed Interim Consolidated Statements of Changes in Equity (unaudited)

	Share capital				
	Number of shares	Amount	Contributed surplus	Deficit	Total equity
Balance - January 1, 2016	**115,491,447**	**$ 68,594,009**	**$ 12,657,504**	**$ (39,262,882)**	**$ 41,988,631**
Share-based payments	-	-	313,700	-	313,700
Net loss for the period	-	-	-	(728,224)	(728,224)
Balance - March 31, 2016	**115,491,447**	**$ 68,594,009**	**$ 12,971,204**	**$ (39,991,106)**	**$ 41,574,107**

	Share capital				
	Number of shares	Amount	Contributed surplus	Deficit	Total equity
Balance - January 1, 2015	**113,559,001**	**$ 68,072,249**	**$ 12,539,141**	**$ (36,137,676)**	**$ 44,473,714**
Share-based payments	-	-	259,808	-	259,808
Net loss for the period	-	-	-	(797,054)	(797,054)
Balance - March 31, 2015	**113,559,001**	**$ 68,072,249**	**$ 12,798,949**	**$ (36,934,730)**	**$ 43,936,468**

Atlantic Gold Corporation

Condensed Interim Consolidated Statements of Cash Flows (unaudited)

		Three months ended March 31, 2016		Three months ended March 31, 2015
Cash used in operating activities				
Net loss for the period	**$**	**(728,224)**	$	(797,054)
Adjustments for:				
Amortization		**7,597**		21,873
Impairment of property, plant & equipment		**-**		36,681
Share-based payments		**255,539**		221,296
Interest and other income		**(15,102)**		(29,818)
Net changes in non-cash working capital:				
Receivables		**130,775**		127,231
Due from related parties		**(826)**		18,103
Prepaid expenses and deposits		**(660,032)**		9,554
Accounts payable and accrued liabilities		**98,621**		(188,387)
Due to related parties		**(327,308)**		(53,651)
Net cash used in operating activities		**(1,238,960)**		(634,172)
Investing activities				
Purchase of property and equipment		**(61,917)**		(1,424)
Mineral property expenditures		**(1,830,172)**		(1,636,289)
Interest received		**12,259**		106,845
Net cash used in investing activities		**(1,879,830)**		(1,530,868)
Change in cash and cash equivalents during the period		**(3,118,790)**		(2,165,040)
Cash and cash equivalents, beginning of period		**10,764,172**		18,266,882
Cash and cash equivalents, end of period	**$**	**7,645,382**	$	16,101,842
Supplemental cash flow information				
Interest paid	**$**	**-**	$	-
Income taxes paid	**$**	**-**	$	-

1. Nature of Operations

Atlantic Gold Corporation (the "Company") is a company listed on the TSX Venture Exchange with a registered office at Suite 3083, Three Bentall Centre, 595 Burrard Street, Vancouver, B.C. Canada. The Company's registered/records office is located at 10th Floor - 595 Howe Street, Vancouver, B.C., Canada.

The Company is focusing on advancing the development of its Nova Scotia properties, including its Moose River Consolidated Project ("MRC Project"), Cochrane Hill and Fifteen Mile Stream gold projects, as well as continuing to actively review potential acquisitions and investment opportunities.

2. Basis of preparation

These unaudited condensed interim financial statements for the three months ended March 31, 2016 (the "Interim Financial Statements") have been prepared in accordance with International Auditing Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). These Interim Financial Statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited annual financial statements for the year ended December 31, 2015, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the IASB and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These Interim Financial Statements have been prepared using accounting policies consistent with those used in the Company's 2015 annual consolidated financial statements.

These Interim Financial Statements were approved by the board of directors on May 26, 2016.

3. Recent Accounting Pronouncements

New relevant IFRS pronouncements that have been issued but are not yet effective are listed below. We plan to apply the new standard or interpretation in the annual period for which it is first required. The Company is evaluating the impact these pronouncements are expected to have on its consolidated financial statements.

3. Recent Accounting Pronouncements (continued)

IFRS 9 – Financial instruments

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flows of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on the measurement of financial liabilities and de-recognition of financial instruments. The required adoption date for IFRS 9 has been deferred from the original adoption date of January 1, 2015 to all annual periods beginning on or after January 1, 2018. The Company has yet to commence assessing the impact of this new standard.

IFRS 16 – *Leases*

IFRS 16, Leases ("IFRS 16") was issued January 13, 2016 and provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance. IFRS 16 is applicable to annual reporting periods beginning on or after January 1, 2019.

4. Prepaid expenses and deposits

		March 31, 2016		December 31, 2015
Capitalized Financing Costs	$	538,320	$	-
Prepaid expenses and Deposits		257,031		135,319
	$	**795,351**	$	135,319

5. Receivables

		March 31, 2016		December 31, 2015
Input tax credits	$	149,173	$	233,956
NSDNR security for settlement of expropriated properties		206,698		206,698
Interest and other receivables		29,715		72,865
	$	**385,586**	**$**	**513,519**

5. Receivables (continued)

The receivable from the Nova Scotia Department of Natural Resources ("NSDNR") relates to $206,698 in security held by the NSDNR in respect of certain expropriated properties. The security will be refunded once payment for the expropriated lands by the Company has been settled. The Company remains in discussions with the previous land owners in respect of a negotiated settlement payment. The Company has estimated and accrued a payment amount it believes will be required to settle the amounts within accounts payable and accrued liabilities.

6. Property, plant and equipment

	Equipment	Land		Total
At December 31, 2015				
Cost	251,052	4,299,805	$	4,550,857
Accumulated depreciation	(139,731)	-		(139,731)
Net book Value	**111,321**	**4,299,805**	**$**	**4,411,126**
Period ended March 31, 2016				
At January 1, 2016	111,321	4,299,805	$	4,411,126
Additions	61,917	-		61,917
Impairment of property, plant & equipment	-	-		-
Depreciation for the period	(7,597)	-		(7,597)
Closing net book value	**165,641**	**4,299,805**	**$**	**4,465,446**
At March 31, 2016				
Cost	312,969	4,299,805	$	4,612,774
Accumulated depreciation	(147,328)	-		(147,328)
Net book Value	**165,641**	**4,299,805**	**$**	**4,465,446**

7. Mineral Properties – Nova Scotia

Three months ended March 31, 2016

	Beaver Dam	Touquoy	Cochrane Hill	Fifteen Mile Stream and Other	Total
Acquisition Costs beginning and end of period	**$ 1,134,791**	**$ 10,035,517**	**$ 2,278,597**	**$ 6,321,884**	**$ 19,770,789**
period	**$ 4,025,390**	**$ 3,173,012**	**$ 288,020**	**$ 373,475**	**$ 7,859,897**
Additions - Exploration Costs					
Permitting & claims	200	115,418	-	4,304	119,922
Drilling & Fieldwork	-	25,304	-	-	25,304
Environmental	48,223	-	-	-	48,223
Geotechnical	-	324,983	-	-	324,983
Salaries & Consulting Fees*	114,726	250,513	-	9,699	374,938
Assays & Metallurgy	370	40,486	-	901	41,757
Equipment & Supplies	908	6,515	-	240	7,663
Project Financing	-	138,881	-	-	138,881
Engineering	-	332,440	-	-	332,440
Travel & Accomodation	-	36,327	-	36	36,363
Office and Admin.	55,166	7,322	-	1,341	63,829
Exploration expenditures for the period	219,593	1,278,189	-	16,521	1,514,303
Cumulative exploration costs - End of period	**$ 4,244,983**	**$ 4,451,201**	**$ 288,020**	**$ 389,996**	**$ 9,374,200**
Grand Total - Mineral Properties	**$ 5,379,774**	**$ 14,486,718**	**$ 2,566,617**	**$ 6,711,880**	**$ 29,144,989**

**Includes a portion of share-based payments of $58,161*

Three months ended March 31, 2015

	Beaver Dam	Touquoy	Cochrane Hill	Fifteen Mile Stream and Other	Total
Acqusition Costs beginning and end of period	**$ 1,134,791**	**$ 10,035,517**	**$ 2,278,597**	**$ 6,321,884**	**$ 19,770,789**
Cumulative exploration costs - Beginning of period	**$ 1,751,395**	**$ 160,200**	**$ 125,591**	**$ 159,762**	**$ 2,196,948**
Additions - Exploration Costs					
Permitting & claims	-	36,541	-	26,436	62,977
Drilling	110,300	-	-	-	110,300
Feasibility Studies	90,000	72,150	-	-	162,150
Environmental	88,374	-	25,351	-	113,725
Geotechnical	-	6,069	-	-	6,069
Salaries & Consulting Fees	354,151	58,908	-	20,079	433,138
Assays & Metallurgy	353,634	19,372	-	-	373,006
Equipment & Supplies	19,411	-	-	-	19,411
Travel & Accomodation	26,645	-	-	-	26,645
Office and Admin.	52,412	-	-	-	52,412
Other	7,574	-	-	-	7,574
Exploration expenditures for the period	1,102,501	193,040	25,351	46,515	1,367,407
Cumulative exploration costs - End of period	**$ 2,853,896**	**$ 353,240**	**$ 150,942**	**$ 206,277**	**$ 3,564,355**
Grand Total - Mineral Properties	**$ 3,988,687**	**$ 10,388,757**	**$ 2,429,539**	**$ 6,528,161**	**$ 23,335,144**

**Includes a portion of share-based payments of $38,512*

The Company's effective ownership interest in Touquoy is 63.5%. The Company is entitled to recover all operational, overhead, financing and sunk costs prior to any distributions to its non-public partner, in the project.

8. Other non-current assets

		March 31, 2016		December 31, 2015
Reclamation bonds	$	200,000	$	200,000
Available for sale financial assets		248,077		248,077
	$	**448,077**	**$**	**448,077**

The reclamation bonds are held by the NSDNR over various mining tenements and will be refundable to the Company once mining is completed and the land has been restored to its economically usable state. The available for sale financial asset represents the Company's minority interest in Moose River Resources Inc., a privately held company, which is recorded at cost as the fair value is not reliably measureable as the shares are privately traded and there is a wide potential range of volatility.

9. Equity

a) Authorized share capital

Unlimited common shares without par value

Unlimited number of preferred shares without par value, issuable in series and with special rights and restrictions to be determined on issuance

b) Stock options

The Company values the stock options granted using the Black Scholes option pricing model to determine the fair value of options granted. The vesting period for options is 12.5% immediately with 12.5% each quarter over the following seven quarters.

Atlantic Gold Corporation Fixed Stock Option Plan

The Company's Fixed Stock Option Plan (2015) (the "Option Plan"), was approved on November 16, 2015. Under the terms of the Option Plan, the Board may, from time to time, grant to employees, officers and directors of, or consultants to the Company, non-assignable options to acquire Common Shares ("Options") in such numbers and for such terms as may be determined by the Board.

The maximum number of Common Shares which may be issued pursuant to Options previously granted and those granted under the Option Plan are 17,323,717 or such additional amount as may be approved from time to time by the shareholders of the Company. The number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis.

The exercise price of the Options granted under the Option Plan may not be less than the closing market price of the Common Shares at the grant date. The expiry date for each option shall be set by the Board at the time of issue of the Option and shall not be more than 10 years after the grant date. The Options vest at the discretion of the Board. Options granted to consultants performing Investor Relations Activities

9. Equity (continued)

b) Stock options (continued)

A summary of the changes in stock options is as follows:

	Options		Weighted average exercise price
Options outstanding - January 1, 2015	7,373,700	$	0.38
Granted	3,940,000		0.26
Options outstanding - December 31, 2015	**11,313,700**	**$**	**0.34**
Granted	2,625,000		0.42
Options outstanding - March 31, 2016	**13,938,700**	**$**	**0.35**
Options exercisable - March 31, 2016	**10,108,075**	**$**	**0.35**

During the three months ended March 31, 2016, the Company granted a total of 2,625,000 stock options to directors, officers, employees and consultants of the Company. The weighted average exercise price of the options granted for the three months ended March 31, 2016 was $0.42 per option (2015 – 3,720,000 stock options granted with an exercise price of $0.255). The exercise price for the stock option grants were equal to the market price at the time of the grant. Total share based payments recognized during the period was $313,700 (2015 - $259,808), with $255,539 recognized in the statement of loss (2015 - $221,296) and $58,161 capitalized to mineral properties (2015 - $38,512).

The following assumptions were used in the valuation of the stock options granted in the period:

Risk-free interest rate	2.70%
Expected life	6.75 years
Annualized volatility	70%
Dividend rate	0.00%
Forfeiture rate	0.00%

The risk-free rate for periods within the contractual term of the option is based on the Bank of Canada administered interest rates in effect at the time of the grant. The expected life of the options granted represents the period of time that the options granted are expected to be outstanding. Expected volatilities are based on historical volatilities of stock prices of comparable companies given the limited life of the Company as an exploration company. Expected forfeiture rates are based on historical forfeitures of stock options of the Company.

9. Equity (continued)

b) Stock options (continued)

The following table summarizes information about the options outstanding at March 31, 2016:

Number of Options	Exercise Price	Expiry Date	Number Exercisable
1,950,000	0.37	August 12, 2016	1,950,000
1,000,000	0.40	April 10, 2017	1,000,000
100,000	0.37	May 10, 2017	100,000
973,700	0.50	August 28, 2017	973,700
1,250,000	0.40	November 1, 2017	1,250,000
50,000	0.40	July 26, 2018	50,000
2,050,000	0.32	June 13, 2019	2,050,000
3,790,000	0.255	December 6, 2021	2,368,750
150,000	0.335	July 14, 2022	37,500
80,000	0.330	October 4, 2022	10,000
2,545,000	0.420	November 24, 2022	318,125
13,938,700			10,108,075

c) Share purchase warrants

At March 31, 2016 and December 31, 2015, the Company had outstanding share purchase warrants exercisable to acquire 23,137,361 common shares, with a weighted exercise price of $0.60 and an expiry date of August 20, 2018.

10. Related party transactions and key management compensation

a) Key management compensation

Key management includes the Company's directors, Chief Executive Officer, President and Chief Operating Officer and Chief Financial Officer. Compensation awarded to key management is presented in the table below:

		Three months ended March 31, 2016		Three months ended March 31, 2015
Salaries and benefits	**$**	**78,228**	$	80,165
Consulting fees		**152,353**		153,803
Director fees		**18,750**		18,750
Share-based payments*		**261,422**		223,354
	$	**510,753**	$	476,072

**$18,815 Share-based payments capitalized to mineral properties (2015 - $19,256)*

10. Related party transactions and key management compensation (continued)

b) Due to related parties

As at March 31, 2016, the Company owed $10,000 to Sirocco Advisory Services, a company controlled by a director and officer of the Company (December 31, 2015: $204,250).

As at March 31, 2016, the Company owed $5,000 to Metallica Consulting Co., a company controlled by a director of the Company (December 31, 2015: $nil).

As at March 31, 2016, the Company owed $14,000 (December 31, 2015: $11,280) to a director of the Company.

As at March 31, 2016, the Company owed $nil (December 31, 2015: $82,300) to a director and officer of the Company.

As at March 31, 2016, the Company owed $nil (December 31, 2015: $58,478) to an officer of the Company.

Amounts due to and from related parties are unsecured, non-interest bearing and due on demand.

c) Due from related party

The Company charges office lease and administrative expenditures to Oceanic Iron Ore Corp. ("Oceanic"), a Company with officers and directors in common. During the three month period ended March 31, 2016, office lease and administrative expenditures billed to Oceanic amounted to $19,172 (2015: $31,884). As at March 31, 2016, the Company was owed $20,131 from Oceanic (December 31, 2015: $19,305).

11. Fair Value of Financial Instruments

Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The carrying values of cash and cash equivalents, receivables, deposits, due from related parties, accounts payable, accrued liabilities and due to related parties approximate their fair values due to their short term nature.

All financial instruments for which fair value is recognised or disclosed are categorized within a fair value hierarchy based on the lowest level input that is significant to the fair value measurement as whole. The Company's available for sale financial asset held is categorized as Level 3 on the fair value hierarchy.

12. Commitments

As disclosed in note 10(c), the Company has a long-term office lease and shares office space and related costs with one other company. As part of the office sharing agreement, 15% of the Vancouver office rent is recoverable from the related party. One of the Company's subsidiaries has an office lease commitment in Nova Scotia. A summary of the Company's commitments is set out below:

2016	227,308
2017	227,206
2018	229,050
2019 and thereafter	395,996
	$ 1,079,560

<u>Exploration Tenement Commitments</u>
In order to maintain current rights of tenure to exploration tenements, the Company is required to incur expenditures of approximately $200,290 (December 31, 2015: $216,365) in respect of claim renewal fees and minimum work requirements in 2016.

13. Subsequent Events

a) On May 8, 2016, the Company finalized a contract with Ausenco Engineering Canada Inc. to build a 2 million tonne per annum process plant, truck shop and office facilities, as well as other support infrastructure related to these facilities on an Engineering procurement and Construction ("EPC") basis, for the Company's MRC Project for a fixed price of $86.34 million.

b) On May 10, 2016, the Company announced that it, through its wholly owned subsidiary D.D.V. Gold Ltd., has signed a syndicated project facility agreement (the "Credit Agreement") with Macquarie Bank Limited ("Macquarie Bank") and Cat Financial in respect to a $115 million Project Loan Facility ("PLF") to fund construction costs of the Company's MRC Project.

The PLF will carry an interest rate of the Canadian Dealer Offered Rate, or CDOR, plus a margin 5% (pre-Project Completion), reducing to 4.5% post-Completion, and is repayable in quarterly installments over three years post commencement of construction.

Drawdown under the Credit Agreement is subject to the satisfaction of certain customary conditions precedent. The PLF will be secured through guarantees and a first ranking charge on all assets of the Company and each of its material subsidiaries.

In order to mitigate gold price risk and as a condition of the PLF, the Company is required to enter into margin free gold forward sales contracts of 215,000 ounces, representing approximately 30% of total recovered life of mine gold production of the MRC Project at an agreed minimum Canadian dollar forward price of $1,500. The Company has already executed gold price hedging contracts covering 150,000 ounces of production on an average spot basis of CAD$1,624 per ounce, and will be scheduled out for delivery over the term of the Company's PLF.

13. Subsequent Events (continued)

c) On May 11, 2016, the Company announced the completion of a non-brokered financing of $13 million by way of issuance of convertible debentures (the “Debentures”). The Debentures carry an interest rate of 8.5%, with the principal payment due on the later of a) May 10, 2021 and b) the date that is the earlier of (i) six months after the final maturity date of the Company’s $115 million PLF and (ii) May 30, 2022. The principal amount of the Debentures are convertible into common shares of the Company at a conversion price of $0.60 per share, representing a 20% premium to the closing trading price of the common shares of Atlantic, prior to the date the Financing was originally announced. Accrued interest will also be convertible into common shares of the company but at the market price of the shares at the time of conversion. The Company may prepay, with notice, all of the principal amount of this Debenture and all accrued and unpaid interest thereon at any time following May 10, 2018. The Debentures are convertible at any time, at the Subscriber’s option, and are secured by way of a charge against all existing assets of the Company and its material subsidiaries, subordinated to the lenders of the PLF.

d) On May 16, 2016, the Company announced the completion of a bought deal private placement financing for gross proceeds of $14,375,046 (the “Brokered Offering”) through the issuance of 23,958,410 common shares of the Company at a price of $0.60 per share (the “Offering Price”). The Company also announced the completion of a non-brokered private placement financing for gross proceeds of $13,544,000 (the “Non-Brokered Offering”), through the issuance of 22,573,329 common shares of the Company at the Offering Price. In consideration for the services of the Underwriters under the Brokered Offering, the Underwriters received a cash commission equal to 6% of the proceeds raised under the Brokered Offering. The Company paid finders fees in connection with the Non-Brokered Offering totalling $115,900.

e) On May 26, 2016, the Company executed a definitive Master Lease Agreement with Caterpillar Financial Services Corporation (“Cat Financial”), in respect to a $20 million mining fleet equipment lease facility (the “Equipment Facility”) to fund the Company’s acquisition of Cat mining equipment to be supplied by Atlantic Tractors & Equipment Ltd. (authorized Cat dealer for Nova Scotia), for the Company’s MRC Project. The Equipment Facility will be utilized towards the acquisition cost of the primary mining fleet and ancillary equipment (the "Mining Fleet"). Deliveries of the Mining Fleet are expected to commence arriving at site in mid-2016 and be completed in late 2017, in keeping with the Company's existing mine plan. The term of the Equipment Facility will be 5 years from delivery, and will be secured by the Mining Fleet. Title to the Mining Fleet will transfer to the Company at the completion of the Equipment Facility.