



Condensed Interim Consolidated Financial Statements

Three and Nine months ended March 31, 2016 and 2015

(Based on International Financial Reporting Standards ("IFRS") and stated in thousands of United States dollars, unless otherwise indicated)

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Management's Responsibility for Financial Reporting

The condensed interim consolidated financial statements, and the notes thereto, of Era Resources Inc., (formerly Marengo Mining Limited) and its subsidiaries have been prepared by management in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Management acknowledges responsibility for the preparation and presentation of the condensed interim consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

Management, in discharging these responsibilities, maintains a system of internal controls designed to provide reasonable assurance that its assets are safeguarded, only valid and authorized transactions are executed and accurate, timely and comprehensive financial information is prepared. However, any system of internal controls over financial reporting, no matter how well designed and implemented, has inherent limitations and may not prevent or detect all misstatements.

The Board of Directors, principally through the Audit and Risk Committee, is responsible for reviewing and approving the condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfils its financial reporting responsibilities.

"signed"
Pieter Britz
President and Chief Executive Officer

"signed"
Alexander Dann
Chief Financial Officer

May 12, 2016



Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Stated in thousands of U.S. dollars)

	Notes	March 31, 2016	June 30, 2015
CURRENT ASSETS			
Cash and cash equivalents		4,917	4,831
Short term investments		67	48
Deferred charges		2	-
Receivables and other current assets		279	252
TOTAL CURRENT ASSETS		5,265	5,131
NON-CURRENT ASSETS			
Property, plant and equipment		697	429
Exploration and evaluation assets	4	134,022	144,340
TOTAL NON-CURRENT ASSETS		134,719	144,769
TOTAL ASSETS		139,984	149,900
CURRENT LIABILITIES			
Trade and other payables		2,196	1,749
Provisions		196	186
Loans and borrowings	5	30,234	34,038
Derivative financial instrument	6	2,523	9,650
TOTAL CURRENT LIABILITIES		35,149	45,623
NON-CURRENT LIABILITIES			
Loans and borrowings	5	7,279	5,997
TOTAL NON-CURRENT LIABILITIES		7,279	5,997
TOTAL LIABILITIES		42,428	51,620
SHAREHOLDERS' EQUITY			
Share capital	7	189,908	189,927
Contributed surplus	7	2,436	2,400
Accumulated comprehensive losses		(94,788)	(94,047)
TOTAL SHAREHOLDERS' EQUITY		97,556	98,280
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		139,984	149,900

Nature of Operations and Going Concern (Note 1) and Subsequent Events (Note 14)

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.

Approved by the Board of Directors on May 12, 2016

"signed"

John Hick
Chairman

"signed"

David Danziger
Audit Committee Chair



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

(Unaudited - Stated in thousands of U.S. dollars, except shares and share data)

	Notes	Three months ended March 31,		Nine months ended March 31,	
		2016	2015	2016	2015
EXPENSES					
General and administration expenses		(923)	(845)	(3,012)	(3,244)
Depreciation		(28)	(19)	(87)	(102)
Exploration and evaluation assets written-off	4	-	9	(408)	(512)
Net foreign exchange loss		(13)	(8)	(132)	(34)
Share-based payment (expense) recovery	7	(5)	(10)	(36)	6
		(969)	(873)	(3,675)	(3,886)
OTHER ITEMS					
Interest income		4	2	7	3
Other income (loss)	6	2,749	(9,563)	29,792	894
Financing costs	5	(4,948)	(2,981)	(12,966)	(9,680)
		(2,195)	(12,542)	16,833	(8,783)
NET (LOSS) INCOME FOR THE PERIOD		(3,164)	(13,415)	13,158	(12,669)
OTHER COMPREHENSIVE INCOME (LOSS)					
<i>Items that may be reclassified to profit and loss</i>					
Exchange differences on translation of foreign operations		(2,073)	(6,268)	(13,918)	(18,399)
Other comprehensive loss for the period, net of tax		(2,073)	(6,268)	(13,918)	(18,399)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(5,237)	(19,683)	(760)	(31,068)
Basic (loss) income per share	13	(0.28)	(1.18)	1.16	(1.11)
Diluted loss per share	13	-	-	(0.03)	-
Weighted average shares outstanding		11,377,792	11,377,792	11,377,792	11,377,792

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.



Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Stated in thousands of U.S. dollars except share data)

	Notes	Share Capital	Options and Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Deficit	Total Shareholders' Equity
BALANCE AT JULY 1, 2014		187,242	2,395	(19,153)	(46,095)	124,389
Net loss for the period		-	-	-	(12,669)	(12,669)
Other comprehensive income that may be reclassified to the profit or loss		-	-	(19,233)	-	(19,233)
TOTAL COMPREHENSIVE INCOME (LOSS)		-	-	(19,233)	(12,669)	(31,902)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Exchange differences on translation of equity items to presentation currency		2,634	-	834	-	3,468
Employees and consultants share options	7	-	(6)	-	-	(6)
BALANCE AT MARCH 31, 2015		189,876	2,389	(37,552)	(58,764)	95,949
BALANCE AT JULY 1, 2015		189,927	2,400	(41,913)	(52,134)	98,280
Net income for the period		-	-	-	13,158	13,158
Other comprehensive income that may be reclassified to the profit or loss		-	-	(13,918)	-	(13,918)
TOTAL COMPREHENSIVE INCOME (LOSS)		-	-	(13,918)	13,158	(760)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Exchange differences on translation of equity items to presentation currency		(19)	-	19	-	-
Employees and consultants share options	7	-	36	-	-	36
BALANCE AT MARCH 31, 2016		189,908	2,436	(55,812)	(38,976)	97,556

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.



Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Stated in thousands of U.S. dollars)

	Notes	Nine months ended March 31,	
		2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) for the period		13,158	(12,669)
Items not affecting cash:			
Depreciation		87	102
Share based compensation expense (recovery)	7	36	(6)
Write-down of exploration and evaluation assets	4	408	512
Fair value of derivative liability gain	6	(29,792)	(894)
Interest accrued on debentures	5	12,966	9,680
Unrealized foreign exchange loss		198	-
Changes in working capital	10	(354)	(365)
Net cash used in operating activities		(3,293)	(3,640)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in term deposits		(21)	(3,948)
Interest received		7	1
Additions to property, plant and equipment		(399)	(12)
Additions to exploration and evaluation assets (includes changes in working capital)	4	(3,081)	(3,832)
Net cash used in investing activities		(3,494)	(7,791)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	5	7,000	14,500
Direct financing costs	5	(92)	(339)
Net cash provided by financing activities		6,908	14,161
Increase in cash and cash equivalents for the period		121	2,730
Cash and cash equivalents, beginning of the period		4,831	421
Effect of foreign exchange rate changes on cash and cash equivalents		(35)	(348)
Cash and cash equivalents, end of the period		4,917	2,803

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements.



Notes to the Condensed Interim Consolidated Financial Statements for the Three and Nine Months Ended March 31, 2016

(Unaudited - All currency amounts are in thousands of U.S. dollars, unless stated otherwise)

(1) NATURE OF OPERATIONS AND GOING CONCERN

Era Resources Inc., (the "Company" or "Era") is an international mineral exploration and development company, limited by shares, and domiciled and incorporated in Canada. The Company operates under the Ontario Business Corporation Act and its registered office is in Toronto, Canada, at 100 King Street West, Suite 3400, Toronto, Ontario, M5X 1A4. Era is listed on the Toronto Stock Exchange (the "TSX") (Symbol: ERX). As described in Note 14, subsequent to March 31, 2016, on April 18, 2016, the Company announced that it has completed the voluntary move of its common share listing on the TSX to a Tier 2 listing on the TSX Venture Exchange ("TSXV"). The Company officially delisted from the Australian Securities Exchange (the "ASX") on June 2, 2015 and also delisted from the Port Moresby Securities Exchange Limited ("POMSoX") on October 27, 2015. The Company also changed its name from Marengo Mining Limited to Era Resources Inc. on November 16, 2015.

The primary activity of the Company is the exploration and development of its principal asset, the Yandera copper property (the "Yandera Project") in Papua New Guinea. The Company is currently focused on advancing the development of the Yandera Project.

The Company is an exploration and development stage entity and has not yet achieved profitable operations. It is subject to risks and challenges similar to companies in a comparable stage of development. These risks include, but are not limited to the challenges of securing adequate capital to fund its activities, operations risks inherent in the mining industry, and global economic and commodity price volatility. The underlying value of the Yandera Project and the recoverability of the related capitalized costs are entirely dependent on the Company's ability to successfully develop the Project by, among other things, securing necessary permits, obtaining the required financing to complete the development and construction, and upon future profitable production from, or the proceeds from the disposition of, its mineral property.

The Company incurred a comprehensive loss for the nine months ended March 31, 2016 of \$760 (March 31, 2015 - \$31,068 loss) and reported accumulated comprehensive losses of \$94,788 as at March 31, 2016 (June 30, 2015 - \$94,047). The Company had a working capital deficiency of \$29,884 (June 30, 2015 - \$40,492). The Company's sole source of funding has been the issuance of convertible debt and other loan instruments, and equity securities.

As at March 31, 2016, the Company had \$4,917 in available cash and cash equivalents and short term deposits (June 30, 2015 - \$4,831). There are no sources of operating cash inflows. Given the Company's current financial position and the anticipated ongoing exploration and evaluation expenditures for the Yandera Project, Era's major shareholder, Sentient Executive GP IV ("Sentient") has agreed to provide financial assistance to the Company. Note 5 sets out the details of the restructuring of the Company's financing transactions with Sentient.

The Company will need to raise additional capital through equity issuance or other available financing alternatives in parallel with financial support provided by Sentient in order to continue funding its operating, exploration and evaluation activities, and eventual development of the Yandera Project. Although the Company has been successful in its past fundraising activities, there is no assurance as to the success of future fundraising efforts or as to the sufficiency of funds raised in the future.

These circumstances, along with other risks relevant to exploration companies, such as continuing losses, result in material uncertainty which lends significant doubt as to the ability of the Company to fulfil its exploration and development activities and, accordingly, the appropriateness ultimately of the use of the accounting principles applicable to a going concern.

Management expects that additional funding will be provided from Sentient or other sources, and therefore these condensed interim consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The going concern basis of presentation assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from March 31, 2016. Different basis of measurement may be appropriate when a Company is not expected to continue operations for the foreseeable future.

These condensed interim consolidated financial statements do not give effect to adjustments to the carrying values of assets, liabilities and the reported expenses and classifications that would be necessary, should the Company be unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Company on May 12, 2016.

(2) BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These condensed interim consolidated financial statements were prepared in accordance with IFRS, including IAS 34 Interim Financial Statements. The condensed interim consolidated financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2015. Any subsequent changes to IFRS that are reflected in the Company's consolidated financial statements for the year ended June 30, 2015 could result in restatement of these condensed interim consolidated financial statements.

(b) Basis of Preparation

These condensed interim consolidated financial statements have been prepared under the historical cost convention, modified by the revaluation of any financial assets and financial liabilities (including derivative instruments), measured at fair value through profit or loss. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies.

The significant accounting policies used in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended June 30, 2015.

(c) Basis of consolidation

The condensed interim consolidated financial statements incorporate the financial statement of the Company, Era Resources Inc., and its wholly-owned subsidiaries. Consolidation is required when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

(3) CHANGES IN ACCOUNTING POLICIES

New standards issued during the nine-month period ended March 31, 2016, which are not adopted yet:

IFRS 16 "Leases"

IFRS 16 replaces current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease (on the balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low value assets, however this exemption can only be applied by lessees. The standard applies to annual periods beginning on or after January 1, 2019, with earlier application permitted if IFRS 15, Revenue from Contracts with Customers, is also applied. The Company is still assessing the impact of this standard.

(4) EXPLORATION AND EVALUATION ASSETS

	March 31, 2016	June 30, 2015
Opening net cost amount	144,340	160,855
Foreign exchange	(13,903)	(20,182)
Expenditures capitalised during the period	3,993	4,172
Expenditures written-off during the period	(408)	(505)
Closing Balance	134,022	144,340

During the first quarter ended September 30, 2015, the Company acquired an option for the mineral concessions and purchased the related surface property rights for the La Cobota copper project in northern Mexico for a total acquisition cost of \$253



comprised of \$243 purchase price and \$10 of direct purchase expenses.

Under the terms of the option agreement for the mineral concessions, Era had:

- The exclusive right to conduct exploration and spending \$500 prior to July 1, 2016; and
- The exclusive and irrevocable right to acquire 100% of the mineral concessions for a fixed amount of \$275, subject to a 2.5% Net Smelter Return royalty interest to be granted to the vendor of the mineral concessions.

On March 11, 2016, the Company announced that it had terminated the option agreement for the three mining concessions at the La Cobota project due to drilling results that overall did not support further development work under the currently challenging commodity price and economic circumstances.

During the nine-month period ended March 31, 2016, the Company recorded a write down of the property in the amount of \$408.

(5) LOANS AND BORROWINGS

The following tables display debt instruments issued and outstanding as at March 31, 2016 and the activities of the Company's current and long term debt instruments for the nine-month period ended March 31, 2016 and year ended June 30, 2015:

March 31, 2016

	Principal Face Value	Maturity
January 2014 convertible debentures	28,231	September 30, 2016
July 2014 convertible debentures	10,195	September 30, 2016
December 2014 convertible debentures	7,500	June 30, 2017
November 2015 convertible debentures	7,000	December 31, 2017

2016

	At June 30, 2015	Initial Recognition	Reversal of Interest (Other Income)	Extinguishment/ Revaluations, Net	Accretion/ Interest	At March, 31, 2016
January 2014 convertible debentures	25,105	-	(4,204)	(6,191)	7,707	22,417
July 2014 convertible debentures	8,933	-	(1,311)	(2,761)	2,956	7,817
December 2014 convertible debentures	5,997	-	(637)	(2,691)	1,628	4,297
November 2015 convertible debentures	-	2,477	-	-	505	2,982
	40,035	2,477	(6,152)	(11,643)	12,796	37,513
Less: current portion	34,038	-	-	-	-	30,234
Total long term debt	5,997	-	-	-	-	7,279

2015

	At June 30, 2014	Initial Recognition	Extinguishment/ Revaluations, Net	Accretion	At June 30, 2015
Sentient loan	3,046	-	(3,046)	-	-
January 2014 convertible debentures	17,222	-	(335)	8,218	25,105
July 2014 convertible debentures	-	-	6,015	2,918	8,933
December 2014 convertible debentures	-	5,039	-	958	5,997
	20,268	5,039	2,634	12,094	40,035
Less: current portion	3,046	-	-	-	34,038
Total long term debt	17,222	-	-	-	5,997

The total cumulative financing costs on the convertible debentures recognized and expensed in the consolidated statements of income and comprehensive income (loss) were \$12,966 comprised of \$12,796 accretion and \$170 of other finance related costs for the nine-month period ended March 31, 2016 (March 31, 2015 - \$9,680). For the three-month period ended March 31, 2016 the financing costs totalled \$4,948 (three-month period ended March 31, 2015 - \$2,981).

The change in interest terms of the debentures (as described below) resulted in the recognition of reversal of interest and associated costs of \$6,152 and \$442 for the nine-month period ended March 31, 2016 under "other income". There was no reversal of interest or other costs in the three-month period ended March 31, 2016 and March 31, 2015.

The extinguishment of the debt and revaluation of the conversion option derivative liability resulted in the recognition of net extinguishment gain of \$23,198 under "other income" for the nine-month period ended March 31, 2016, (March 31, 2015 - \$7,944 loss). For the three-month period ended March 31, 2016, the net extinguishment gain totalled \$2,749 (March 31, 2015: \$nil).

Convertible Debentures

On November 20, 2015, following the requisite shareholder approval obtained on November 13, 2015, the Company completed the issuance of \$7,000 principal amount of convertible unsecured debentures (the "Investment Debentures") to Sentient pursuant to the financing agreement dated October 13, 2015.

The debentures mature on December 31, 2017 and do not bear interest. Each US\$1,000 principal amount of debentures is convertible into common shares of the Company at a conversion price of C\$0.45 per common share on a post-consolidation basis, rounded up to the nearest common share. Each debenture is convertible, in whole or in part, at the option of Sentient and at any time, into common shares, intended to be freely tradable on the TSX and TSXV following the move of the share listing to the TSXV subsequent to March 31, 2016, at the conversion price, for each US\$1,000 principal amount of debentures, subject to adjustment in certain circumstances.

The conversion price for existing outstanding debentures of the Company held by Sentient pursuant to the terms of prior debenture financings between the Company and Sentient completed in 2014, was adjusted to C\$0.45 per common share on a post-consolidation basis.

Consistent with the Company's accounting policy, the Investment Debentures were initially measured at fair value, net of direct expenses, then subsequently at amortized cost. The fair value, net of direct costs resulted in amount of \$2,477.

The transaction completed on November 20, 2015 contributed to substantial modifications of the terms of the existing convertible debentures issued on January 15, 2014, July 15, 2014 and December 18, 2014. The conversion prices were reduced from C\$0.01 to C\$0.0045 (C\$0.45 on a post consolidation basis), and the debentures no longer bear interest. The modified terms also resulted in income due to the reversal of interest that was recognized up to date of this modification. The modified terms significantly change the discounted present value of cash flows. Due to the zero coupon interest rate, the existing debentures were fair valued using the present value methodology. The principal face values were discounted based on the prorated effective interest rate derived from the fair value of the Investment Debentures. The existing debentures were extinguished and new fair values of the convertible debentures were recognized as follows:



For the convertible debentures issued on January 15, 2014, the new fair value of \$21,242 was recognized and the existing balance of \$24,334 was extinguished.

For the convertible debentures issued on July 15, 2014, the new fair value of \$7,337 was recognized and existing balance of \$8,830 was extinguished.

For the convertible debentures issued on December 18, 2014, the new fair value of \$3,320 was recognized and existing balance of \$6,011 was extinguished.

In connection with Era's listing move to the TSXV as described in the Note 14, Subsequent Events, on February 23, 2016, the Company entered into an amending agreement with Sentient to extend the maturity of the outstanding debentures the Company held by Sentient that were previously set to mature on June 30, 2016 to now mature on September 30, 2016 with no effect on any of the outstanding debentures of the Company previously set to mature at later dates. Pursuant to the amending agreement, Sentient has also agreed to amend the terms of all of the previously-issued debentures held by Sentient such that the holder thereof shall not be entitled to exercise its right of conversion prior to October 1, 2016 if such conversion would result in the failure by the Company to comply with the minimum 10% public float requirements under the policies of the TSXV.

The modified maturity terms as per the amending agreement dated February 23, 2016 resulted in significant changes to the discounted present values of cash flows for debentures issued on January 14, 2014 and July 15, 2014 which were previously set to mature on June 30, 2016.

Due to the zero coupon interest rate (as a result of the change in terms due to the modification on November 20, 2015), the existing debentures were fair valued using the present value methodology. The principal face values were discounted based on the prorated effective interest rate derived from the fair value of the Investment Debentures issued in November 2015. The existing debentures were extinguished and new fair values of the convertible debentures were recognized. The overall impact resulting from extinguishments and revaluations was as follows:

For the convertible debentures issued on January 15, 2014, the new fair value of \$21,242 was recognized. The net gain resulting from extinguishments and revaluations during the nine-month period ended March 31, 2016 totalled \$6,191.

For the convertible debentures issued on July 15, 2014, the new fair value of \$7,337 was recognized. The net gain resulting from extinguishments and revaluations during the nine-month period ended March 31, 2016 totalled \$2,761.

The underlying details of the borrowings described above are disclosed in the Note 11 of the Company's audited annual financial statements for the year ended June 30, 2015.

(6) DERIVATIVE FINANCIAL INSTRUMENT

The embedded derivative conversion option feature contained in the debentures described under Note 5 is valued using a Black-Scholes model. The risk free interest rate used in the fair value computation is the interest rate on Canadian marketable security bond with maturity similar to the remaining life of the convertible debentures. The expected volatility estimate at date of convertible debt extinguishment (see Note 5) and March 31, 2016 considers both, the historical price volatility of the Company and the TSX Venture Composite Index.

Application of the Black-Scholes option pricing model requires the use of assumptions. Changes in the underlying assumptions of these models could materially impact the determination of the fair value of the financial instruments.

As of March 31, 2016, the fair value of the derivative liability was \$2,523 (June 30, 2015 - \$9,650). The movement in fair value results from fluctuations and inputs used to determine the fair value at each reporting period, the most significant of which are the Company's share price, volatility and life of the options.

A summary of the derivative liability activities relating to additions, reductions and changes resulting from the fair value measurement for the three and nine-month period ended March 31, 2016 and March 31, 2015 respectively are as follows:



	Three months ended March 31,		Nine months ended March 31,	
	2016	2015	2016	2015
Opening Balance	907	10,621	9,650	14,581
Additions to derivative liability during the period	1,475	-	18,488	27,991
Reductions of derivative liability during the period	(1,435)	-	(4,831)	(13,550)
Fair value (gain) loss for the period	1,576	9,563	(20,784)	(8,838)
Closing Balance	2,523	20,184	2,523	20,184

For the nine-month period ended March 31, 2016, the Company recorded a gain of \$20,784, (\$1,576 loss for the three-month period ended March 31, 2016) resulting from the fair value measurement (nine-month period ended March 31, 2015 - \$8,838 gain and \$9,563 loss for the three-month period ended March 31, 2015). This fair value loss (gain) is recognized within other income in the consolidated statements of income and comprehensive income (loss). This gain includes the impact of the revaluation of the derivative liability resulting from the extinguishment of the debt in November 2015 and in February 2016. Refer to Note 5 above.

Inputs used to determine the fair value were as follows:

	March 31, 2016	At Extinguishment February 2016	At Extinguishment November 2015	June 30, 2015	March 31, 2015
Risk free interest rate	0.54%	0.47%	0.60%	0.49%	0.50%
Volatility - maturity at September 30, 2016	165%	196%	102%	166%	119%
Volatility - maturity at June 30, 2017	147%	-	139%	166%	-
Volatility - maturity at December 31, 2017	153%	-	133%	-	-
Remaining life (years)	0.5, 1.25 and 1.75	0.8	0.8, 1.6 and 2.1	1 and 2	1.25 and 2.25

(7) SHARE CAPITAL AND OPTIONS

The Company is authorized to issue an unlimited number of common shares with one vote per share and no par value per share.

There were no common shares issued during the period ended March 31, 2016 and March 31, 2015.

Share Consolidation

Following the requisite shareholder approval obtained on November 13, 2015, the Company completed a share consolidation whereby for every 100 Era common shares issued and outstanding immediately prior to the share consolidation, one post-consolidation Era common share exists. Share capital outstanding prior to the share consolidation was 1,137,870,521 common shares and 11,377,792 on a post-consolidation basis and as at December 31, 2015. As a result of the share consolidation, 913 common shares were cancelled relating to the fractional remaining shares after the effect of the share consolidation.

All references to share capital, stock options, convertible debentures and per share data have been adjusted retrospectively to reflect the Company's one-for-one hundred share consolidation as if it occurred at the beginning of the earliest period presented.

Options

The Company maintains a stock option plan under which the Board of Directors, or a committee appointed for such purpose, may from time to time grant to employees, officers, directors, or consultants of the Company, options to acquire common shares under the terms as determined by the Board of Directors or such committee.

As of March 31, 2016, the Company had 455,390 remaining reserved options under the plan with 568,890 maximum allowed on a post-consolidation basis.

Options granted carry no dividend or voting rights. Options granted to directors and senior management vest as follows: 1/3 on grant, 1/3 on first anniversary of grant and 1/3 on second anniversary of grant. All other options granted to employees and consultants vest immediately.

A summary of option activity on a post-consolidation basis under the Plan during the nine months ended March 31 are as follows:

	Number of Stock Options	Weighted Average Exercise Price- C\$
Balance, June 30, 2015	115,000	1.89
Expired/forfeited	(1,500)	2.20
Balance, March 31, 2016	113,500	1.94
Exercisable, March 31, 2016	76,833	2.15

The fair value of option grants is estimated at the grant date using the Black-Scholes option-pricing model. There were no options granted during the period ended March 31, 2016. Options granted to directors and senior management during the period ended March 31, 2015 totalled 11,000,000 (110,000 on a post-consolidation basis) with an average exercise price of C\$0.015 per share (\$C\$1.50 per share on a post-consolidation basis) and expiry date of five years from the date of grant.

Fair values of options granted during the period ended March 31, 2015 were based on assumptions noted in the following table:

Grant	2015
Exercise price	C\$1.50
Risk-free interest rate	1.48%
Annualized expected volatility	157%
Expected life of options	5
Dividend rate	0%
Forfeiture rate	0%
Fair value per option	C\$0.014

Performance Rights

The Company maintains a performance rights plan under which the Board of Directors, or a committee appointed for such purpose, may grant rights to employees, officers, directors, or consultants of the Company to acquire common shares under the terms as determined by the Board of Directors or such committee. All performance rights were forfeited in the prior year mainly due to closure of the Company's Perth office and the resulting staff terminations. There were no new performance rights issued during the period ended March 31, 2016.

The following table summarizes incentive stock options outstanding at March 31, 2016:

Exercise price	Outstanding			Exercisable	
	Number of options	Weighted average exercise price	Weighted average remaining contractual life in years	Number of options	Weighted average exercise price
A\$0.19	500		0.6	500	
A\$0.24	750		0.9	750	
C\$0.13	2,250		1.9	2,250	
C\$0.015	110,000		3.3	73,333	
Total Options	113,500	C\$1.94		76,833	C\$2.15

Share-Based Compensation

The share-based compensation resulted in the expense amount of \$36 for the nine-month period ended March 31, 2016 and \$5 expense in the three-month period ended March 31, 2016, (March 31, 2015 - \$6 recovery and \$10 expense in the three-month period ended March 31, 2015). Share-based compensation recovery in the prior year resulted from unvested forfeited options and performance rights previously issued and forfeited during the period.

(8) COMMITMENTS AND CONTINGENCIES

The Company has certain commitments to meet the minimum expenditure requirements on its mineral exploration assets it has interest in.

The Company had no contingent liabilities as at March 31, 2016.

Future minimum payments under the agreements as at March 31, 2016 are as follows:

	Less than 1 year	1 - 5 years	Total
Exploration commitments	69	103	172
Total	69	103	172

(9) RELATED PARTY TRANSACTIONS

Key Management Personnel

(a) Key management personnel are defined as members of the Board of Directors and senior officers.

Key management compensation was:

	Nine months ended March 31,	
	2016	2015
Salaries, wages and other benefits	922	867
Severances ⁽¹⁾	-	654
Share-based compensation	36	72
Total	958	1,593



⁽¹⁾ The severances result from changes in executive management.

Other Related Party Transactions

(b) Transactions with Sentient

During the nine-month period ended March 31, 2016 the Company entered into a financing agreement with Sentient in connection with the proposed issuance of \$14,000 principal amount of convertible unsecured debentures and completed the first tranche of the proposed financing by issuance of \$7,000 principal amount of convertible unsecured Investment Debentures on November 20, 2015. Details of this financing are described in the Loans and Borrowings Note 5 above. During the Nine-month period ended March 31, 2015, the Company completed two financing transactions issuing in aggregate \$17,695 of principal amount of convertible unsecured debentures.

During the period ended March 31, 2016, the Company also paid to Sentient \$192 in fees related to legal and administrative expenses incurred on behalf of the Company during the purchase of La Cobota property. There were no fees paid to Sentient during the nine month period ended March 31, 2015.

(10) SUPPLEMENTAL CASH FLOW INFORMATION

Changes in working capital for the nine-month period ended March 31, 2016 and 2015 are as follows:

	2016	2015
(Increase)/decrease in accounts receivable and other current assets	(29)	77
(Decrease) in accounts payable and accrued liabilities	(335)	38
Increase (decrease) in provisions	10	(480)
Total changes in working capital	(354)	(365)

(11) FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes six levels to classify the inputs to valuation techniques used to measure the fair value.

The six levels of the fair value hierarchy are:

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

Valuation technique that is used to measure the fair value is described in note 2 (j) of the annual audited consolidated financial statements for the year ended June 30, 2015.

The following table illustrates the Company's financial instruments measured at fair value on a recurring basis and their classification within the fair value hierarchy as at March 31, 2016 and June 30, 2015:

As at March 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial liabilities			
Fair value through profit or loss:			
Derivative financial instrument	-	2,523	-
	-	2,523	-

As at June 30, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial liabilities			
Fair value through profit or loss:			
Derivative financial instrument	-	9,650	-
	-	9,650	-

Fair Values of Financial Assets and Liabilities not measured at Fair Value

	As at March 31, 2016		As at June 30, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Cash and cash equivalents	4,917	4,917	4,831	4,831
Short term investments	67	67	48	48
Receivables and other current assets	281	281	252	252
	5,265	5,265	5,131	5,131
Financial liabilities				
Trade and other payables	2,196	2,196	1,749	1,749
Loans and borrowings	37,513	37,513	40,035	40,035
	39,709	39,709	41,784	41,784

The carrying values of the above financial instruments approximate their fair values. The fair value estimates are within level 2 of the fair value hierarchy.

(12) OPERATIONS BY SEGMENT AND GEOGRAPHIC AREA

The Company operates in one reportable segment, being the exploration, evaluation and development of mineral properties. The Company's development property is located in one geographic area, being Papua New Guinea.

During the nine-month period ended March 31, 2016, the Company acquired an option for the mineral concessions and purchased the related surface property rights for the La Cobota copper project in northern Mexico. During the period ended March 31, 2016, the Company wrote off \$408 of exploration and evaluation assets.

(13) NET INCOME (LOSS) PER SHARE

	Three months ended March 31,		Nine months ended March 31,	
	2016	2015	2016	2015
Net (loss) income from continuing operations	(3,164)	(13,415)	13,158	(12,669)
Adjusted for:				
Financing costs	4,948	2,981	12,966	9,680
Other loss (income)	(2,749)	9,563	(29,792)	(894)
Adjusted loss	(965)	(871)	(3,668)	(3,883)
Basic weighted average number of shares outstanding	11,377,792	11,377,792	11,377,792	11,377,792
Dilutive effect of convertible debentures	130,316,459	42,144,871	120,107,942	47,567,891
Diluted weighted average number of shares outstanding	141,694,251	53,522,663	131,485,734	58,945,683
Items excluded from the calculation of diluted income (loss) per share due to their anti-dilutive effect:				
Stock options	113,500	115,500	113,500	115,500

(14) SUBSEQUENT EVENTS

On April 18, 2016, the Company announced that it has completed the voluntary move of its common share listing on the TSX to a Tier 2 listing on the TSXV Exchange. In connection with its listing move to the TSXV, on February 23, 2016, the Company had entered into an amending agreement with Sentient to extend the maturity of the outstanding debentures on the Company held by Sentient that were previously set to mature on June 30, 2016 to now mature on September 30, 2016 with no effect on any of the outstanding debentures of the Company previously set to mature at later dates. Pursuant to the amending agreement, Sentient has also agreed to amend the terms of all of the previously-issued debentures held by Sentient such that the holder thereof shall not be entitled to exercise its right of conversion prior to October 1, 2016 if such conversion would result in the failure by the Company to comply with the minimum 10% public float requirements under the policies of the TSXV.

On April 18, 2016, the Company also announced that further to the financing agreement with Sentient announced on October 13, 2015, the Company received proceeds from the issuance and sale by the Company of \$3,000 of principal amount of senior unsecured convertible debentures to Sentient. This represents a portion of the second tranche of the \$7,000 financing.

On May 9, 2016, the company announced that it has closed its convertible debt financing with Sentient and received proceeds for the issuance and sale of the remaining balance of the second tranche, \$4,000 principal amount of senior unsecured convertible debentures to Sentient.