

Cartier Resources Inc.

(an exploration company)

Interim condensed financial statements
(Unaudited)

Third quarter ended September 30, 2015

The interim condensed financial statements for the period ended September 30, 2015 have not been reviewed by the Company's independent auditor.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Statements of Financial Position

(In Canadian \$)

	September 30, 2015	December 31, 2014
	\$	\$
	(Unaudited)	(Audited)
Assets		
Current		
Cash and cash equivalents (note 3)	917,833	857,196
Cash reserved for exploration (note 3)	40,688	537,222
Other short-term financial assets (note 4)	33,750	80,500
Receivables (note 5)	50,745	56,133
Prepaid expenses	32,606	15,548
	<u>1,075,622</u>	<u>1,546,599</u>
Non-current		
Property, plant and equipment (note 6)	31,126	52,177
Exploration assets and deferred exploration costs (note 8)	9,953,218	10,114,873
	<u>11,059,966</u>	<u>11,713,649</u>
TOTAL ASSETS		
	<u>11,059,966</u>	<u>11,713,649</u>
Liabilities		
Current		
Accounts payables and accrued liabilities	100,254	125,950
Liability related to flow-through shares	14,084	157,708
	<u>114,338</u>	<u>283,658</u>
Non-current		
Deferred income and mining taxes	2,106,120	2,163,697
	<u>2,220,458</u>	<u>2,447,355</u>
TOTAL LIABILITIES		
	<u>2,220,458</u>	<u>2,447,355</u>
EQUITY		
Share capital (note 9)	16,707,978	16,302,923
Warrants	2,256,291	2,054,561
Contributed surplus	1,346,128	1,251,432
Deficit	(11,030,389)	(9,948,872)
Accumulated other comprehensive loss	(440,500)	(393,750)
	<u>8,839,508</u>	<u>9,266,294</u>
TOTAL EQUITY		
	<u>8,839,508</u>	<u>9,266,294</u>
TOTAL LIABILITIES AND EQUITY		
	<u>11,059,966</u>	<u>11,713,649</u>

Basis of preparation and going concern (note 1),
Contingencies and commitments (note 14)

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

Approved on behalf of the Board of Directors

(Signed) Philippe Cloutier, Director

(Signed) Daniel Massé, Director

Cartier Resources Inc.

(an exploration company)

Interim Condensed Statements of Deferred Exploration Costs

(Unaudited)

(In Canadian \$)

	Three-month periods ended		Nine-month periods ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
	\$	\$	\$	\$
Balance - Beginning of period	9,060,766	9,214,348	8,699,798	8,606,826
Expenses incurred during the period				
Geology	147,679	45,793	384,541	164,844
Drilling	7,729	10,975	130,107	413,551
Exploration office expenses	652	3,646	8,640	11,505
Surveying and access roads	48,387	48,562	74,951	71,883
Core shack rental and maintenance	11,546	12,143	32,966	33,207
Duties, taxes and permits	15,952	7,629	21,474	20,512
Depreciation of exploration equipment	5,226	4,931	15,677	14,792
Share-based payments-employees	989	5,310	8,807	16,217
	238,160	138,989	677,163	746,511
Write-off of deferred exploration costs	(359,196)	(122,326)	(426,313)	(122,326)
Tax credits	-	43,109	(10,918)	43,109
Balance - End of period	8,939,730	9,274,120	8,939,730	9,274,120

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

Cartier Resources Inc.

(an exploration company)

Interim Condensed Statements of changes in equity

(Unaudited)

(In Canadian \$)

	Number of shares	Share capital \$	Warrants \$	Contributed surplus \$	Deficit \$	Accumulated other comprehensive (loss) \$	Total equity \$
BALANCE AS AT DECEMBER 31, 2014	71,825,795	16,302,923	2,054,561	1,251,432	(9,948,872)	(393,750)	9,266,294
Net loss for the period					(1,081,517)	-	(1,081,517)
Change in fair value of other short-term financial assets					-	(46,750)	(46,750)
Total comprehensive loss					(1,081,517)	(46,750)	(1,128,267)
Issue of shares	6,550,000	405,055	-	-			405,055
Effect of share-based payments	-	-	-	94,696			94,696
Value granted	-	-	201,730	-			201,730
BALANCE AS AT SEPTEMBER 30, 2015	78,375,795	16,707,978	2,256,291	1,346,128	(11,030,389)	(440,500)	8,839,508
BALANCE AS AT DECEMBER 31, 2013	64,665,295	15,640,117	2,021,677	1,126,766	(8,601,823)	(300,000)	9,886,737
Net loss for the period					(739,968)		(739,968)
Change in fair value of other short-term financial assets					-	(10,000)	(10,000)
Total comprehensive loss					(739,968)	(10,000)	(749,968)
Issue of shares	4,660,500	467,640	-	-			467,640
Effect of share-based payments	-	-	-	75,804			75,804
Value granted	-	-	32,884	-			32,884
BALANCE AS AT SEPTEMBER 30, 2014	69,325,795	16,107,757	2,021,677	1,202,570	(9,341,791)	(310,000)	9,713,097

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

Cartier Resources Inc.

(an exploration company)

Interim Condensed Statements of loss

(Unaudited)

(In Canadian \$)

	Three-month periods ended		Nine-month periods ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
	\$	\$	\$	\$
Administrative expenses				
Salaries	96,323	98,206	282,054	239,319
Consultants	1,944	17,577	43,428	80,796
Share-based payments-employees	22,524	19,117	85,889	59,586
Professional fees	1,903	6,962	13,074	16,874
Rent	5,322	5,322	15,966	18,679
Business development	3,162	24,760	40,088	46,397
Insurance, taxes and permits	3,190	4,276	11,819	12,820
Interest and bank charges	352	27,038	1,033	29,867
Depreciation of property, plant and equipment	1,791	1,791	5,374	5,374
Office supplies	6,458	6,102	16,674	16,684
Telecommunications	2,269	1,719	6,003	5,811
Training and travel	1,866	3,738	11,300	17,937
Advertising and sponsoring	1,855	2,921	6,090	9,817
Shareholder's information	4,267	5,984	28,812	36,275
Part XII.6 tax related to flow-through shares	412	-	784	673
	153,638	225,513	568,388	596,909
Other expenses (income)				
Write-off of deferred exploration costs	758,879	163,695	832,899	163,695
Other exploration costs	9,760	-	13,414	308
Contractual services income	(24,000)	(24,000)	(76,000)	(42,000)
Interest income	(1,886)	(3,502)	(6,483)	(11,190)
LOSS BEFORE DEFERRED INCOME AND MINING TAXES	(896,391)	(361,706)	(1,332,218)	(707,722)
Deferred income and mining taxes	(233,779)	(73,926)	(250,701)	32,246
Net loss for the period attributable to shareholders	(662,612)	(287,780)	(1,081,517)	(739,968)
LOSS PER SHARE				
basic	(0.01)	0.00	(0.01)	(0.01)
diluted	(0.01)	0.00	(0.01)	(0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
basic	77,704,055	69,325,795	75,028,358	64,440,926
diluted	77,704,055	69,325,795	75,028,358	64,440,926

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

Cartier Resources Inc.

(an exploration company)

Interim Condensed Statements of Comprehensive Loss

(Unaudited)

(In Canadian \$)

	Three-month periods ended		Nine-month periods ended	
	September 30,	September 30,	September 30,	September 30,
	2015	2014	2015	2014
	\$	\$	\$	\$
Net loss for the period	(662,612)	(287,780)	(1,081,517)	(739,968)
Items that may be reclassified subsequently to profit or loss :				
Change in fair value of other short-term financial assets	<u>(21,500)</u>	<u>(20,000)</u>	<u>(46,750)</u>	<u>(10,000)</u>
Comprehensive loss for the period attributable to shareholders	<u>(684,112)</u>	<u>(307,780)</u>	<u>(1,128,267)</u>	<u>(749,968)</u>

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

Cartier Resources Inc.

(an exploration company)

Interim Condensed Statements of Cash Flows

(Unaudited)

(In Canadian \$)

	Three-month periods ended		Nine-month periods ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Loss before deferred income and mining taxes	(896,391)	(361,706)	(1,332,218)	(707,722)
Adjustments for:				
Depreciation of property, plant and equipment	1,791	1,791	5,374	5,374
Share-based payments-employees	22,524	19,117	85,889	59,586
Write-off of deferred exploration costs	758,879	163,695	832,899	163,695
Interest income	(1,886)	(3,502)	(6,483)	(11,190)
Interest received	1,352	2,604	5,948	10,647
	(113,731)	(178,001)	(408,591)	(479,610)
Net change in non-cash working capital items				
Receivables	(14,909)	5,083	16,841	(5,378)
Prepaid expenses	(19,877)	(1,987)	(17,058)	(11,506)
Accounts payables and accrued liabilities	(12,876)	(115,636)	(45,823)	(134,079)
Cash flow used in operating activities	(161,393)	(290,541)	(454,631)	(630,573)
FINANCING ACTIVITIES				
Share issue	268,000	-	683,000	625,760
Share issue expenses	(13,542)	(3,560)	(34,983)	(14,637)
Cash flow from (used in) financing activities	254,458	(3,560)	648,017	611,123
INVESTING ACTIVITIES				
Acquisition of exploration and evaluation assets	(239,714)	(75,553)	(629,283)	(660,975)
Cash flow used in investing activities	(239,714)	(75,553)	(629,283)	(660,975)
Net change in cash and cash equivalents	(146,649)	(369,654)	(435,897)	(680,425)
Cash and cash equivalents at the beginning	1,105,170	1,832,333	1,394,418	2,143,104
Cash and cash equivalents at the end (note 3)	958,521	1,462,679	958,521	1,462,679
Cash and cash equivalents	917,833	1,055,831	917,833	1,055,831
Cash reserved for exploration	40,688	406,848	40,688	406,848
	958,521	1,462,679	958,521	1,462,679

Additional information (note 11)

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

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

Incorporation and Nature of Operations

Cartier Resources Inc. (the "Company"), initially incorporated under Part 1 A of the Québec Companies Act on July 17, 2006, has been governed by the Business Corporations Act (Quebec) since February 14, 2011. The Company's head office is located at 1740, chemin Sullivan, Suite 1000, Val-d'Or, Québec. Its activities primarily include the acquisition and exploration of mining properties. The Company has not yet determined whether its properties contain economically recoverable ore reserves. The recoverability of the amounts shown for mining properties is dependent upon the existence of economic ore reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

1. Basis of preparation and going concern

These interim condensed financial statements were prepared on a going concern basis, using historical costs method, except for «Other short-term financial assets» which are measured at fair value.

The Company's ability to continue as a going concern depends on its ability to realize its assets and to obtain additional financing. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The Company has not yet determined whether its properties contain economically recoverable ore reserves. The application of International Financial Reporting Standards « IFRS » on a going concern basis may be inappropriate, since there is a doubt as to the appropriateness of the going concern assumption.

These interim condensed financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of statement of financial position items if the going concern assumption was deemed inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the appropriateness of the going concern assumption.

These interim condensed financial statements have been prepared by the Company's management in accordance with ("IFRS"), and in accordance with IAS 34, "Interim Financial Reporting". They do not include all the information required in annual financial statements in accordance with IFRS. These interim condensed financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2014.

The preparation of interim condensed financial statements in accordance with IAS 34 requires the use of certain critical judgments and accounting estimates. It also requires management to exercise judgment when applying the Company's accounting policies.

On November 17, 2015, the Company's Board of Directors approved these interim condensed financial statements for the period ended September 30, 2015.

2. Changes to accounting policies

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Company's last annual financial statements for the year ended December 31, 2014, except for the following new accounts policies effective for annual periods beginning on or after January 1, 2015. The accounting policies have been applied consistently throughout the Company for the purposes of preparing these interim financial statements.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

2. Changes to accounting policies (continued)

IFRS 9 *Financial Instruments*

In July 2014, the IASB published IFRS 9 which replaces IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39). IFRS 9 introduces improvements which include a logical model for classification and measurement of financial assets, a single, forward-looking "expected loss" impairment model and substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. The Company has yet to assess the impact of this new standard on its interim financial statements.

3. Cash and cash equivalents and cash reserved for exploration

As at September 30, 2015 and December 31, 2014, the cash and the cash equivalents and the cash reserved for exploration include banker's acceptances, bonds, an account bearing a high interest rate and an account without interest are as follows:

	September 30, 2015			December 31, 2014		
	\$	Interest rate	Maturity date	\$	Interest rate	Maturity date
1) Banker's acceptance	-	-	-	402,214	0.830%	2015-02-23
2) Banker's acceptance	-	-	-	151,627	0.848%	2015-03-09
3) Account bearing interests	791,095	0.750%	-	530,692	1.200%	-
4) Account without interest	167,426	-	-	309,885	-	-
Total	958,521			1,394,418		

	September 30, 2015	December 31, 2014
	\$	\$
Cash	958,521	840,577
Banker's acceptances	-	553,841
	958,521	1,394,418
Less: Cash reserved for exploration	(40,688)	(537,222)
Cash and cash equivalents	917,833	857,196

4. Other short-term financial assets

	September 30, 2015	December 31, 2014
	\$	\$
Marketable securities of a quoted mining exploration company, available-for-sale, at fair value	33,750	80,500

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

5. Receivables

	September 30, 2015	December 31, 2014
	\$	\$
Credit on duties refundable and refundable tax credit for resources	11,394	11,394
Commodity taxes and others	39,351	44,739
	50,745	56,133

6. Property, plant and equipment

	Leasehold improvements (1)	Furniture and equipment (2)	Total
	\$	\$	\$
Cost			
Balance as at December 31, 2014	117,911	22,430	140,341
Additions	-	-	-
Balance as at September 30, 2015	117,911	22,430	140,341
Accumulated depreciation			
Balance as at December 31, 2014	72,479	15,685	88,164
Depreciation	17,686	3,365	21,051
Balance as at September 30, 2015	90,165	19,050	109,215
Carrying amount as at September 30, 2015	27,746	3,380	31,126

(1) As at September 30, 2015, leasehold improvements with a carrying value of \$24,107 (\$37,699 as at December 31, 2014) are used for exploration.

(2) As at September 30, 2015, furniture and equipment with a carrying value of \$2,058 (\$4,143 as at December 31, 2014) are used for exploration.

7. Leases

The future minimum operating lease payments are as follows:

	Minimum lease payments due			
	Within 1 year	1 to 5 years	After 5 years	Total
	\$	\$	\$	\$
September 30, 2015	87,487	359,398	-	446,885
December 31, 2014	89,175	405,048	19,543	513,766

The Company rents its offices under a lease expiring in March 2021. The lease covering a Company's vehicle expires in October 2017. The Company also leases equipment under an agreement expiring in March 2016.

Lease fees recognized as an expense during the reporting period amount to \$87,487 (\$89,175 as at December 31, 2014). This amount consists of minimum lease payments. The Company's lease agreements contain renewal options.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

8. Exploration assets and deferred exploration costs

	MacCormack	Dollier	Chimo Mine	Cadillac Extension	Benoist	Fenton	Total
<i>% participation</i>	100%	100%	100%	100%	100%	Option 50 %	
	\$	\$	\$	\$	\$	\$	\$
Mining properties							
Balance as at December 31, 2014	497,848	17,567	261,616	10,200	622,723	5,121	1,415,075
Addition	-	-	-	-	-	5,000	5,000
Write-off	(245,092)	-	(154,592)	(6,903)	-	-	(406,587)
Balance as at September 30, 2015	252,756	17,567	107,024	3,297	622,723	10,121	1,013,488
Deferred exploration costs							
Balance as at December 31, 2014	3,234,594	1,009,599	197,240	1,661,311	2,140,634	456,420	8,699,798
Addition							
Geology	111,388	9,558	17,444	123,309	120,227	2,615	384,541
Drilling	117,284	695	2,882	1,680	7,566	-	130,107
Exploration office expenses	4,056	-	1,237	832	2,515	-	8,640
Surveying and access roads	2,586	-	-	49,924	22,441	-	74,951
Core shack rental and maintenance	15,760	-	4,716	2,666	9,824	-	32,966
Duties, taxes and permits	3,025	1,261	14,996	346	1,485	361	21,474
Depreciation of exploration equipment	5,783	-	2,386	1,220	6,288	-	15,677
Share-based payments-employees	4,051	-	1,321	881	2,554	-	8,807
Total expenses during the year	263,933	11,514	44,982	180,858	172,900	2,976	677,163
Write-off of deferred exploration costs	(340,628)	-	(18,567)	(67,118)	-	-	(426,313)
	(76,695)	11,514	26,415	113,740	172,900	2,976	250,850
Tax credits	(174)	(307)	(4,319)	(927)	(5,113)	(78)	(10,918)
Net expenses during the period	(76,869)	11,207	22,096	112,813	167,787	2,898	239,932
Balance as at September 30, 2015	3,157,725	1,020,806	219,336	1,774,124	2,308,421	459,318	8,939,730
Balance of exploration assets and deferred exploration costs as at September 30, 2015	3,410,481	1,038,373	326,360	1,777,421	2,931,144	469,439	9,953,218

All the mining properties held by the Company are located in northwestern Quebec.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

9. Share capital

Authorized

Unlimited number of common shares, without par value, voting and participating

	September 30, 2015		December 31, 2014	
	Number	Amount	Number	Amount
		\$		\$
Balance, beginning of the period	71,825,795	16,302,923	64,665,295	15,640,117
Shares issued and paid				
Acquisition of property (a) (b)	50,000	5,000	550,000	82,750
Private placements (e) (f) (g) (h) (i) (l)	5,400,000	338,270	798,000	62,876
Flow-through private placements (c) (j) (m)	1,100,000	143,000	5,812,500	780,000
Renouncement of tax deductions (d) (k) (n)	-	(49,500)	-	(248,750)
	6,550,000	436,770	7,160,500	676,876
Share issue expenses	-	(31,715)	-	(14,070)
Balance, at end of the period	78,375,795	16,707,978	71,825,795	16,302,923

(a) On April 14, 2014, the Company bought back a 1 % net smelter return (NSR) royalty on the Benoist Property. The Company was exercising its right of first refusal in respect of the royalty. An aggregate of 500,000 common shares were issued at a price of \$0.15 per share in an all-share transaction for a value of \$75,000.

On July 29, 2013, the Company reached an agreement with Murgor and acquired a 100% interest in the Benoist property, consisting of 98 mining claims, for a cash payment of \$250,000 and the issuance of 650,000 common shares.

(b) On September 16, 2014, the Company amended its option agreement with SOQUEM INC. for 3 years.

On March 19, 2012, the Company issued 50,000 common shares in virtue of the option agreement enabling it to acquire a 50% undivided interest in the Fenton project. Initially, the Company must also incur exploration expenditures aggregating \$1,500,000 by March 19, 2015. This agreement was amended for 3 more years, on September 16, 2014, that extension will be end on March 19, 2018 and the company will continue to issue 50,000 common shares on each anniversary of the agreement. In addition, the Company had a firm commitment to invest \$500,000 in exploration work over the first year following the signature of the agreement, which was completed over the period, and the Company issued 50,000 common shares to SOQUEM INC, on the first, the second and the third anniversary following the signature of the agreement. SOQUEM INC. is the operator. After the Company earns its undivided interest of 50%, SOQUEM INC. and the Company will form a joint venture. Share issue expenses totalling \$269 have reduced share capital, on December 31, 2014.

(c) Issuance of flow-through shares on August 7, 2015

On August 7, 2015, the Company completed a flow-through private placement with accredited investors and consists of 110 units for an amount of \$143,000. For the flow-through private placement, each unit, at a price of \$1,300 per unit, is comprised of 10,000 flow-through common shares at a price of \$0.13 per share. Thus, the following securities were issued by the Company, 1,100,000 flow-through shares at a price of \$0.13 per share for an amount of \$143,000. Two insiders participated in this financing for a total of 120,000 shares (\$15,600). Share issue expenses totalling \$2,850 were also applied against the share capital.

(d) The Company also renounced to the tax deduction related to the flow-through shares representing an amount of \$49,500 which has reduced the share capital and increased the liabilities related to flow-through shares.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

9. Share capital (continued)

(e) Issuance of common shares on July 16, 2015

On July 16, 2015, the Company completed a private placement with Capital Croissance PME II S.E.C. and Fonds régionaux de solidarité FTQ, S.E.C. for gross proceeds of 125 000 \$. In total, Cartier issued 1 250 000 units (the "Units") at a price of \$0.10 per Unit, with each Unit consisting of one common share at a price of \$0.10 per share and one common share purchase warrant, each warrant entitling the holder to subscribe for one common share at a price of \$0.13 for a period of 24 months following the closing date. Accordingly, an aggregate of 1,250,000 common shares and 1,250,000 warrants were issued. The financing is presented net of the value of the related warrants, which was established at \$48,375. Share issue expenses totalling \$7,742 were also applied against the share capital.

(f) Issuance of common shares on June 12, 2015

On June 12, 2015, the Company completed a private placement with SIDEX, s.e.c. for gross proceeds of \$100,000. In total, the Company issued 1 000 000 units (the "Units") at a price of \$0.10 per Unit, with each Unit consisting of one common share at a price of \$0.10 per share and one common share purchase warrant, each warrant entitling the holder to subscribe for one common share at a price of \$0.13 for a period of 24 months following the closing date. Accordingly, an aggregate of 1,000,000 common shares and 1,000,000 warrants were issued. The financing is presented net of the value of the related warrants, which was established at \$34,600. Share issue expenses totalling \$6,492 were also applied against the share capital.

(g) Issuance of common shares on April 7, 2015

On April 7, 2015, the Company completed a private placement with accredited investors, directors, officers and other investors for gross proceeds of \$140,000. In total, the Company issued 1,400 000 units (the "Units") at a price of \$0.10 per Unit, with each Unit consisting of one common share at a price of \$0.10 per share and one common share purchase warrant, each warrant entitling the holder to subscribe for one common share at a price of \$0.13 for a period of 24 months following the closing date. Accordingly, an aggregate of 1,400,000 common shares and 1,400,000 warrants were issued. The financing is presented net of the value of the related warrants, which was established at \$51,380. Share issue expenses totalling \$3,072 were also applied against the share capital.

(h) Issuance of common shares on March 13, 2015

On March 13, 2015, the Company completed a private placement with SODÉMEX II s.e.c. for gross proceeds of \$75,000. In total, the Company issued 750 000 units (the "Units") at a price of \$0.10 per Unit, with each Unit consisting of one common share at a price of \$0.10 per share and one common share purchase warrant, each warrant entitling the holder to subscribe for one common share at a price of \$0.13 for a period of 24 months following the closing date. Accordingly, an aggregate of 750,000 common shares and 750,000 warrants were issued. The financing is presented net of the value of the related warrants, which was established at \$28,875. Share issue expenses totalling \$4,448 were also applied against the share capital.

(i) Issuance of common shares on March 11, 2015

On March 11, 2015, the Company completed a private placement with SIDEX, s.e.c. for gross proceeds of \$100,000. In total, the Company issued 1 000 000 units (the "Units") at a price of \$0.10 per Unit, with each Unit consisting of one common share at a price of \$0.10 per share and one common share purchase warrant, each warrant entitling the holder to subscribe for one common share at a price of \$0.13 for a period of 24 months following the closing date. Accordingly, an aggregate of 1,000,000 common shares and 1,000,000 warrants were issued. The financing is presented net of the value of the related warrants, which was established at \$38,500. Share issue expenses totalling \$7,611 were also applied against the share capital.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

9. Share capital (continued)

(j) Issuance of flow-through shares on December 29, 2014

On December 29, 2014, the Company completed a private placement conducted without intermediate agent or broker for aggregate gross proceeds of \$250,000. The offering consists of 2,500,000 flow-through common shares at a price of \$0.10 per flow-through share for a total consideration of \$250,000. Share issue expenses totalling \$4,834 were also applied against the share capital.

(k) The Company also renounced to the tax deduction related to the flow-through shares representing an amount of \$50,000 which has reduced the share capital and increased the liabilities related to flow-through shares.

(l) Issuance of common shares on June 27, 2014

On June 27, 2014, the Company completed a private placement conducted without intermediate agent or broker for aggregate gross proceeds of \$95,760. The offering consisted of 95 units. Each unit of the non-flow-through private placement, at a price of \$1,008 per unit, comprises 8,400 common shares at a price of \$0.12 per share and 8,400 common share purchase warrants. Each warrant entitles the holder to acquire one (1) common share at a price of \$0.20 per share for a period of 24 months following the closing date. Accordingly, an aggregate of 798,000 common shares and 798,000 warrants were issued. The financing is presented net of the value of the related warrants, which was established at \$32,884. Share issue expenses totalling \$1,751 were also applied against the share capital.

(m) Issuance of flow-through shares on June 27, 2014

On June 27, 2014, the Company completed a private placement conducted without intermediate agent or broker for aggregate gross proceeds of \$530,000. The offering consists of 530 units. Each unit, at a price of \$1,000 per unit, comprises 6,250 flow-through common shares. Accordingly, the Company issued 3,312,500 flow-through shares at a price of \$0.16 per share. Share issue expenses totalling \$1,951 were also applied against the share capital.

(n) The Company also renounced to the tax deduction related to the flow-through shares representing an amount of \$198,750 which has reduced the share capital and increased the liabilities related to flow-through shares.

Stock Option Plan

The Company has a stock option plan that has been approved by the shareholders. The maximum number of common shares which may be reserved under the plan is limited to 10% of the number of common shares issued and outstanding (on a non-diluted basis). The options granted to any optionnee cannot exceed 5% of the issued and outstanding common shares. The options are vested over a period of 12 months and are exercisable over a maximum of five years.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

9. Share capital (continued)

Stock Option Plan (continued)

The following table summarizes the information about the outstanding stock options:

	September 30, 2015	
	Number	Weighted average exercise price
		\$
Outstanding - Beginning	5,025,000	0.23
Granted-employees	950,000	0.11
Expired	(175,000)	-
Outstanding - End	5,800,000	0.20
Exercisable - End	4,762,500	0.22

The following table summarizes certain information for stock options outstanding and exercisable :

Exercise price	Outstanding options September 30, 2015			Exercisable options September 30, 2015		
	Number of options	Weighted average remaining life (years)	Weighted average exercise price \$	Number of options	Weighted average remaining life (years)	Weighted average exercise price \$
\$0.01 to \$0.20	3,470,000	4.11	0.14	2,432,500	3.94	0.15
\$0.21 to \$0.40	1,730,000	2.17	0.25	1,730,000	2.17	0.25
\$0.41 to \$0.60	600,000	0.69	0.44	600,000	0.69	0.44
\$0.01 to \$0.60	5,800,000	3.18	0.20	4,762,500	2.89	0.22

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

9. Share capital

Warrants

The following table presents the changes that occurred during the year :

	September 30, 2015		
	Number	Weighted average exercise price \$	Weighted average remaining contractual life (years)
Outstanding - Beginning	3,298,000	0.17	1.09
Granted-private placements	5,400,000	0.13	1.59
Expired	-	-	-
Outstanding - End	8,698,000	0.15	1.12
Exercisable - End	6,448,000	0.15	0.90

At issuance, the warrants are subject to a 4 month and 1 day statutory hold period.

The outstanding warrants are as follows:

<u>Maturity date</u>	<u>Exercise price</u> \$	<u>Number</u>
December 2015	0.16	2,500,000
June 2016	0.20	798,000
March 2017	0.13	1,750,000
April 2017	0.13	1,400,000
June 2017	0.13	1,000,000
Juillet 2017	0.13	1,250,000
		8,698,000

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

10. Employee remuneration

Employee benefits expense recognized are detailed below:	September 30,	December 31,
	2015	2014
	<u>\$</u>	<u>\$</u>
Wages, salaries	421,996	586,999
Social security costs	37,487	49,409
Share-based payments-employees	97,696	124,666
Defined contribution pension plan	13,887	16,580
	571,066	777,654
Less: salaries capitalized in exploration and evaluation assets	(162,923)	(272,827)
Employee benefits expense	408,143	504,827

11. Cash flows

Additional information	Three-month period ended		Nine-month period ended	
	September 30,	September 30,	September 30,	September 30,
	2015	2014	2015	2014
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Items not affecting cash and cash equivalents				
Shares issued for the acquisition of mining properties	-	-	5,000	-
Shares issued expense included in accounts payable and accrued liabilities	2,700	-	3,268	5,401
Depreciation of property, plant and equipment transferred to deferred exploration costs	5,226	4,931	15,677	14,792
Deferred exploration costs included in accounts payable and accrued liabilities	7,563	11,189	23,395	8,098
Share-based payments-employees charged to deferred exploration costs	989	5,310	8,807	16,217

12. Financial Instruments

Objectives and policies in managing financial risks

The Company is exposed to various financial risks resulting from its operations and financing activities. The directors and officers of the Company manage those risks.

The Company does not enter into speculative derivative financial instruments.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

12. Financial Instruments (continued)

Financial risks

The following paragraphs describe the main financial risks to which the Company is exposed and its risk management policies.

Interest risk

The bonds bear interest at a fixed rate and consequently expose the Company to the risk of fair value fluctuation related to changes in interest rates.

The other financial assets and liabilities of the Company do not represent interest risk because they do not bear interest.

The Company does not use financial derivatives to reduce its exposure to interest risk.

As at September 30, 2015, the Company's exposure to interest rate risk is summarized

Cash and cash equivalents :	Variable and fixed interest rate
Cash reserved for exploration :	Variable and fixed interest rate
Receivables :	Non-interest bearing
Accounts payables and accrued liabilities :	Non-interest bearing

Interest rate sensitivity

As at September 30, 2015, the Company only received interest on bankers' acceptances and on account bearing interests.

Interest rate movements may affect the fair value of the investments in fixed interest financial assets.

The possible effects on fair value that could arise as a result of changes in interest rates are taken into account when making investment decisions.

Liquidity risks

The Company establishes cash forecasts to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to continue its operations, and while it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

Liquidity risk analysis

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount.

Over the year, the Company has financed its exploration expense commitments, its working capital requirements and acquisitions through private and flow-through financings.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

12. Financial Instruments (continued)

Liquidity risk analysis (continued)

The following table summarizes the Company's financial liabilities as at:

	September 30, 2015		
	Less than one year	Between one and three years	More than three years
	\$	\$	\$
Accounts payables and accrued liabilities	100,254	-	-
Liability related to flow-through shares	14,084	-	-
	114,338	-	-

Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

Credit risk analysis

The Company's exposure to credit risk is limited to the carrying value of its financial assets at the date of presentation of the financial information as disclose below :

	September 30, 2015	December 31, 2014
	\$	\$
Cash and cash equivalents	917,833	303,355
Cash reserved for exploration	40,688	537,222
Banker's acceptances	-	553,841
Receivables (other than goods and services tax receivable)	11,394	11,394
Carrying amounts	969,915	1,405,812

The Company has no trade receivables. Its receivables comprised mainly of tax credits, mining taxes and sale taxes receivable consequently, the exposure to credit risk for the Company's receivables is considered immaterial. No impairment loss has been recognized in the periods presented.

The Company's management considers that all of the above financial assets that are not impaired or past due for each of the reporting dates are of good credit quality.

None of the Company's financial assets are secured by collateral or other credit enhancements.

The credit risk for cash and cash equivalents and cash reserved for exploration is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

12. Financial Instruments (continued)

Fair value of financial instruments

The Company discloses the fair value hierarchy by which the financial instruments are evaluated and assigned to the following levels. Level 1 features a valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 includes inputs for the asset or liability that are not based on observable market data. Marketable securities are classified under Level 1 (note 13).

The fair value of cash and cash equivalents, cash reserved for exploration and receivables approximates their carrying value as these items will be realized in the short term.

13. Financial assets and liabilities

	September 30, 2015		December 31, 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Categories of financial assets and liabilities				
Financial assets				
Loans and receivables				
Cash and cash equivalents	917,833	917,833	303,355	303,355
Cash reserved for exploration	40,688	40,688	537,222	537,222
Banker's acceptance	-	-	553,841	553,841
Available for sale financial asset				
Other short-term financial assets	33,750	33,750	80,500	80,500
Financial liabilities				
Other financial liabilities				
Trade	11,569	11,569	19,070	19,070
Other	88,685	88,685	106,880	106,880

14. Contingencies and commitments

The Company is partially financed through the issuance of flow-through shares. However, there is no guarantee that its expenses will qualify as Canadian exploration expenses, even if the Company is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors.

Moreover, tax rules regarding flow-through placements set deadlines for carrying out the exploration work no later than the first of the following dates:

- Two years following the flow-through placements;
- One year after the Company has renounced the tax deductions relating to the exploration work.

Commitments to carry out exploration work that are not met are subject to a combined tax rate of 30% (Canada and Quebec).

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

14. Contingencies and commitments (continued)

During the period, the Company received \$143,000 (\$780,000 as at December 31, 2014) from flow-through financings for which the Company will renounce tax deductions. The amount has been presented as "Cash reserved for exploration".

The Company renounced to tax deductions of \$143,000 (\$780,000 as at February 28, 2015) and management is required to fulfil its commitments before the stipulated deadline of December 31, 2016. The portion unspent as at September 30, 2015, of \$40,688 has been presented as "Cash reserved for exploration".

15. Transactions with key management personnel

The Company's key management personnel are members of the Board of Directors, the president, the vice-president and chief financial officer. The remuneration of key management personnel includes the following expenses:

	September 30,	December 31,
	2015	2014
	<u>\$</u>	<u>\$</u>
Short-term employee benefits		
Salaries and fees including bonuses and benefits	284,015	363,411
Social security costs and contributions to the pension plan	34,022	37,868
Total short-term employee benefits	318,037	401,279
Share-based payments-employees	72,750	80,594
Total remuneration	390,787	481,873

During the periods ended in 2015 and 2014, key management personnel did not exercised any share options granted through the share-based payment plans.

16. Capital disclosures

The Company's objectives in managing its capital are to ensure sufficient liquidity to pursue its organic growth strategy and undertake selective acquisitions. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company's capital is composed of shareholders' equity. The Company's primary uses of capital are to finance exploration expenditures and acquire properties. To effectively manage the Company's capital requirements, the Company has in place a rigorous planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives.

The Company expects that its current capital resources and its ability to obtain additional financing will support further exploration and development of its mineral properties.

Cartier Resources Inc.

(an exploration company)

Interim Condensed Notes to Financial Statements

Nine-month periods ended September 30, 2015 and 2014 (Unaudited)

16. Capital disclosures (continued)

The Company is not subject, in regards of external rules, to any requirements regarding its capital, except in case that the Company completes a flow-through financing for which the cash must be reserved for exploration. As at September 30, 2015, the Company's cash reserved for exploration was \$40,688 (\$537,222 as at December 31, 2014).

As at September 30, 2015, shareholders' equity was \$8,839,508 (\$9,266,294 as at December 31, 2014).

17. Subsequent event

On October 22, 2015, the Company completed a flow-through private placement with accredited investors and consists of 205 units for an amount of \$266,500.

For the flow-through private placement, each unit, at a price of \$1,300 per unit, is comprised of 10,000 flow-through common shares. Thus, the following securities were issued by the Company, 2,050,000 flow-through shares at a price of \$0.13 per share for an amount of \$266,500.

The securities issued under the private placement are subject to a 4 months and 1 day statutory hold period.