

Comstock Metals Ltd.
Condensed Consolidated Interim Financial Statements
Six Months Ended March 31, 2016

Expressed in Canadian Dollars
(UNAUDITED)

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these financial statements.

Comstock Metals Ltd.
Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars - Unaudited)

	Notes	March 31, 2016	September 30, 2015
ASSETS			
Current assets			
Cash		\$ 28,682	\$ 26,284
Accounts receivable		1,505	42,586
Prepaid expenses		9,005	1,300
		39,192	70,170
Non-current assets			
Equipment	3	4,355	5,410
Exploration and evaluation assets	4	5,093,178	5,093,178
		5,097,533	5,098,588
TOTAL ASSETS		\$ 5,136,725	\$ 5,168,758
LIABILITIES			
Current liabilities			
Accounts payables and accrued liabilities	5	\$ 106,350	\$ 91,444
TOTAL LIABILITIES		106,350	91,444
SHAREHOLDERS' EQUITY			
Share capital	6	8,687,533	8,687,533
Share-based payment reserve	6	1,157,433	1,009,668
Deficit		(4,814,591)	(4,619,887)
TOTAL EQUITY		5,030,375	5,077,314
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 5,136,725	\$ 5,168,758

Nature and continuance of operations (Note 1)

Subsequent events (Note 11)

Approved on behalf of the Board:

"Rasool Mohammad"

"David Terry"

Comstock Metals Ltd.
Consolidated Interim Statements of Comprehensive (Loss)
(Expressed in Canadian dollars - Unaudited)

	Notes	Three month period ended		Six month period ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Expenses					
Depreciation		\$ 495	\$ 810	\$ 1,055	\$ 1,727
Filing fees		9,639	4,487	13,717	16,522
Investor relations		1,816	764	2,465	2,543
Management fees	7	11,613	-	11,613	-
Office and administrative		5,820	26,291	11,401	33,158
Professional fees		1,786	10,630	2,518	13,506
Share-based compensation	6, 7	147,765	-	147,765	-
Rent	7	-	-	-	13,800
Travel		4,160	-	4,160	388
		\$ (183,094)	\$ (42,982)	\$ (194,704)	\$ (81,644)
Other items					
Flow-through liability reversed		-	-	-	28,641
Flow-through tax penalty		-	(2,665)	-	(3,815)
		-	(2,665)	-	24,826
Comprehensive loss for the period		\$ (183,094)	\$ (45,647)	\$ (194,704)	\$ (56,818)
Loss per share – basic and diluted	6	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)

See accompanying notes to the consolidated financial statements

Comstock Metals Ltd.
Consolidated Interim Statements of Changes in Equity
(Expressed in Canadian dollars - Unaudited)

	Notes	Share capital		Obligation to issue shares	Share-based payment reserve	Deficit	Total
		Number of shares*	Amount				
Balance at October 1, 2014		15,845,951	\$ 8,581,866	\$ -	\$ 1,009,668	\$ (4,928,274)	\$ 4,663,260
Shares issued for settlement of debt	6	1,613,333	80,667	-	-	-	80,667
Loss for the period		-	-	-	-	(56,818)	(56,818)
Balance at March 31, 2015		17,459,284	\$ 8,662,533	\$ -	\$ 1,009,668	\$ (4,985,092)	\$ 4,687,109
Balance at October 1, 2015		17,459,284	\$ 8,662,533	\$ 25,000	\$ 1,009,668	\$ (4,619,887)	\$ 5,077,314
Share-based compensation	6, 7	-	-	-	147,765	-	147,765
Loss for the period		-	-	-	-	(194,704)	(194,704)
Balance at March 31, 2016		17,459,284	\$ 8,662,533	\$ 25,000	\$ 1,157,433	\$ (4,814,591)	\$ 5,030,375

* On May 16, 2016, the Company consolidated its issued and outstanding common shares on a 5 for 1 basis. All references to common shares in these condensed consolidated interim financial statements have been adjusted to reflect this change. See also Note 11 (b).

Comstock Metals Ltd.
Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars - Unaudited)

	Six month period ended	
	March 31, 2016	March 31, 2015
Operating activities		
Net loss	\$ (194,704)	\$ (56,818)
Adjustments for non-cash items:		
Depreciation	1,055	1,727
Share-based compensation	147,765	-
Flow-through liability reversed	-	(28,641)
Changes in non-cash working capital items:		
Accounts receivable	41,081	(21,843)
Prepaid expenses	(7,705)	14,186
Accounts payable and accrued liabilities	14,906	13,431
Net cash flows from (used in) operating activities	2,398	(104,820)
Investing activities		
Expenditures on exploration and evaluation assets	-	(5,915)
Net cash flows used in investing activities	-	(5,915)
Increase (decrease) in cash	2,398	(110,735)
Cash, beginning	26,284	164,535
Cash, ending	\$ 28,682	\$ 53,800
Non-cash transactions		
Shares issued for settlement of debt	\$ -	\$ 484,000

1. Nature and continuance of operations

Comstock Metals Ltd. (the “Company” or “Comstock”) was incorporated on December 13, 2007 under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada and Mexico. The Company’s shares are traded on the TSX Venture Exchange (“Exchange”) under the symbol “CSL”.

The head office, registered office, principal address and records office of the Company are located at 850 West Hastings Street, Suite 310, Vancouver, British Columbia, Canada, V6C 1E1.

These unaudited condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at March 31, 2016, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and or private placement of common shares.

2. Statement of compliance, significant accounting policies and basis of preparation

The unaudited condensed consolidated interim financial statements were authorized for issue on May 24, 2016 by the directors of the Company.

Statement of compliance

These unaudited condensed consolidated interim financial statements for the six month period ended March 31, 2016 are 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”), *Interim Financial Reporting* (“IAS 34”).

Significant accounting policies

These unaudited condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of application as the Company’s most recent annual audited consolidated financial statements. These unaudited condensed consolidated interim financial statements do not include all information and disclosures required in audited consolidated financial statements and should be read in conjunction with the Company’s September 30, 2015 audited consolidated financial statements.

2. Statement of compliance, significant accounting policies and basis of preparation (cont'd)

Basis of preparation

The preparation of unaudited condensed consolidated interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates and the exercise of management's judgment in applying the Company's accounting policies. There have been no changes to the Company's critical accounting estimates and judgments during the six months ended March 31, 2016 from those presented in the Company's September 30, 2015 audited consolidated financial statements. Some comparative figures have been restated to conform with the current period's presentation.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its controlled entity. Details of the controlled entity are as follows:

	Country of incorporation	Percentage owned*	
		March 31, 2016	September 30, 2015
Minera Comstock, S.A., de C.V.	Mexico	100%	100%

*Percentage of voting power is in proportion to ownership.

3. Equipment

	Computer hardware	Computer software	Camp equipment	Office furniture and equipment	Total
Cost:					
At September 30, 2015	\$ 5,565	\$ 10,305	\$ 2,140	\$ 508	\$ 18,518
At March 31, 2016	\$ 5,565	\$ 10,305	\$ 2,140	\$ 508	\$ 18,518
Amortization:					
At September 30, 2014	\$ 2,851	\$ 6,440	\$ 599	\$ 143	\$ 10,033
Charge for the year	1,123	1,600	286	67	3,075
At September 30, 2015	\$ 3,974	\$ 8,039	\$ 885	\$ 210	\$ 13,108
Charge for the period	373	531	122	29	1,055
At March 31, 2016	\$ 4,347	\$ 8,570	\$ 1,007	\$ 239	\$ 14,163
Net book value:					
At September 30, 2015	\$ 1,591	\$ 2,266	\$ 1,255	\$ 298	\$ 5,410
At March 31, 2016	\$ 1,218	\$ 1,735	\$ 1,133	\$ 269	\$ 4,355

Comstock Metals Ltd.
Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars)
For the six months ended March 31, 2016

4. Exploration and evaluation assets

	Canada			Mexico		Total March 31, 2016	Total September 30, 2015
	QV	Walhalla	Grassick	Corona			
Property acquisition costs							
Balance, beginning of period	\$ 598,886	\$ 1	\$ -	\$ 1	\$ 598,888	\$ 598,888	
Additions	-	-	-	-	-	-	
Impairment write-down	-	-	-	-	-	-	
Balance, end of year	598,886	1	-	1	598,888	598,888	
Exploration and evaluation costs							
Balance, beginning of period	4,010,290	-	484,000	-	4,494,290	3,988,874	
Costs incurred during period:							
Assays and drilling (recovery)	-	-	-	-	-	986	
Camp and field costs	-	-	-	-	-	75,662	
Geochemical	-	-	-	-	-	83,225	
Geological and geophysics	-	-	-	-	-	134,692	
Maps and reports	-	-	-	-	-	19,000	
Project supervision	-	-	-	-	-	63,750	
Royalties	-	-	-	-	-	25,000	
Supplies and equipment	-	-	-	-	-	1,233	
Travel and accommodation	-	-	-	-	-	628	
Wages and benefits	-	-	-	-	-	101,240	
Balance, end of period	4,010,290	-	484,000	-	4,494,290	4,494,290	
Total	\$ 4,609,176	\$ 1	\$ 484,000	\$ 1	\$ 5,093,178	\$ 5,093,178	

4. Exploration and evaluation assets (cont'd)

The following is a description of the Company's exploration and evaluation assets and the related spending commitments:

QV Property, Yukon, Canada

During the year ended September 30, 2014, the Company issued 50,000 shares to the optionor and completed all option requirements and earned a 100% interest in the property.

The QV Property is subject to a 2.0% Net Smelter Royalty ("NSR") to the optionor. The Company has the right to acquire 1.0% of the NSR for a payment of \$2,500,000. Commencing June 22, 2015, the Company must also make annual cash advance payments of \$25,000 to the optionor until the commencement of commercial production (the "Advance Royalty"). The Advance Royalty is deductible against the NSR. The Company may pay the Advance Royalty in cash or by issuing common stock of the Company based on the average closing price of its shares in the 10 trading days prior to the due date of the Advance Royalty.

As of September 30, 2015, the Company and optionor have agreed to settle the \$25,000 Advance Royalty owed from June 22, 2015 for 200,000 common shares of the Company. This has been recorded as an obligation to issue shares on the Company's consolidated statements of financial position. The Company and the optionor have also agreed that the next \$25,000 Advance Royalty, due June 22, 2016, will be paid by the issuance of 200,000 common shares of the Company. These transactions are subject to TSX Venture Exchange approval.

Walhalla Property, Yukon, Canada

On July 27, 2012, the Company entered into a binding Letter of Intent ("Walhalla LOI") with Seafield Explorations Ltd. ("Seafield") to purchase a 75% interest in a joint venture with Volcanic Minerals Ltd for the development of mineral claims of the Walhalla Property. The property will be acquired for the following consideration:

Date	Cash payments	Share issuances
On Date of Transaction Completion	\$300,000 (paid)	100,000 (issued)
Upon NI 43-101 Technical Report with 500,000 ounce gold resource	-	100,000
	\$300,000	200,000

This purchase was a related party transaction because the Company shares a common director with Seafield.

During the year ended September 30, 2014, the Company recognized impairment of \$521,309 to write down the property to \$1. The Company has allowed these claims to lapse.

Grassick, Saskatchewan, Canada

In November 2014, the Company staked claims in the Cree-Key Lakes and Patterson South areas of Saskatchewan to explore for Uranium. The Cree-Key Lakes claims have lapsed whereas the Patterson South Uranium claims are active.

Corona Property, Mexico

During the year ended September 30, 2013, the Company completed all option requirements and earned a 50% interest in the Corona Property. During the year ended September 30, 2014, the Company recognized impairment of \$1,260,806 to write down the property to \$1.

4. Exploration and evaluation assets (cont'd)

On December 7, 2015, Golden Goliath Resources Ltd., which holds the other 50% interest in the Corona property, announced that it had signed an option agreement with Fresnillo PLC that includes the Corona property. Under the terms of the agreement, Fresnillo PLC may earn a 100% interest (subject to a 1% net smelter royalty half of which may be purchased for US\$500,000) in the Corona property as well six other properties held by Golden Goliath by making cash payments totaling US\$3 million over three years and by paying all mining rights (property taxes) and conducting all assessment work required to keep the properties in good standing. The Company estimates its potential share of these option payments to be US\$214,286 if all option payments are made by Fresnillo PLC over the three year period. Fresnillo PLC has the right to terminate the option agreement at any time.

5. Accounts payable and accrued liabilities

	March 31, 2016	September 30, 2015
Trade payables (Note 8)	\$ 88,257	\$ 72,964
Accrued liabilities	18,093	18,480
	\$ 106,350	\$ 91,444

6. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Common share consolidation

On May 16, 2016, the Company consolidated its issued and outstanding common shares on a 5 for 1 basis which resulted in 17,459,284 shares outstanding post-consolidation. All references to common shares in these condensed consolidated interim financial statements have been adjusted to reflect this change.

Issued share capital

At March 31, 2016 there were 17,459,284 issued and fully paid common shares (September 30, 2015 – 17,459,284).

No shares were issued during the six month period ended March 31, 2016.

Year ended September 30, 2015

On January 15, 2015, the Company settled an aggregate of \$484,000 of indebtedness through the issuance of 1,613,333 common shares with a fair value of \$0.01 per common share resulting in a gain of \$403,333.

Obligation to issue shares

On September 30, 2015, the Company reached an agreement with the optionor the QV Property to issue 200,000 shares with a fair value of \$0.025 per share to the optionor in lieu of the \$25,000 royalty payment due June 22, 2015. As at March 31, 2016, the shares had not been issued and are recorded as an obligation to issue shares. This transaction is subject to TSX Venture Exchange approval. See also Note 4.

6. Share capital (cont.)

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the six month period ended March 31, 2016 was based on the loss attributable to common shareholders of \$195,198 (2015 – \$56,818) and the weighted average number of common shares outstanding of 17,459,284 (2015 – 16,510,786).

Diluted loss per share did not include the effect of 1,724,000 stock options (2015 – 354,000) and 3,753,066 share purchase warrants (2015 – 3,786,066) as the effect would be anti-dilutive.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and 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 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 30 days following cessation of the optionee's position with the Company.

The changes in options during the six months ended March 31, 2016 and 2015 are as follows:

	March 31, 2016		March 31, 2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	354,000	\$ 1.35	753,000	\$ 1.30
Options granted	1,370,000	\$ 0.25	-	-
Options cancelled	-	-	(253,000)	\$ 1.35
Options expired	-	-	(146,000)	\$ 1.05
Options outstanding, ending	1,724,000	\$ 0.50	354,000	\$ 1.35
Options exercisable, ending	628,000	\$ 0.90	354,000	\$ 1.35

At March 31, 2016, the weighted average remaining contractual life of options outstanding and exercisable was 2.87 years.

6. Share capital (cont.)

Warrants

The changes in warrants during the six months ended March 31, 2016 and 2015 are as follows:

	March 31, 2016		March 31, 2015	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	3,753,066	\$ 2.50	3,926,786	\$ 1.95
Warrants expired	-	-	(140,720)	0.75
Warrants outstanding, ending	3,753,066	\$ 2.50	3,786,066	\$ 2.45

At March 31, 2016, the weighted average remaining contractual life of warrants outstanding was 1.35 years. No warrants were granted during the six months ended March 31, 2016 and 2015.

Share-based payment reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

7. Related party transactions

The Company incurred the following transactions with directors and officers of the Company or corporations controlled by them for the six months ended March 31, 2016 and 2015.

	March 31, 2016	March 31, 2015
Rent	\$ -	\$ 13,800

Key management personnel and directors' compensation

	March 31, 2016	March 31, 2015
Administration fees	\$ 6,000	\$ 22,000
Management fees	\$ 11,613	\$ -
Share-based compensation	\$ 121,879	\$ -

Related party balances (included in Accounts payable and accrued liabilities)

	March 31, 2016	March 31, 2015
Due to company controlled by an officer	11,402	-
Due to former CEO	11,613	-
	\$ 23,015	\$ -

8. Segmented information

The Company operates in one reportable operating segment, being exploration and development of mineral properties. Summarized financial information for the geographic segments the Company operates in are as follows:

	Canada	Mexico	Total
March 31, 2016			
Comprehensive profit (loss) for the period	\$ (195,198)	\$ -	\$ (195,198)
Total assets	\$ 5,136,724	\$ 1	\$ 5,136,725
September 30, 2015			
Comprehensive profit (loss) for the year	\$ 308,387	\$ -	\$ 308,387
Total assets	\$ 5,168,757	\$ 1	\$ 5,168,758

9. Capital management

The Company identifies capital as cash and share capital. The Company manages its capital structure and makes adjustments to it depending on the funds available to the Company for 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.

The properties in which the Company has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for on-going general and administrative expenses, the Company will use existing working capital and raise additional capital as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no changes in its approach to capital management during the six months ended March 31, 2016.

10. Financial instruments and risk management

The Company's financial instruments consist of cash, and accounts payable. The carrying value of these financial instruments approximates their fair value. Cash is measured based on Level 1 of the fair value hierarchy. The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and interest risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to fulfill an obligation causing the other party to incur a financial loss. The Company is exposed to credit risks arising from its cash. The Company manages credit risk by placing cash with major Canadian financial institutions. Management believes that credit risk is low.

10. Financial instruments and risk management (cont.)

Interest Rate Risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company's exposure to interest rate risk relates to its ability to maintain the current rate of interest on its cash equivalents. Management believes the interest rate risk to be minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet its financial obligations when they are due. To manage liquidity risk, the Company reviews additional sources of capital to continue its operations and discharge its commitments as they become due. Management believes liquidity risk is high.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Company's functional currency is the Canadian dollar. The Company does not use any form of derivative or hedging instruments to reduce its foreign currency risk. The Company is not affected by price risk. Management believes market risk is low.

11. Subsequent events

Subsequent to March 31, 2016:

- a. On May 16, 2016, the Company and Select Sands Corp. (TSX.V: SNS) ("Select Sands") jointly announced that they have entered into a letter of intent in respect of a proposed purchase by the Company of Select Sands' Preview SW gold project located in the La Ronge district of Saskatchewan and Select Sands' early-stage Old Cabin property in Ontario (together the "Assets"). Under the terms of the letter of intent, the Company would acquire the Assets in exchange for 20 million common shares in the capital of the Company and the assumption of certain liabilities associated with the Assets.
- b. On May 16, 2016, the Company consolidated its issued and outstanding common shares on a 5 for 1 basis which resulted in 17,459,284 shares outstanding post-consolidation. All references to common shares in these condensed consolidated interim financial statements have been adjusted to reflect this change. See also Note 6.

11. Subsequent events (cont.)

- c. The Company announced a non-brokered private placement financing to raise gross proceeds of up to CDN\$1,500,000 (the "Offering") to fund exploration on the Company's properties and for general corporate purposes. The Company will have an option to increase the size of the financing by up to 20%. The Company intends to raise up to CDN\$1,500,000 by issuing units and flow through shares, on a post-consolidated basis, as follows:
- \$1,250,000 gross proceeds by issuing up to 10,416,667 units ("Units") at a price of CAD\$0.12 per Unit (the "Unit Offering"), subject to the above noted option to increase the size of the Unit Offering. Each Unit will consist of one common share and one non-transferable common share purchase warrant (a "Warrant"). Each whole Warrant will be exercisable into a common share of the Company for a period of 24 months from the closing date at an exercise price of \$0.18. The Warrants issued as part of the Unit Offering will be subject to an acceleration clause, whereby, if the weighted average trading price of the Company's common shares on the Exchange (or such other exchange on which the common shares may trade) is at a price equal to or greater than \$0.36 for a period of 20 consecutive trading days, the Company will have the right to accelerate the expiry date of the Warrants. If Comstock exercises such right, Comstock will give written notice to the holders of the Warrants that the Warrants will expire 30 days from the date of notice to the Warrant holders. Such notice by the Company to the holders of the Warrants may not be given until 4 months and one day after the closing date.
 - \$250,000 gross proceeds by issuing up to 1,666,667 common shares on a flow-through basis ("FT Shares"), at a price of \$0.15 per FT Share (the "FT Offering"). Each FT Share will be issued on a "flow-through basis" (a "FT Share") pursuant to the Income Tax Act of Canada.

Both the Unit Offering and the FT Offering are subject to receipt of applicable regulatory approvals, including the approval of the Exchange. The securities issued by Comstock in connection with the Unit Offering and the FT Offering will be subject to a four month hold period as prescribed by applicable securities laws. Finders fees may be paid on a portion of the offerings.

- d. The Company granted 520,000 stock options with a \$0.15 exercise price and five year term to the CEO of the Company. The Company also 120,000 stock options with \$0.25 exercise price and five year term to an advisor and cancelled 120,000 stock options with a \$1.50 exercise price owned by a director.
- e. 520,000 options granted to the former CEO with an exercise price of \$0.25 expired unexercised. An additional 13,000 stock options with a \$1.60 exercise price expired unexercised.