TILL CAPITAL LTD.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015, TEN MONTHS ENDED DECEMBER 31, 2014, AND TWELVE MONTHS ENDED FEBRUARY 28, 2014

Grant Thornton

Report of Independent Registered Public Accounting Firm

To the Shareholders of Till Capital Ltd.

We have audited the accompanying financial statements of Till Capital Ltd., which comprise the consolidated balance sheet as at December 31, 2015 and the consolidated statements of comprehensive loss, changes in shareholders' equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Till Capital Ltd. as at December 31, 2015 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Restated Comparative Information
The consolidated financial statements of Till Capital Ltd for the ten month period ended December 31, 2014 and the year ended February 28, 2014 (prior to the restatement of the comparative information described in Note 2 to the consolidated financial statements) were audited by other auditors who expressed unmodified opinions on April 29, 2015 and November 17, 2014, respectively.

We also have audited the adjustments that were applied to restate the consolidated financial statements for the ten month period ended December 31, 2014 and the year ended February 28, 2014 to reflect the change in presentation currency, as described in Note 2 to the consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements of Till Capital Ltd for the ten month period ended December 31, 2014 and the year ended February 28, 2014 other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the consolidated financial statements for the ten month period ended December 31, 2014 and the year ended February 28, 2014 taken as a whole.

Grant Thornton LLP

Toronto, Canada
May 12, 2016

Chartered Professional Accountants
Licensed Public Accountants

KPMG Audit Limited
Crown House
4 Par-la-Ville Road
Hamilton HM 08 Bermuda

Mailing Address:
P.O. Box HM 906
Hamilton HM DX Bermuda

Telephone +1 441 295 5063
Fax +1 441 295 9132
Internet www.kpmg.bm

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Till Capital Ltd.

We have audited the accompanying consolidated financial statements of Till Capital Ltd., which comprise the consolidated balance sheet as at December 31, 2014, the consolidated statements of comprehensive loss, changes in equity and cash flows for the ten-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Till Capital Ltd. as at December 31, 2014, and its consolidated financial performance and its consolidated cash flows for the ten-month period then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Other Matter

Without modifying our opinion, we draw attention to Note 2 to the consolidated financial statements which indicates that the comparative information presented as at and for the ten-month period ended December 31, 2014, has been restated.

We were not engaged to audit, review, or apply any procedures to the December 31, 2014 consolidated financial statements with respect to the restatement described in Note 2 to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance with respect to the restatement.

The consolidated financial statements of Till Capital Ltd. for the year ended February 28, 2014, which are those of its predecessor company, Americas Bullion Royalty Corp., were audited by another auditor who expressed an unmodified opinion on those statements on June 22, 2014.

KPMG Audit Limited

Chartered Professional Accountants
Hamilton, Bermuda
April 29, 2015

November 17, 2014

Independent Auditor's Report

To the Shareholders of Americas Bullion Royalty Corp.

We have audited, before the effects of adjustments to reflect the change in presentation currency described in Note 2 to the consolidated financial statements, the consolidated financial statements of Americas Bullion Royalty Corp. which comprise the consolidated balance sheet as at February 28, 2014 and the consolidated statements of comprehensive loss, cash flows and changes in shareholders' equity for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information (the 2014 consolidated financial statements before the effects of the adjustments due to the change in presentation currency described in note 2 to the consolidated financial statements are not presented herein).

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Canadian generally accepted auditing standards also require that we comply with ethical requirements.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of the Company's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 700, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806, www.pwc.com/ca

accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements, except for the effects of adjustments to reflect the change in presentation currency described in Note 2 to the consolidated financial statements, present fairly, in all material respects, the financial position of Americas Bullion Royalty Corp. as at February 28, 2014 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We were not engaged to audit, review, or apply any procedures to the adjustments to reflect the change in presentation currency described in Note 2 to the consolidated financial statements and, accordingly, we do not express an opinion or any other form of assurance about whether such adjustments are appropriate and have been properly applied. Those adjustments were audited by other auditors.

signed "PricewaterhouseCoopers LLP"

Chartered Accountants

Till Capital Ltd.
Consolidated Balance Sheets
(Expressed in US dollars)

	December 31, 2015	December 31, 2014	February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Assets			
Cash and cash equivalents	$ 1,519,881	$ 17,034,451	$ 2,588,528
Investments (Note 8)	25,103,191	9,291,340	797,143
Reinsurance contract receivable	—	6,087,262	—
Premiums and ceded claims receivable	1,994,350	—	—
Unpaid claims ceded (Note 9)	7,845,902	—	—
Unearned premiums ceded	1,479,632	—	—
Deferred policy acquisition costs (Note 9)	465,472	—	—
Assets held for sale (Note 6)	4,762,394	—	—
Promissory note receivable (Note 7)	2,463,262	—	—
Property, plant, and equipment (Note 10)	77,244	5,025,709	6,271,992
Royalty and mineral interests (Note 11)	1,089,804	13,828,158	6,023,031
Other assets (Note 12)	400,013	1,202,502	18,358,511
Deferred income tax asset (Note 15)	479,136	—	—
Intangible asset (Note 13)	322,657	—	—
Goodwill (Note 5)	3,259,701	346,591	—
Total Assets	$ 51,262,639	$ 52,816,013	$ 34,039,205
Liabilities			
Provision for outstanding claims and adjustment expenses (Note 9)	$ 15,768,895	$ 6,771,623	$ —
Claims and ceded premiums payable	2,110,536	—	—
Accounts payable and accrued liabilities (Note 14)	4,915,495	1,217,038	2,291,910
Unearned premiums	1,786,120	—	—
Unearned commissions	400,752	—	—
Deferred income tax liabilities (Note 15)	—	—	2,367,736
	24,981,798	7,988,661	4,659,646
Shareholders' equity (Note 16)			
Share capital	3,429	3,569	115,600,198
Contributed surplus	41,236,917	41,810,164	9,784,972
Accumulated other comprehensive loss	(798,767)	—	(1,646,281)
Deficit	(14,672,446)	(684,361)	(94,359,330)
Equity attributable to shareholders of Till Capital Ltd.	25,769,133	41,129,372	29,379,559
Non-controlling interests	511,708	3,697,980	—
Total shareholders' equity	26,280,841	44,827,352	29,379,559
Total liabilities and shareholders' equity	$ 51,262,639	$ 52,816,013	$ 34,039,205

Approved on behalf of the Audit Committee:

"Wayne Kauth"

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

(Expressed in US dollars)

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Revenue			
Insurance premiums written	$ 20,693,110	$ 6,402,804	$ —
Insurance premiums ceded to reinsurers	(20,764,179)	—	—
Net premiums earned	(71,069)	6,402,804	—
Insurance contract novations (Note 9)	(5,246,208)	—	—
Investment income (loss), net (Note 8)	(1,165,612)	605,989	(4,343)
Other income	496,339	76,187	17,778
	(5,986,550)	7,084,980	13,435
Expenses			
Claims and claim adjustment expenses	371,742	7,122,640	—
Insurance contract novations (Note 9)	(5,113,010)	—	—
General and administrative expenses	2,663,318	2,544,799	3,751,685
Staff costs	2,159,117	1,069,848	2,492,107
Stock-based compensation (Note 16)	309,044	426,072	377,762
Mineral property impairment	5,434,227	3,308,879	38,682,830
Write-off of property, plant, and equipment	83,828	—	—
Gain on sale of mineral interests	—	—	(16,983,377)
Gain on settlement of debt	—	—	(10,936,130)
Foreign exchange loss	678,665	982,230	366,891
Interest and other expense	125,480	10,623	1,156,619
Loss from loss of control of subsidiary (Note 7)	2,911,774	—	—
Other gains	—	(187,862)	—
	9,624,185	15,277,229	18,908,387
Loss before income taxes	(15,610,735)	(8,192,249)	(18,894,952)
Current income tax (expense) recovery (Note 15)	(22,079)	—	715,340
Deferred income tax (expense) recovery (Note 15)	—	2,384,657	(2,520,000)
Loss for the period	$ (15,632,814)	$ (5,807,592)	$ (20,699,612)
Loss attributable to:			
Shareholders of Till Capital Ltd.	(13,988,085)	(5,000,555)	(20,699,612)
Non-controlling interests	(1,644,729)	(807,037)	—
Loss for the period	$ (15,632,814)	$ (5,807,592)	$ (20,699,612)
Basic and diluted loss per restricted voting share of Till Capital Ltd.	$ (4.05)	$ (1.50)	$ (11.89)
Weighted average number of restricted voting shares outstanding	3,454,207	3,329,269	1,740,665
Items that will be reclassified to income or loss:			
Change in cumulative foreign exchange translation adjustment	(1,486,594)	1,038,220	(561,107)
Unrealized gain (loss) on available for sale investments, net of tax	687,827	(345,403)	(44,976)
Share of other comprehensive gain of associates	—	—	215,662
Other comprehensive income (loss)	(798,767)	692,817	(390,421)
Comprehensive loss for the period	$ (16,431,581)	$ (5,114,775)	$ (21,090,033)

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

Till Capital Ltd.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in US dollars)

	Capital Stock								
	Shares	Amount	Treasury shares	Contributed surplus	Accumulated other comprehensive income (loss)	Deficit	Equity attributable to shareholders of Till Capital Ltd.	Non-controlling interests	Total
Balance, March 1, 2013	**1,530,776**	**$ 111,359,388**	**$ (112,104)**	**$ 9,398,924**	**$ (1,255,860)**	**$ (73,659,718)**	**$ 45,730,630**	**$ —**	**$ 45,730,630**
Loss for the year	—	—	—	—	—	(20,699,612)	(20,699,612)	—	(20,699,612)
Other comprehensive loss	—	—	—	—	(390,421)	—	(390,421)	—	(390,421)
Total comprehensive loss for the period	—	—	—	—	(390,421)	(20,699,612)	(21,090,033)	—	(21,090,033)
Private placement	271,640	4,394,798	—	—	—	—	4,394,798	—	4,394,798
Share issuance costs - cash	—	(58,160)	—	—	—	—	(58,160)	—	(58,160)
Issuance of shares - properties	1,406	—	—	—	—	—	—	—	—
Stock-based compensation and other	—	16,276	—	386,048	—	—	402,324	—	402,324
Balance, February 28, 2014 Restated (Note 2)	**1,803,822**	**$ 115,712,302**	**$ (112,104)**	**$ 9,784,972**	**$ (1,646,281)**	**$ (94,359,330)**	**$ 29,379,559**	**$ —**	**$ 29,379,559**
Net loss for the period	—	—	—	—	—	(5,000,555)	(5,000,555)	(807,037)	(5,807,592)
Other comprehensive gain	—	—	—	—	692,817	—	692,817	—	692,817
Total comprehensive gain (loss) for the period	—	—	—	—	692,817	(5,000,555)	(4,307,738)	(807,037)	(5,114,775)
Fractional shares adjusted for split	(33)	—	—	—	—	—	—	—	—
Shares issued for asset purchase	1,805,895	15,505,595	—	—	—	—	15,505,595	—	15,505,595
Issuance of shares - properties	3,000	28,496	—	—	—	—	28,496	—	28,496
Acquisition of subsidiaries (Note 23)	—	—	—	—	—	—	—	4,505,017	4,505,017
Stock-based compensation and other	—	—	—	424,831	—	—	424,831	—	424,831
Shares returned to treasury	(43,500)	(40)	—	—	—	—	(40)	—	(40)
Adjustment for contribution of shares	—	—	—	173,925	—	—	173,925	—	173,925
Reclassification of capital pursuant to quasi-reorganization (Note 16)	—	(131,242,784)	112,104	31,426,436	953,464	98,675,524	(75,256)	—	(75,256)
Balance, December 31, 2014 Restated (Note 2)	**3,569,184**	**$ 3,569**	**$ —**	**$ 41,810,164**	**$ —**	**$ (684,361)**	**$ 41,129,372**	**$ 3,697,980**	**$ 44,827,352**
Net loss for the period	—	—	—	—	—	(13,988,085)	(13,988,085)	(1,644,729)	(15,632,814)
Other comprehensive loss	—	—	—	—	(798,767)	—	(798,767)	—	(798,767)
Total comprehensive loss for the period	—	—	—	—	(798,767)	(13,988,085)	(14,786,852)	(1,644,729)	(16,431,581)
Purchase of treasury shares	—	—	(841,520)	—	—	—	(841,520)	—	(841,520)
Cancellation of treasury shares	(139,900)	(140)	841,520	(841,380)	—	—	—	—	—
Stock-based compensation	—	—	—	268,133	—	—	268,133	—	268,133
Loss of control of subsidiary	—	—	—	—	—	—	—	(1,541,543)	(1,541,543)
Balance, December 31, 2015	**3,429,284**	**$ 3,429**	**$ —**	**$ 41,236,917**	**$ (798,767)**	**$ (14,672,446)**	**$ 25,769,133**	**$ 511,708**	**$ 26,280,841**

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

(Expressed in US dollars)

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Cash flows from operating activities			
Loss for the period	$ (15,632,814)	$ (5,807,592)	$ (20,699,612)
Items not affecting cash:			
Depreciation and accretion expense	79,853	271,447	892,055
Foreign exchange loss	678,665	660,926	327,295
Stock-based compensation	309,044	426,072	377,762
Loss on investments	707,958	31,671	452,214
Gain on embedded derivative on convertible notes	—	(187,862)	(183,861)
Gain on settlement of loan	—	—	(10,936,130)
Change in accrued taxes	—	(2,384,657)	2,519,836
Gain on sale of mineral interests	—	—	(16,983,377)
Impairment losses and write-offs	5,518,055	3,308,879	36,887,777
Loss on equity investment in associates	—	—	1,424,601
Loss from loss of control of subsidiary	2,911,774	—	—
Other non-cash items, net	22,079	—	88,618
	(5,405,386)	(3,681,116)	(5,832,822)
Changes in non-cash working capital items:			
(Increase) decrease in reinsurance receivable	6,087,262	(6,402,804)	—
Increase in unpaid claims ceded and other insurance assets	(5,993,273)	—	—
Decrease in receivables	843,213	1,336,688	476,075
Increase (decrease) in insurance contract liabilities	(229,216)	7,122,640	—
Increase (decrease) in accounts payable and accrued liabilities	(787,143)	(3,351,175)	1,455,199
Other working capital changes	311,034	(314,518)	284,753
	(5,173,509)	(5,290,285)	(3,616,795)
Cash flows from investing activities			
Increase in mineral interests	(310,983)	(1,368,881)	(3,196,813)
Development costs capitalization	(322,657)	—	—
Proceeds from reclamation bonds	750,889	—	155,978
Sales (purchases) of investments, net	3,192,573	(111,490)	—
Purchase of Omega net of cash received (Note 5)	(12,896,775)	—	—
Proceeds from sale of mineral properties	—	14,049,698	8,922,858
Sales (purchases) of property, plant, and equipment, net	528,650	(36,731)	(4,031,552)
	(9,058,303)	12,532,596	1,850,471
Cash flows from financing activities			
Purchase of cash assets (Note 23)	—	9,189,916	—
Purchase of Till Capital Ltd. shares	(841,520)	(302,955)	—
Proceeds received from private placements	—	—	4,345,971
Other items, net	(320,346)	(44,473)	(548,248)
	(1,161,866)	8,842,488	3,797,723
Increase (decrease) in cash and cash equivalents during the period	(15,393,678)	16,084,799	2,031,399
Effect of foreign exchange rate changes on cash	(120,892)	(1,638,876)	(37,648)
Cash and cash equivalents, beginning of the period	17,034,451	2,588,528	594,777
Cash and cash equivalents, end of the period	$ 1,519,881	$ 17,034,451	$ 2,588,528

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

1. NATURE OF OPERATIONS

Till Capital Ltd. ("Till") was incorporated under the laws of Bermuda on August 20, 2012 under the name Resource Holdings Ltd. On March 19, 2014, Resource Holdings Ltd. changed its name to Till Capital Ltd. in accordance with Till's bye-laws and Section 10 of the Bermuda Companies Act 1981, as amended (the "Companies Act"). Till is an exempted holding company with its principal place of business at Continental Building, 25 Church Street, Hamilton HM12, Bermuda. Till's registered office is Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda and its registered agent is Compass Administration Services Ltd.

Till was formed to respond to the market need for more capacity for certain types of insurance and reinsurance. Till conducts its reinsurance business through Resource Re Ltd. (“RRL”), a wholly-owned subsidiary of Till that was incorporated in Bermuda on August 20, 2012 and licensed as a Class 3A insurance company in Bermuda by the Bermuda Monetary Authority (“BMA”) on August 28, 2013. RRL operates through the Multi-Strat Re Ltd. ("MSRE") program as a global property and casualty reinsurer to acquire medium to long-term customized reinsurance contracts with capped liabilities and diversification in specialty property and casualty lines. MSRE is a Bermuda based privately-held reinsurance company.

RRL's business strategy is to produce both underwriting profits from reinsurance policies and investment returns by investing reinsurance premiums and corporate capital. RRL generates underwriting income by offering reinsurance coverage to a select group of insurance companies, captive insurers that wish to redeploy capital more productively, profitable privately-held insurers with capital constraints that limit growth or wish to redeploy capital more productively, and insurers and reinsurers that are under regulatory, capital, or ratings stress. RRL's investment team has extensive experience in finance, trading, and operations.

On May 15, 2015, Till acquired all of the issued and outstanding shares of Omega Insurance Holdings, Inc. (“Omega”), a privately-held Toronto, Canada based insurance provider, including its subsidiaries, Omega General Insurance Company (a fully licensed insurance company) and Focus Group, Inc. Omega’s mission is to offer secure, innovative, and customized solutions for insurers/reinsurers exiting the market and organizations with unique insurance needs in a cost effective manner. Omega’s expertise in both the Canadian run-off phase and the Canadian start-up phase for a foreign insurance company gives Omega a strategic advantage in its two main target markets:

- To provide those insurers wishing to access the Canadian market an ability to do so in an efficient manner through fronting arrangements and other means.

- To provide those insurers wishing to exit the Canadian market, through a dedicated company with experience in handling run-off business, an ability to facilitate such an exit so that their financial, legal, and moral obligations are met on a continuing basis, while being able to repatriate surplus capital in a more timely fashion.

2. BASIS OF PRESENTATION AND CHANGE IN PRESENTATION CURRENCY

Basis of presentation and measurement

The audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”). The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments and stock-based awards that have been measured at fair value. These consolidated financial statements were approved by Till's Board of Directors for issuance on May 12, 2016.

Change of presentation currency

In May 2015, Till completed a US exchange listing to broaden its access to capital markets. Till’s shares commenced trading on Nasdaq on May 26, 2015. Till anticipates raising capital primarily in the US market. Till’s Board of Directors accordingly made a decision to change Till’s financial statements’ presentation currency from Canadian dollars to US dollars starting with the second quarter of 2015 so that investors in the US can better understand Till’s financial results and financial position, and the financial statements are more comparable to other companies in the US market.

The audited consolidated financial statements have been prepared in US dollars as if the US dollar had been the presentation currency since January 1, 2015, and all comparative prior-period financial statements have been restated to US dollars in accordance with International Accounting Standard (“IAS”) 21, *"The Effect of Changes in Foreign Exchange Rates"* ("ISA 21"). The functional currency for Till is the US dollar. For purposes of presentation of the comparative financial statements, all assets and liabilities have been converted to US dollars at the rate prevailing at the end of the reporting period. It was not practical to determine the historic rates of exchange for shareholders’ equity, given that the predecessor company was Americas Bullion Royalty Corp. ("AMB"). Accordingly, the balances at March 1, 2013 for shareholders’ equity have been converted at the spot exchange rate of CDN$1.025 to US$1.000. Thereafter, profit and loss for the period is converted to

US dollars at the average exchange rate for the period. Other equity transactions are converted at the date of the transaction or at the average exchange rate for the period depending on the nature of the underlying transaction. The exchange rates used in the converting Canadian dollars to US dollars were as follows:

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
Spot exchange rate at period end	1.3870	1.1627	1.1133
Average exchange rate for the period	1.2785	1.1054	1.0461

Basic and diluted loss per restricted voting share is calculated on the loss for the period expressed in US dollars attributed to the shareholders of Till Capital Ltd. divided by the weighted average number of shares outstanding.

Business combinations

Till accounts for business combinations using the guidelines specified in IFRS. The acquisition method is used in accounting for business combinations. The consideration transferred by Till to obtain ownership of the assets is calculated as the acquisition-date fair values of assets transferred less the liabilities incurred and the equity interests issued by Till, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Identifiable assets acquired and liabilities assumed in a business combination are recognized regardless of whether they have been previously recognized in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

AMB's purchase of Till as the accounting acquirer

AMB formerly Golden Predator Corp., was incorporated under the laws of the Province of British Columbia on January 6, 2009. AMB's business was to generate passive royalty income from its royalty properties, conduct mining exploration and development activities, and invest in undervalued natural resource assets. AMB's principal royalty properties were located in Nevada, United States and its exploration properties were primarily located in Yukon, Canada.

On April 17, 2014, as a part of the corporate reorganization Plan of Arrangement (the "Arrangement"), AMB purchased all of the issued and outstanding shares of Till from MultiStrat Holdings Ltd. ("MSH") for $1.4 million. The assets of Till included $1.0 million cash and a 100% interest in Resource Re Ltd. AMB was considered the accounting acquirer and Till was the legal acquirer. The following factors from guidelines in IFRS 3, "*Business Combinations"* ("IFRS 3"), were used in determining that AMB was the accounting acquirer:

- AMB initiated and managed the transaction and the board of directors and senior management of AMB remained with Till subsequent to the Arrangement.
- The shareholders of AMB received 50.01% of the total shares issued or 1,806,789 shares of the total 3,612,684.
- The carrying value of the AMB assets was greater than that of the assets of Till.
- The estimated fair value of the AMB assets, based on AMB's market capitalization, exceeded the estimated fair value of the assets of Till.
- AMB purchased all of the issued and outstanding shares of Till by transferring approximately $1.4 million for the purchase.

Changes in accounting period

In 2014, in conjunction with the Arrangement, Till changed its year end from February 28 to December 31. Therefore, the consolidated financial statements presented herein are for the twelve months ended December 31, 2015 compared to the ten months ended December 31, 2014 and twelve months ended February 28, 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the accompanying audited consolidated financial statements are as follows:

a. Basis of consolidation

The accompanying audited consolidated financial statements include the accounts of Till and its subsidiaries.

Subsidiaries are entities that Till controls, either directly or indirectly. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when a company has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. That control is generally evidenced through ownership of more than 50% of the voting rights or currently exercisable potential voting rights of a company's share capital. All intra-group balances and transactions, including unrealized profits and losses arising from intra-group transactions, have been eliminated in consolidation.

(Expressed in US dollars)

Where necessary, adjustments are made to the financial statements of the subsidiaries and entities to conform their accounting policies with those used by Till.

Till's major subsidiaries and ownership interests as of December 31, 2015 are as follows:

Name of Subsidiary	Country of Incorporation	Functional Currency	Proportion of Ownership Interest	Principal Activity
Resource Re Ltd.	Bermuda	US	100%	Reinsurance
Silver Predator Corp.	Canada	Canadian	71.62%	Mineral exploration
Omega Insurance Holdings, Inc.	Canada	Canadian	100%	Holding company
Omega General Insurance Company	Canada	Canadian	100%	Insurance
Focus Group, Inc.	Canada	Canadian	100%	Insurance consulting
Till Capital US Holding Corp.	USA	US	100%	Holding company
Till Management Company	USA	US	100%	Investment management
Golden Predator US Holding Corp.	USA	US	100%	Management services

b. Foreign currencies

Foreign Currency Transactions

Transactions denominated in currencies other than the functional currency are recorded using the exchange rates prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in the period in which they arise.

Foreign Currency Translation

For the purpose of presenting the consolidated financial statements, the assets and liabilities of Till's foreign operations, being those entities that have a functional currency different from that of Till, are translated into US dollars at the rate of exchange prevailing at the end of the reporting period. Opening balances in shareholders' equity are translated at their historic rates. Transactions in shareholders' equity are translated at the rates prevailing at the date of the transactions. Income and expenses are translated at the average exchange rates for the period where those rates approximate the rates on the dates of transactions, and, where exchange differences arise, they are recognized as a component of equity.

c. Cash and cash equivalents

Cash and cash equivalents include cash on deposit with banks and highly liquid short-term interest-bearing investments with a maturity of three months or less at the date of purchase. Carrying amounts approximate fair value due to the short-term nature and high liquidity of the instruments.

Interest income earned on cash and cash equivalents is recognized on the effective interest rate method. The carrying value of accrued interest income approximates estimated fair value due to its short-term nature and high liquidity.

d. Investments

Till's purchases and sales of investments are recognized at estimated fair value on the trade date and are subsequently carried at estimated fair value. The estimated fair values of quoted investments are determined based on prices from recognized exchanges, broker-dealers, recognized indices, or pricing vendors. Investments are derecognized when Till has transferred substantially all of the risks and rewards of ownership. Realized gains and losses are included in income or loss in the period in which they arise. Unrealized gains and losses from changes in estimated fair value of held for trading investments are included in income or loss. Unrealized gains and losses from changes in estimated fair value of available for sale investments are included in accumulated other comprehensive income or loss in shareholders' equity.

On derecognition of an available for sale investment, previously recorded unrealized gains and losses are removed from accumulated other comprehensive income or loss in shareholders' equity and included in current period income or loss.

Till reviews the carrying value of its available for sale investments for evidence of impairment. An investment is impaired if its carrying value exceeds the estimated fair value and there is objective evidence of impairment to the asset. Such evidence would include a decline greater than 20% for a period of more than six months in estimated fair value below cost or amortized cost, where other factors, such as expected cash flows, do not support a recovery in value. If an impairment charge is deemed appropriate, the difference between cost or amortized cost and estimated fair value is removed from accumulated other comprehensive income and charged to current period income or loss. Impairment losses on fixed income securities may be subsequently reversed through income or loss.

e. Derivative financial instruments

Derivatives are recognized at estimated fair value on the date a contract is entered into, the trade date, and are subsequently carried at estimated fair value. Derivative instruments with a positive estimated fair value are reported as derivative financial assets and those with a negative estimated fair value are reported as derivative financial liabilities.

Derivative financial instruments include exchange-traded future and option contracts. They derive their value from the underlying instrument and are subject to the same risks as that underlying instrument, including liquidity, credit and market risk. Estimated fair values are based on exchange or broker-dealer quotations. Changes in the estimated fair value of instruments that do not qualify for hedge accounting are recognized in current-period income. Till does not hold any derivatives classified as hedging instruments.

Derivative financial assets and liabilities are offset and the net amount is reported in the balance sheet only to the extent there is a legally enforceable right of offset and there is an intention to settle on a net basis, or to realize the assets and liabilities simultaneously. Derivative financial assets and liabilities are derecognized when Till has transferred substantially all of the risks and rewards of ownership or the liability is discharged, canceled, or expired.

f. Reclamation bonds

Reclamation bonds include bonds that have been pledged for reclamation and closure activities and that are not available for immediate disbursement.

g. Property, plant, and equipment

Property, plant, and equipment are carried at cost less accumulated depreciation and any accumulated impairment charges. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset. Residual values and useful lives are reviewed annually. Impairment losses and gains and losses on disposals of property, plant, and equipment are included in the consolidated statements of comprehensive loss.

h. Assets under finance leases

From time to time, Till leases certain property, plant, and equipment. Leases of property, plant, and equipment where Till has taken on substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in long-term finance leases. The interest element of the finance cost is charged to the consolidated statements of comprehensive loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant, and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

i. Mineral interests

Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired. When the technical and commercial viability of a mineral resource has been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the units of production method on commencement of commercial production.

If it is determined that capitalized acquisition, exploration, and evaluation costs are not recoverable, or the property is abandoned or management has determined that there is an impairment in value, the property is written down to its recoverable amount. Mineral properties are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

From time to time, Till acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After all costs relating to a property have been recovered, further payments received are recorded as a gain on option or disposition of mineral property.

j. Financial instruments

Financial instruments are recorded on the trade date, the date on which Till becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and Till has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

All financial instruments are required to be classified and measured at fair value on initial recognition. Measurement in subsequent periods is dependent on the classification of the financial instrument.

At initial recognition, Till classifies its financial instruments in the following categories:

Financial assets and liabilities at fair value through profit or loss ("FVTPL"): a financial asset or liability is classified as FVTPL if it has been acquired principally for the purpose of selling it in the near-term or it is a derivative that is not designated and effective as a hedging instrument. FVTPL assets and liabilities are re-measured each period-end with any gains or losses recognized in the consolidated statements of comprehensive loss. Transaction costs for FVTPL assets and liabilities are expensed.

Financial assets available for sale: Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or not classified as loans and receivables, held-to-maturity investments, or financial assets at fair value through profit or loss. Available for sale financial assets are re-measured each period-end with any gains or losses recognized in other comprehensive income. Transaction costs are expensed.

Loans: Loans include cash and cash equivalents, reclamation bonds, and other receivables and loans that have fixed or determinable payments that are not quoted in an active market. Loans are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate.

Financial liabilities at amortized cost: Financial liabilities at amortized cost include accounts payable, accrued liabilities, and finance leases. Certain liabilities are initially recognized at the amount required to be paid, and subsequently are measured at amortized cost using the effective interest rate method.

k. Product classification

Insurance contracts are those contracts where the insurer has accepted significant insurance risk from the policyholders by agreeing to compensate the policyholders if one or more specified uncertain future events (the insured event) adversely affects the policyholders. As a general guideline, the insurer determines whether it has significant insurance risk by comparing expected benefits payable if the insured event occurs, with expected benefits payable if the insured event does not occur.

Once a contract has been classified as an insurance contract, it remains classified as an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during that period.

l. Premium revenue and unearned premiums

Insurance premiums written are recognized on the date that coverage begins. They are deferred as unearned premiums and recognized in earned premiums on a pro rata basis over the term of the policies.

Insurance premiums written and insurance premiums earned also include any adjustments arising during the accounting period for premiums receivable with respect to business written in prior accounting periods.

m. Assumption portfolio transfer transactions

A premium is charged to other insurance companies for assuming the liabilities on a portfolio of insurance contracts. When the underlying insurance coverage is fully expired, the premium is recorded as income over the estimated period of run-off of the underlying insurance portfolio. At the same time, the actuarially determined estimate of unpaid claims, including adjustment expenses, the impact of any existing reinsurance on the portfolio transferred, and other costs of the transaction, are also recorded over the estimated period of run-off of the underlying insurance portfolio.

When the underlying insurance coverage is not fully expired, the premium is recorded as income on a pro rata basis over the term of the remaining underlying insurance policies. The impact of any reinsurance ceded on the portfolio is recorded as an expense at the time that the reinsurance contract is entered into.

n. Provision for outstanding claims and adjustment expenses - insurance contract liabilities

With the acquisition of Omega, Till entered into the insurance business. Prior to this, Till was in the reinsurance business. In accordance with IFRS 4 "*Insurance Contracts*" ("IFRS 4") paragraph 25(c), Till has continued the accounting policy of Omega for accounting for claim liabilities, which basis was on discounted basis.

Claim liabilities represent the amounts required to provide for the estimated ultimate expected cost of settling claims related to insured events, both reported and unreported, that have occurred on or before the balance sheet date. They also include a provision for adjustment expenses representing the estimated ultimate expected costs of investigating, resolving, and processing these claims.

Claim liabilities are first determined on a case-by-case basis as insurance claims are reported. They are reassessed as additional information becomes known. Also included in claims liabilities is a provision to account for the future development of these insurance claims, including IBNR, as required by actuarial standards.

Claim liabilities are estimated by the appointed actuary using generally accepted Canadian actuarial standard techniques and are based on assumptions that represent best estimates of possible outcomes, such as historical loss development factors and payment patterns, claims frequency and severity, inflation, reinsurance recoveries, expenses, changes in the legal environment, changes in the regulatory environment, and other matters, taking into consideration the circumstances of Till and the nature of the insurance policies.

Claim liabilities are discounted to take into account the time value of money, using a rate that represents estimated market yield of the underlying assets backing the claim liabilities at the reporting date. Anticipated payment patterns are revised from time to time to give effect to the most recent trends and claims environment. This practice produces a representative market yield-based discount rate.

The ultimate amount of these liabilities will vary from the best estimate made for a variety of reasons, including the subsequent receipt of additional information with respect to facts and circumstances of the insurance claims incurred. To recognize the uncertainty in establishing these best estimates and to allow for possible deterioration in experience that the estimated actuarial liabilities are sufficient to pay future benefits, actuaries are required to include margins in some assumptions. A range of allowable margins is prescribed by the actuaries relating to claims development, reinsurance recoveries, and investment income variables. The aggregate of these margins is referred to as the provision for adverse developments ("PFAD").

o. Acquisition expenses and liability adequacy test

Commissions, premium taxes, and other expenses that relate directly to the acquisition of premiums are deferred and amortized over the terms of the related policies to the extent they are considered recoverable from unearned premiums.

At the end of each reporting period, a liability adequacy test is performed to validate the adequacy of unearned premiums and deferred acquisition costs. A premium deficiency would exist if unearned premiums were deemed insufficient to cover the estimated future costs associated with the unexpired portion of written insurance policies. A premium deficiency would be recognized immediately as a reduction of deferred acquisition costs to the extent that unearned premiums plus anticipated investment income are not considered adequate to cover for all deferred acquisition costs and related insurance claims and expenses. If the premium deficiency is greater than the unamortized deferred acquisition costs, a liability is established for the excess deficiency.

p. Reinsurance contracts

Till reports reinsurance balances on the balance sheet and in the statement of comprehensive loss on an undiscounted gross basis to recognize the credit risk related to reinsurance and its obligations to policyholders. Reinsurance balances include reinsurance contract receivables and liabilities, premiums earned, and claim and adjustment expenses.

Reinsurance premiums are included in income calculated on a pro rata basis over the term of the underlying insurance policies. The reinsurers' share of unearned premiums is recognized using principles consistent with the method for establishing the related unearned premium liability.

q. Provision for outstanding claims and adjustment expenses - reinsurance contract liabilities

Reinsurance contract liabilities include amounts provided for payment obligations for reinsurance losses that have occurred but not yet been settled and for related loss adjustment expense. The reinsurance contract liabilities are reported on an undiscounted basis. They are subdivided into reserves for losses reported by the balance sheet date and reserves for losses that have already been incurred but not yet reported ("IBNR") by the balance sheet date. The loss and claim adjustment expense reserves are based on estimates that may diverge from the actual amounts payable. In the reinsurance business, a considerable period of time may elapse between the occurrence of an insured loss, notification by the insurer, and pro rata payment of the loss by the reinsurer. With the aid of actuarial methods, the estimates make allowance for past experience and assumptions relating to the future development. Future payment obligations are not discounted for the time value of money.

r. Goodwill

Goodwill is tested annually for impairment to determine whether circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than their carrying amount, an impairment loss is recognized. Till performs its annual impairment test of goodwill as of December 31. The recoverable amount for the cash generating unit has been determined based on a value in use calculation. This calculation is derived from embedded value ("EV") principles together with the present value of expected profits from the existing and future business. Previously recorded impairment losses for goodwill are not reversed in future periods. When goodwill forms part of a cash-generating unit (or group of cash generating units) and part of the operations within that unit are disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation to determine the gain or loss on disposal of the operation.

s. Stock-based compensation

Till grants stock-based awards in the form of share options in exchange for services from certain employees, officers, and directors. The share options are equity-settled awards. Till determines the fair value of the awards on the date of grant. This fair value is charged to loss using a graded vesting attribution method over the vesting period of the options, with a corresponding credit to contributed surplus. When the share options are exercised, the applicable amounts of contributed surplus are transferred to share capital. At the end of the reporting period, Till updates its estimate of the number of awards that are expected to vest and adjusts the total expense to be recognized over the vesting period. Till accounts for share purchase warrants issued using the fair value method. Under this method, the fair value of share purchase warrants is determined using the Black-Scholes valuation model. Upon exercise of a share purchase warrant, consideration paid, together with the amount previously recognized in reserves, is recorded as an increase to share capital.

t. Income taxes

Income tax expense represents the sum of the tax currently payable and deferred. The tax currently payable is based on taxable earnings for the period. Taxable income differs from earnings as reported in the consolidated statements of comprehensive loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. Till’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable earnings will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable earnings nor accounting earnings. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and investments, and interests in joint ventures, except where Till is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized to the extent that taxable earnings will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to earnings, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognized in equity.

Income tax assets and liabilities are offset when there is a legally enforceable right to offset the assets and liabilities and when they relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

u. Income (loss) per share

Basic income (loss) per share is computed by dividing net income (loss) available to restricted voting shares by the weighted average number of shares outstanding during the reporting period. Diluted income (loss) per share is computed similar to basic income (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. In periods of loss, all unexercised options and warrants are considered anti-dilutive.

v. Changes in accounting standards

Effective March 1, 2013, Till adopted the following new and revised standards, along with any consequential amendments. These changes were made in accordance with the applicable transitional provisions.

- IFRS 10, *"Consolidated financial statements"* ("IFRS 10"), requires an entity to consolidate an investee when it 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. Under a previous IFRS, consolidation was required when an entity had the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, *"Consolidation—special purpose entities"*, and parts of IAS 27, *"Consolidated and separate financial statements"*. IFRS 10 standard is effective for annual periods beginning on or after January 1, 2013. The adoption of this standard did not have any impact on Till's financial statements.

- IFRS 11, *"Joint arrangements"* ("IFRS 11"), requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures are to be accounted for using the equity method of accounting, whereas for a joint operation, the venture will recognize its share of the assets, liabilities, revenue, and expenses of the joint operation. IFRS 11 supersedes IAS 31, *"Interests in joint ventures"*, and SIC-13, *"Jointly controlled entities - non-monetary contributions by venturers"*. The adoption of this standard did not have any impact on Till's financial statements.

- IFRS 12, *"Disclosure of interests in other entities"* ("IFRS 12"), establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles, and off-balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. Except for additional disclosures, the adoption of this standard did not have any impact on Till's financial statements.

- IFRS 13, *"Fair value measurement"* ("IFRS 13"), is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The standard clarifies that 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. It also establishes disclosures about fair value measurement. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by Till to measure fair value and did not result in any measurement adjustments as of March 1, 2013.

- IAS 1, *"Presentation of financial statements"* ("IAS 1"), was amended to require entities to group items within other comprehensive income that may be reclassified to profit or loss. Till has adopted the amendments to IAS 1 effective March 1, 2013. These amendments required Till to group other comprehensive incomes by those that will be reclassified subsequently to profit or loss and those that will not be reclassified. Till has reclassified comprehensive income items of the comparative period. These changes did not result in any adjustments to other comprehensive income or comprehensive income.

- IAS 28, *"Investment in associates and joint ventures"* ("IFRA 28"), was amended to include joint ventures in its scope and to address the changes in IFRS 10 to 13. The adoption of this standard did not have any impact on Till's financial statements.

Effective March 1, 2014, Till adopted the following new and revised standards, along with any consequential amendments. These changes were made in accordance with the applicable transitional provisions.

- Amendments to IAS 36, "*Impairment of Assets*" ("IAS 36"), clarify the recoverable amount disclosures for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted except an entity can not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

- International Financial Reporting Interpretations Committee ("IFRIC") 21, *"Levies*", provides guidance on accounting for levies in accordance with the requirements of IAS 37, "*Provisions, Contingent Liabilities and Contingent Assets*". The Interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation.

w. New standards not yet adopted

Till is currently evaluating the impact of the following pronouncements and has not yet determined the impact on its consolidated financial statements:

Financial Instruments

IFRS 9, "*Financial Instruments*" ("IFRS 9"), addresses the classification, measurement, and recognition of financial assets and financial liabilities. The IASB has previously issued versions of IFRS 9 that introduced new classification and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). The July 2014 publication of IFRS 9 is the complete version of the Standard, replacing earlier versions of IFRS 9 and superseding the guidance relating to the classification and measurement of financial instruments in IAS 39, "*Financial Instruments*: *Recognition and Measurement"*. Additionally, IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets, and some modifications related to hedge accounting. This final version of IFRS 9 will become effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

Revenue from Contracts with Customers

IFRS 15, *"Revenue from Contracts with Customers"* ("IFRS 15"), replaces IAS 11, "*Construction Contracts"*, IAS 18, "*Revenue*", IFRIC 13, "*Customer Loyalty Programmes*", IFRIC 15, "*Agreements for the Construction of Real Estate*", IFRIC 18, *"Transfer of Assets From Customers",* and Standard Interpretations Committee ("SIC") 31, "*Revenue - Barter Transaction Involving Advertising Services*". IFRS 15 establishes principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contract(s) with customers. This revenue standard introduces a single, principles-based, five-step model for the recognition of revenue when control of a good or service is transferred to the customer and requires the reporting entity to identify the contract(s) with the customer, identify the performance obligations in the contract(s), determine transaction price, allocate the transaction price, and recognize revenue when a performance obligation is satisfied. IFRS 15 is intended to enhance disclosures about revenue to help investors better understand the nature, amount, timing, and uncertainty of revenue and cash flows from contracts with customers and to improve the comparability of revenue from contracts with customers. This standard will become effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

Leases

On January 13, 2016, the IASB issued IFRS 16, "*Leases"* ("IFRS 16"), under which all leases are to be included on the balance sheets of lessees, except for those that meet the limited exception criteria. This standard is effective for annual periods beginning on or after January 1, 2019.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise judgment in applying the applicable accounting policies. Those judgments and estimates are based on management's knowledge of the relevant facts and circumstances, input from certain contractors, taking into account previous experience, but actual results may differ from the amounts reported in the financial statements.

Areas of estimation and judgment that have the most significant effect on the amounts recognized in this consolidated financial statements include:

a. Valuation of insurance claim liabilities and reinsurance assets

Estimates must be made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of IBNR claims. A significant amount of time may pass before the ultimate claims cost can be established with certainty, and, for some types of policies, IBNR claims form the majority of the liability in the accompanying balance sheets.

The ultimate cost of outstanding claims is estimated by using a range of actuarial claim projection techniques. The principal assumption underlying those techniques is that a company's past claims development experience can be used to project future claims development and hence ultimate claims costs. Those techniques extrapolate the development of paid and incurred losses based on the observed development of earlier years and expected loss ratios. Large claims are usually separately addressed either by being reserved at the value of loss adjuster estimates or are separately projected to estimate their future development. Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future when estimating the ultimate cost of claims.

Estimates are also made for the portion of the ultimate cost of outstanding claims that will be recoverable from reinsurance ceded policies.

b. Impairment of goodwill

The recoverable amount of goodwill related to the Omega business has been determined based on a value in use calculation using cash flow projections based on historic results for six years and financial budgets approved by senior management covering a four-year period. A pre-tax Till-specific risk-adjusted discount rate is used.

The key assumptions used for the value in use impairment calculation are:

- The ability of Omega to maintain the existing fronting contracts and add further contracts.
- The ability of Omega to close further portfolio transfer transactions for companies that wish to exit the Canadian market.
- The run-off of existing claims liabilities will approximate the existing provisions related thereto.

c. Valuation of mineral interests

From time to time, Till has acquired exploration and development properties. When a number of properties are acquired in a portfolio, Till makes a determination of the fair value attributable to each of the properties within the total portfolio. When Till conducts further exploration on acquired properties, it may determine that certain of the properties do not support the values applied at the time of acquisition. If such a determination is made, the property is written down to its recoverable amount, which determination could have a material effect on Till's consolidated balance sheets and consolidated statements of comprehensive loss. See Note 11 regarding the determination of the recoverable amount of Till's mineral properties.

d. Fair value measurement of Level 3 investments

Level 3 investments are assets or liabilities that cannot be measured or can only be partially measured using observable market inputs. These include private and unlisted equity securities where observable inputs are not available. Fair values for the Level 3 investments are derived based on unobserved inputs such as management's assumptions developed from available information using the services of an investment adviser. See Note 8.

e. Loss of significant influence

Judgment is required as to the extent of influence that Till has over other entities. Till considers the extent of voting power over the entity, the power to participate in financial and operating policy decisions of the entity, representation on the board of directors, material transactions between the entities, interchange of management personnel, and provision of essential technical information.

f. Business combinations

Till accounts for business combinations using the guidelines specified in IFRS 3. The acquisition method is used in accounting for business combinations. The purchase price is determined by the cash and other consideration, including contingent consideration issued in the transaction. Acquisition costs are expensed as incurred. Till recognizes identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognized in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

(Expressed in US dollars)

5. ACQUISITION OF OMEGA

On May 15, 2015, Till completed the acquisition of Omega Insurance Holdings, Inc., a privately-held Toronto, Canada based insurance provider, including its subsidiaries, Omega General Insurance Company (a fully licensed insurance company) and Focus Group, Inc. The acquisition enabled Till to provide those insurers wishing to access the Canadian market an ability to do so in the most efficient manner, through fronting arrangements and other creative solutions, and to provide those insurers wishing to exit the Canadian market, through a dedicated company with experience in handling "run-off" business, an ability to facilitate such an exit so that their financial, legal, and moral obligations are met on a continuing basis, while being able to repatriate surplus capital in a more timely fashion.

In the second quarter of 2015, Till reported the purchase price of $14,062,970, an amount that represents 1.2 times the book value as of the closing date, and included an additional $751,880 for pending insurance transactions in process. All payments are subject to a 5% hold-back to be paid to Omega shareholders based on 2015 results, and adjusted to give effect to any adverse development above 10% in claim reserves as calculated from the closing date until December 31, 2015. Subsequent to year end, it has been determined that the Omega results require payment of the holdback and the holdback amount has been paid.

One of the two pending insurance transactions was closed in the third quarter of 2015 and the other one was closed in October 2015. The final amount for the two insurance transactions is $730,994. Accordingly, the final purchase price is $14,042,084. Transaction related costs in the amount of $47,911 have been expensed and included in general and administrative expenses.

Till has completed the identification and valuation of all identifiable assets and liabilities. A summary of the allocation of the purchase price of Omega to the fair value of the assets acquired and liabilities assumed at the date of acquisition is as follows:

Consideration:	
1.2 times the book value as of May 15, 2015	$13,311,090
Pending insurance transactions	730,994
Total purchase price	$14,042,084
Fair value of net assets acquired:	
Cash and cash equivalents	$ 463,339
Investments	21,578,246
Accrued investment income	287,991
Trade and other receivables	3,357,467
Unpaid claims ceded	4,400,547
Goodwill	3,368,321
Intangible asset	630,858
Capital assets	45,774
Deferred income taxes	600,668
Total fair value of assets acquired	34,733,211
Payables and accruals	3,742,756
Provision for unpaid claims and adjustment expenses	13,225,004
Other liabilities	3,723,367
Total liabilities assumed	20,691,127
Net assets acquired	$14,042,084

The components of the cash payments are as follows:

95% based on book value upon closing	$12,665,670
95% of contingent consideration (paid in August and October 2015)	694,444
5% holdback (accrued as payable at December 31, 2015 and paid March 2016)	681,970
	$14,042,084

Till has attributed $3,368,321 of the Omega purchase price to goodwill. Omega's results of operations have been included in Till's consolidated financial statements from the date of acquisition. As a result, net revenue of $551,576 and net loss of $493,765 were included in the statements of comprehensive loss for the twelve months ended December 31, 2015.

For purposes of determining the carrying amount of goodwill (before any impairment charges, if any) goodwill is allocated to the business that has been purchased. Accordingly, the goodwill relating to Omega has been determined to be in Canadian dollars as the business of Omega has a functional currency of Canadian dollars. Thereafter, in reporting in US dollars as Till's presentation currency, a loss is recorded in Comprehensive loss for the foreign exchange translation adjustment. The continuity of Till's goodwill amount on the balance sheet which includes the goodwill relating to Till's acquisition (Note 23) and Omega is as follows:

	Omega	Till	Total
Goodwill acquired in AMB purchase of Till	$ —	$ 346,591	$ 346,591
Balance, December 31, 2014	—	346,591	346,591
Goodwill acquired in Omega acquisition	3,368,321	—	3,368,321
Loss on foreign exchange translation adjustment	(455,211)	—	(455,211)
Balance, December 31, 2015	$ 2,913,110	$ 346,591	$ 3,259,701

The following unaudited pro forma financial information represents the combined results of Till's operations as if the Omega acquisition had occurred at the beginning of the periods presented. The unaudited pro forma financial information is presented for informational purposes only and is not indicative of the results of operations that would have occurred if the acquisition had taken place at the beginning of the periods presented, nor is it indicative of future operating results.

	Pro Forma		
	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
Revenue (negative revenue)	$ (4,233,083)	$ 27,092,430	19,865,025
Net loss	$ (15,584,908)	$ (5,051,100)	(20,337,236)

6. ASSETS HELD FOR SALE

In the second quarter of 2015, Till's controlled subsidiary, Silver Predator Corp. ("SPD"), announced its intention to realize value from assets by initiating a process to sell all, or part, of the tangible and intangible assets at some of its properties in Nevada. SPD's Board of Directors and management committed to a plan to sell two of SPD's assets, namely, the Springer mining and mineral assets and the Taylor mill. During 2015, negotiations related to the sale of these assets occurred. SPD currently considers that it is highly probable that the sales of the Springer mining and mineral assets and the Taylor mill assets will be completed within one year. Thus, pursuant to IFRS 5, "*Non-current Assets Held for Sale and Discontinued Operations*" ("IFRS 5"), those assets are classified as assets held for sale and are measured at the lower of carrying amount and fair value less cost to sell at December 31, 2015. SPD used the market approach to estimate the fair value less costs to sell at December 31, 2015 by using observed market comparable transactions in the United States. There have been no writedowns of those assets to date as fair value less costs to sell exceeds the carrying amount.

	December 31, 2015	December 31, 2014	February 28, 2014
Assets:			
Mineral properties - Springer	$ 763,826	$ —	$ —
Property, plant, and equipment - Springer	3,998,568	—	—
Taylor mill assets	—	—	—
	$ 4,762,394	$ —	$ —

7. PROMISSORY NOTE RECEIVABLE AND INVESTMENT IN GOLDEN PREDATOR MINING CORP.

Loss of control of subsidiary

On September 2, 2015, Till entered into a separation agreement with Mr. William M. Sheriff, a former officer and director, whereby 7,100,000 shares of Till's controlled subsidiary, Golden Predator Mining Corp. ("GPY"), were transfered to Mr. Sheriff. As a result, Till no longer has a controlling interest in GPY. Accordingly, Till consolidated GPY through September 2, 2015 and recognized a $2,911,774 loss from loss of control of subsidiary. The remaining GPY shares are accounted for as an available for sale investment.

Although Till owned 33% of the issued and outstanding shares of GPY as of December 31, 2015, Till does not have significant influence or control over GPY. Till has no common directors or management personnel with GPY and Till has agreed to vote in favor of management's slate of directors for the GPY Board and not exercise Till's voting rights in regard to any financings until at least March 2017.

(Expressed in US dollars)

Fair value of options issued	$	(163,868)
Fair value of retained investment		446,281
Fair value of promissory note		2,570,950
		2,853,363
Assets of GPY derecognized		(6,828,668)
Liabilities of GPY derecognized		467,345
Non-controlling interest		1,541,543
Cumulative translation adjustment		(945,357)
		(5,765,137)
Loss from loss of control of subsidiary	$	(2,911,774)

Upon the loss of control,Till derecognizes the assets and liabilities of GPY, the former subsidiary, along with the non-controlling interest, and the cumulative translation amount related to the cumulative foreign exchange adjustments that have been reflected in equity. Any resulting loss is recognized in profit or loss.

Options on GPY shares

As part of the separation agreement between Till and Mr. Sheriff, Till granted Mr. Sheriff two assignable options, each with a term of 18 months, to purchase the balance of Till's ownership of 11,812,154 GPY shares. The initial derivative liability associated with those options was $163,868 and is included in the loss on loss of control. Thereafter, the financial derivative is reported at fair value. As of December 31, 2015, the carrying amount is $337,684. That amount will continue to be reported at fair value until expiry of the options on March 1, 2017 when the carrying amount at that date will be $nil. If an option is exercised prior to that date, the carrying amount of the financial derivative will be included in the proceeds upon sale of the investment.

The first option to purchase up to 5,500,000 of Till's GPY shares, according to a staggered schedule and price, is as follows:

a) if exercised by September 30, 2015, at CDN$0.11 per share
b) if exercised by October 31, 2015, at CDN$0.12 per share
c) if exercised by November 30, 2015, at CDN$0.13 per share
d) if exercised by December 23, 2015, at CDN$0.14 per share, and
e) if exercised after December 23, 2015 and before March 1, 2017, at CDN$0.15 per share

The second option is to purchase up to 6,312,154 of Till's GPY shares before March 1, 2017 at CDN$0.15 per share. Till can accelerate the expiry of either option to a date 45 days after it gives notice to the holder at any time after the ten-day volume-weighted average price ("VWAP") of the GPY shares is at or above CDN$0.25 per share. The closing price of GPY share on December 31, 2015 was CDN$0.13.

Through the date of the filing of the accompanying audited consolidated financial statements, Mr. Sheriff has exercised a total of 1,300,000 GPY share options. The first transaction was completed on September 30, 2015 for 500,000 shares at an exercise price of CDN$0.11 per share and the second transaction was completed on October 30, 2015 for 800,000 shares at an exercise price of CDN$0.12 per share. Till currently owns approximately 29% of the outstanding shares of GPY. For reference purposes, as of December 31, 2015, the exchange rate of CDN$ and US$ is CDN$1.00 equals US$0.72.

Promissory note

The promissory note is receivable from GPY at a face amount of CDN$3,753,332 ($2,570,950). The promissory note bears interest at 6% per annum to June 1, 2016, 8% per annum through to June 1, 2017, 10% per annum through to June 1, 2018, and 12% thereafter.

The note is repayable in the amounts of CDN$721,769 on June 1, 2016, CDN$1,256,000 on June 1, 2017, CDN$1,364,000 on June 1, 2018, and CDN$1,232,000 on June 1, 2019. All amounts are to be paid in cash. In addition to the shares of GPY's 100% owned subsidiary Golden Predator Exploration, Ltd., the promissory note is secured by GPY's interest in its Brewery Creek and 3 Aces properties.

(Expressed in US dollars)

With the loss of control of GPY on September 2, 2015, the promissory note was initially recognized at fair value, and is subsequently being carried at amortized cost using the effective interest rate method.

Fair value of note at September 2, 2015	$ 2,570,950
Accrued interest	40,479
Foreign exchange loss	(148,167)
Carrying value, December 31, 2015	2,463,262

8. INVESTMENTS

Held for trading investments

December 31, 2015	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
Public companies – natural resource sector	$ 1,319,657	$ 666,015	$ 1,985,672
Public companies – all other sectors	727,827	801,385	1,529,212
Private companies – natural resource sector	1,578,299	(573,114)	1,005,185
Private company – all other sectors	100,000	—	100,000
	$ 3,725,783	$ 894,286	$ 4,620,069
December 31, 2014 Restated (Note 2)			
Public companies – natural resource sector	$ 6,560,826	$ 67,004	$ 6,627,830
Public companies – all other sectors	441,227	(13,807)	427,420
Private companies – natural resource sector	1,508,299	(225,976)	1,282,323
Private companies – all other sectors	256,060	—	256,060
Gold bullion	214,851	(19,517)	195,334
	$ 8,981,263	$ (192,296)	$ 8,788,967
February 28, 2014 Restated (Note 2)			
Public companies – natural resource sector	$ 183,778	$ (138,974)	$ 44,804
Gold bullion	224,384	(9,534)	214,850
	$ 408,162	$ (148,508)	$ 259,654

Available for sale investments

December 31, 2015	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
Government bonds & guaranteed investment certificates	$ 18,275,852	$ 695,467	$ 18,971,319
Public companies – natural resource sector	1,505,023	(7,640)	1,497,383
Private company – natural resource sector	14,420	—	14,420
	$ 19,795,295	$ 687,827	$ 20,483,122
December 31, 2014 Restated (Note 2)			
Public companies – natural resource sector	$ 768,726	$ (333,087)	$ 435,639
Public companies – all other sectors	59,234	(9,701)	49,533
Private company – natural resource sector	—	17,201	17,201
	$ 827,960	$ (325,587)	$ 502,373
February 28, 2014 Restated (Note 2)			
Public companies – natural resource sector	$ 417,677	$ 2,919	$ 420,596
Private company – natural resource sector	116,893	—	116,893
	$ 534,570	$ 2,919	$ 537,489

(Expressed in US dollars)

Total Investments

	Cost	Unrealized Gain	Estimated Fair Value
December 31, 2015			
Held for trading	$ 3,725,783	$ 894,286	$ 4,620,069
Available for sale	19,795,295	687,827	20,483,122
	$ 23,521,078	$ 1,582,113	$ 25,103,191
December 31, 2014 Restated (Note 2)			
Held for trading	$ 8,981,263	$ (192,296)	$ 8,788,967
Available for sale	827,960	(325,587)	502,373
	$ 9,809,223	$ (517,883)	$ 9,291,340
February 28, 2014 Restated (Note 2)			
Held for trading	$ 408,162	$ (148,508)	$ 259,654
Available for sale	534,570	2,919	537,489
	$ 942,732	$ (145,589)	$ 797,143

An impairment charge of $428,596, relating to the Till's available for sale investments is reflected in the statement of loss for the twelve months ended February 28, 2014 and available for sale investments with a cost of $639,162 were sold in the period for proceeds of $666,479.

Securities sold short

	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
December 31, 2015			
Public companies – natural resource sector	$ (743)	$ (107)	$ (850)
Public companies – all other sectors	(1,223)	85	(1,138)
	$ (1,966)	$ (22)	$ (1,988)
December 31, 2014 Restated (Note 2)			
Public companies – natural resource sector	$ (61,321)	$ (11,008)	$ (72,329)
	$ (61,321)	$ (11,008)	$ (72,329)

There were no securities sold short at February 28, 2014

Fair value measurement

The fair value of securities in Till's investment portfolio is estimated using the following techniques:

Level 1 - Assets or liabilities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - Assets or liabilities that are measured using observable market data and are not allocable to Level 1. Measurement is based, in particular, on prices for comparable assets and liabilities that are traded on active markets, prices on markets that are not considered active, as well as inputs derived from such prices or market data.

Level 3 - Assets or liabilities that cannot be measured or can only be partially measured using observable market inputs. The measurement of such instruments draws principally on valuation models and methods (see level 3 reconciliation).

Till determines the estimated fair value of each individual security utilizing the highest level inputs available.

Till's investments in exchange traded bond funds, guaranteed investment certificates, and public companies are classified as Level 1 investments because the fair values are based on quoted prices in active markets for identical assets that are reported at fair value. Till's investments in government bonds and public company warrants are classified as Level 2 investments because the fair value is measured using observable market data but identical assets are not quoted in active markets.

(Expressed in US dollars)

The fair value hierarchy of Till's investment holdings is as follows:

December 31, 2015	Level 1	Level 2	Level 3	Total
Government bonds & guaranteed investment certificates	$ 4,410,232	$ 14,561,087	$ —	$ 18,971,319
Public companies – natural resource sector	3,394,735	88,320	—	3,483,055
Public companies – all other sectors	1,190,387	338,825	—	1,529,212
Private companies – natural resource sector	—	—	1,019,605	1,019,605
Private company – all other sectors	—	—	100,000	100,000
	$ 8,995,354	$ 14,988,232	$ 1,119,605	$ 25,103,191
December 31, 2014 Restated (Note 2)				
Public companies – natural resource sector	$ 6,568,470	$ 495,000	$ —	$ 7,063,470
Public companies – all other sectors	476,953	—	—	476,953
Private companies – natural resource sector	—	—	1,299,524	1,299,524
Private companies – all other sectors	—	—	256,060	256,060
	7,045,423	495,000	1,555,584	9,096,007
Gold	195,333	—	—	195,333
	$ 7,240,756	$ 495,000	$ 1,555,584	$ 9,291,340
February 28, 2014 Restated (Note 2)				
Public companies – natural resource sector	$ 465,400	$ —	$ —	$ 465,400
Private companies – natural resource sector	—	—	116,893	116,893
	465,400	—	116,893	582,293
Gold	214,850	—	—	214,850
	$ 680,250	$ —	$ 116,893	$ 797,143

The fair value hierarchy of Till's securities sold short is as follows:

December 31, 2015	Level 1	Level 2	Level 3	Total
Public companies – natural resource sector	$ (850)	$ —	$ —	$ (850)
Public companies – all other sectors	(1,138)	—	—	(1,138)
	$ (1,988)	$ —	$ —	$ (1,988)
December 31, 2014 Restated (Note 2)				
Public companies – natural resource sector	$ (72,329)	$ —	$ —	$ (72,329)

A reconciliation of the beginning and ending balances for investments measured at fair value on a recurring basis using Level 3 Inputs during the twelve months ended December 31, 2015 is as follows:

	Equity Securities
Level 3 investments as of February 28, 2014 Restated (Note 2)	$ 116,893
Purchases	1,793,275
Sales	—
Total realized loss	—
Change in unrealized loss	(237,690)
Transfers out of Level 3	(116,892)
Level 3 investments as of December 31, 2014 Restated (Note 2)	$ 1,555,584
Purchases	70,000
Sales	—
Change in unrealized loss	(349,919)
Transfers out of Level 3	(156,060)
Level 3 investments as of December 31, 2015	$ 1,119,605

Level 3 assets are measured at each reporting date by assessing the unobservable inputs relating to each investment. The unobservable inputs relate mainly to an estimate of private company investments in the mining industry that require an assessment of mineral quantities, commodity prices, and costs of production. Where possible, management obtains external evidence of value relating to each investment and considers this information in assessing fair value such as previous trades in the entity and mineral data reports for mining entities.

(Expressed in US dollars)

Realized gain (loss) on investments, net:

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Equities	$ (1,273,486)	$ 1,284,581	$ 19,275
Options, warrants, and futures	(204,277)	485,209	—
Bonds	(42,579)	829	—
Gold bullion	(19,542)	—	—
Royalties	—	34,696	—
Foreign currency	134,435	18,579	—
	$ (1,405,449)	$ 1,823,894	$ 19,275

Net change in unrealized gain (loss) on investments:

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Equities	$ 395,366	$ (23,952)	$ (23,618)
Options and futures	436,797	(11,586)	—
Bonds	10,417	(10,702)	—
Gold bullion	—	(20,058)	—
Foreign currency	46,759	34,628	—
	$ 889,339	$ (31,670)	$ (23,618)

Investment income (expense):

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Net interest and dividends	$ 421,733	$ (70,371)	$ —
Investment related expenses	(879,385)	(1,115,864)	—
	$ (457,652)	$ (1,186,235)	$ —

Investment income (loss), net:

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Net realized gain (loss) on held for trading securities	$ (1,353,389)	$ 1,823,894	$ (7,169)
Net realized gain (loss) on available for sale securities	(52,060)	—	26,444
Change in net unrealized gain on held for trading securities	889,339	(125,157)	21,358
Change in net unrealized loss on available for sale securities	—	93,487	(44,976)
Change in unrealized loss on derivative liability	(191,850)	—	—
Net investment expense	(457,652)	(1,186,235)	—
	$ (1,165,612)	$ 605,989	$ (4,343)

(Expressed in US dollars)

9. INSURANCE CONTRACT LIABILITIES, CEDED ASSETS, AND DEFERRED POLICY ACQUISITION COSTS

Provision for outstanding claims and adjustment expenses

	December 31, 2015	December 31, 2014 Restated (Note 2)	February 28, 2014
Undiscounted amounts	$ 14,539,623	$ 6,771,623	$ —
Adjustment for discount rate	(376,352)	—	—
Adjustment for PFAD	1,605,624	—	—
	$ 15,768,895	$ 6,771,623	$ —

The amounts for December 31, 2015 result from the insurance business of the Omega subsidiary and are reported on a discounted basis (see Note 3(n)). There are no reinsurance claims and ceded asset as of December 31, 2015. As of December 31, 2014, the amounts relate to the reinsurance business in the Bermuda subsidiary and are reported on an undiscounted basis (see Note 3(p)).

Summary of changes in outstanding claims and claims ceded

	Twelve Months Ended December 31, 2015			Ten Months Ended December 31, 2014 Restated (Note 2)		
	Outstanding Claims	Claims Ceded	Net	Outstanding Claims	Claims Ceded	Net
Balance at beginning of period	$ 6,771,623	$ —	$ 6,771,623	$ —	$ —	$ —
Omega acquisition	13,225,004	4,400,547	8,824,457	—	—	—
Assumed through assumption reinsurance transactions	9,136,084	7,377,726	1,758,358	—	—	—
Claims incurred for insured events of the current period	14,629,974	14,334,878	295,096	6,771,623	—	6,771,623
Increase (decrease) for insured events of prior periods	(2,531,876)	(2,700,331)	168,455	—	—	—
Less claims paid during the year	(18,257,185)	(14,703,794)	(3,553,391)	—	—	—
Insurance contract novations	(5,113,010)	—	(5,113,010)	—	—	—
Adjustment due to currency conversion	(2,091,719)	(863,124)	(1,228,595)	—	—	—
Balance at end of period	$ 15,768,895	$ 7,845,902	$ 7,922,993	$ 6,771,623	$ —	$ 6,771,623

There were no outstanding claims and claims ceded as of February 28, 2014.

On August 28, 2015, Till announced that it had novated two reinsurance contracts held by its wholly-owned subsidiary, RRL, to MSRE. The total dollar value of the novated agreements was $5.3 million. The novations released RRL from its liabilities under those reinsurance contracts. As a result, Till reversed premium revenue of $5,246,208 and reversed claims and claim adjustment expenses of $5,113,010 during the twelve months ended December 31, 2015.

Deferred policy acquisition costs

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
Balance at beginning of period	$ —	$ —	$ —
Acquisition costs deferred	5,609,635	—	—
Amortization of deferred policy acquisition costs	(5,144,163)	—	—
Adjustment due to currency conversion	—	—	—
Balance at end of period	$ 465,472	$ —	$ —

Substantially all insurance premiums written in 2015 were ceded to reinsurers. Till's net exposure to claims results principally from portfolio transfer transactions (see preceding table relating to net claims exposure).

(Expressed in US dollars)

10. PROPERTY, PLANT, AND EQUIPMENT

	Land and structures	Computer equipment	Leasehold improvements and furniture	Equipment	Total
Cost:					
Balance, February 28, 2014 Restated (Note 2)	$ 1,747,453	$ 741,331	$ 106,847	$ 4,938,238	$ 7,533,869
Acquired in reorganization	241,183	7,719	—	247,553	496,455
Additions	—	24,434	—	8,500	32,934
Dispositions	—	(63,209)	(6,219)	(26,023)	(95,451)
Impairment from reorganization	(1,133,881)	(3,898)	(5,335)	51,215	(1,091,899)
Currency translation adjustment	—	(2,932)	(833)	(44,086)	(47,851)
Balance, December 31, 2014 Restated (Note 2)	$ 854,755	$ 703,445	$ 94,460	$ 5,175,397	$ 6,828,057
Additions and other	—	6,424	50,780	—	57,204
Dispositions	(613,572)	(404,902)	(24,959)	(90,837)	(1,134,270)
Reclassification to Assets held for sale	—	—	—	(4,006,002)	(4,006,002)
Loss of control of subsidiary	(197,694)	(64,745)	(16,297)	(926,384)	(1,205,120)
Currency translation adjustment	(43,489)	(10,937)	974	(152,174)	(205,626)
Balance, December 31, 2015	$ —	$ 229,285	$ 104,958	$ —	$ 334,243
Accumulated depreciation:					
Balance, February 28, 2014 Restated (Note 2)	$ 54,493	$ 609,761	$ 42,487	$ 555,136	$ 1,261,877
Acquired in reorganization	120,592	4,126	—	117,607	242,325
Depreciation	68,979	86,310	16,927	232,228	404,444
Dispositions	—	(62,428)	(5,182)	—	(67,610)
Impairment from reorganization	—	—	—	(2,438)	(2,438)
Currency translation adjustment	—	(2,762)	(503)	(32,985)	(36,250)
Balance, December 31, 2014 Restated (Note 2)	$ 244,064	$ 635,007	$ 53,729	$ 869,548	$ 1,802,348
Depreciation	49,350	36,657	20,058	153,355	259,420
Dispositions	(94,399)	(386,869)	(14,073)	(29,671)	(525,012)
Reclassification to Assets held for sale	—	—	—	(7,434)	(7,434)
Loss of control of subsidiary	(168,042)	(63,982)	(11,778)	(860,748)	(1,104,550)
Currency translation adjustment	(30,973)	(10,255)	(1,495)	(125,050)	(167,773)
Balance, December 31, 2015	$ —	$ 210,558	$ 46,441	$ —	$ 256,999
Net carrying amounts:					
As of February 28, 2014:	$ 1,692,960	$ 131,570	$ 64,360	$ 4,383,102	$ 6,271,992
As of December 31, 2014:	$ 610,691	$ 68,438	$ 40,731	$ 4,305,849	$ 5,025,709
As of December 31, 2015:	$ —	$ 18,727	$ 58,517	$ —	$ 77,244

Commitments relating to operating leases for rental premises amount to $345,347 in 2016, $95,890 in 2017 and 2018, $72,098 in 2019 & $nil in 2020.

(Expressed in US dollars)

11. ROYALTY AND MINERAL INTERESTS

	Balance, February 28, 2014	Acquisition costs incurred	Exploration costs incurred	Impairments	Acquired in reorganization	Reorganization purchase adjustment	Currency translation adjustment	**Balance, December 31, 2014**
	Restated (Note 2)							Restated (Note 2)
Yukon, Canada Properties:								
Brewery Creek	$3,991,163	$ —	$ 422,320	$ (748,410)	$ —	$ (1,658,973)	$ (169,575)	$ 1,836,525
Sonora Gulch	—	—	—	—	3,177,559	(105,731)	—	3,071,828
3 Aces	—	—	205,520	—	949,171	(38,422)		1,116,269
Other	158,072	152,542	26,956	(76,448)	1,718,569	(190,500)	(6,969)	1,782,222
Royalty interests	23,864	—	—	—	—	—	294	24,158
Total Yukon, Canada Properties	$4,173,099	$ 152,542	$ 654,796	$ (824,858)	$ 5,845,299	$ (1,993,626)	$ (176,250)	$ 7,831,002
US and Other Properties:								
Taylor	$ —	$ 5,001	$ 65,687	$ —	$ 4,471,828	$ (1,027,300)	$ 327,272	$ 3,842,488
Other SPD Properties	—	108,615	301,444	—	1,364,096	(313,370)	119,050	1,579,835
Other US Properties	1,578,345	—	12,390	(1,128,477)	—	—	—	462,258
Royalty interests	271,587	—	943	(160,210)	—	—	255	112,575
Total US and Other Properties	$1,849,932	$ 113,616	$ 380,464	$ (1,288,687)	$ 5,835,924	$ (1,340,670)	$ 446,577	$ 5,997,156
Total	$6,023,031	$ 266,158	$ 1,035,260	$ (2,113,545)	$ 11,681,223	$ (3,334,296)	$ 270,327	$13,828,158

	Balance, December 31, 2014	Acquisition costs incurred	Exploration costs incurred	Impairments	Currency translation and other adjustments	Re-classification to assets held for sale	Loss of control of subsidiary	**Balance, December 31, 2015**
	Restated (Note 2)							
Yukon, Canada Properties:								
Brewery Creek	$ 1,836,525	$ —	$ 17,888	$ —	$ (243,313)	$ —	$(1,611,100)	$ —
Sonora Gulch	3,071,828	—	11,467	—	(407,872)	—	(2,675,423)	—
3 Aces	1,116,269	7,587	—	—	(148,420)	—	(975,436)	—
Other	1,782,222	17,110	15	(760,515)	(236,964)	—	(801,868)	—
Royalty interests	24,158	—	—	—	—	—	—	24,158
Total Yukon, Canada Properties	$ 7,831,002	$ 24,697	$ 29,370	$ (760,515)	$ (1,036,569)	$ —	$(6,063,827)	$ 24,158
US and Other Properties:								
Taylor	$ 3,842,488	$ —	$ 51,305	$ (4,447,924)	$ 1,032,967	$ —	$ —	$ 478,836
Other SPD Properties	1,579,835	—	243,028	(225,788)	(833,249)	(763,826)	—	—
Other US Properties	462,258	—	11,977	—	—	—	—	474,235
Royalty interests	112,575	—	—	—	—	—	—	112,575
Total US and Other Properties	$ 5,997,156	$ —	$ 306,310	$ (4,673,712)	$ 199,718	$ (763,826)	$ —	$ 1,065,646
Total	$ 13,828,158	$ 24,697	$ 335,680	$ (5,434,227)	$ (836,851)	$ (763,826)	$(6,063,827)	$ 1,089,804

As part of the Arrangement described in Note 23, Till entered into agreements to transfer certain assets to SPD and GPY, formerly Northern Tiger Resources Inc. Because the Arrangement resulted in Till consolidating SPD and GPY, the mineral properties related to these agreements were adjusted further due to the fair market value of the acquired shares being lower than their book value of the assets on the date of the transaction. On September 30, 2015, Till lost control of GPY as described in Note 7. As of December 31, 2015, Till owns approximately 72% and 33% of the outstanding shares of SPD and GPY, respectively. Till has mineral property interests as a result of its controlling interests in SPD. See SPD's publicly disclosed financial statements on the *System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com* for additional information regarding these properties.

(Expressed in US dollars)

12. OTHER ASSETS

	December 31, 2015	December 31, 2014	February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Other receivables	$ 96,293	$ 36,315	$ 335,117
Prepaid expenses and deposits	179,252	290,830	91,985
Reclamation bonds	124,468	875,357	813,662
Receivable form sale of royalties	—	—	13,950,000
Short-term convertible notes	—	—	1,030,013
Investment in associates	—	—	2,137,734
	$ 400,013	$ 1,202,502	$ 18,358,511

13. INTANGIBLE ASSET

	December 31, 2015	December 31, 2014	February 28, 2014
	Tyche Trading System Development	Tyche Trading System Development	Tyche Trading System Development
Intangible Assets			
Beginning of period	$ —	$ —	$ —
Current period additions	322,657	—	—
Amortization	—	—	—
	$ 322,657	$ —	$ —

Work on the Tyche system began in 2014. In 2015, Tyche advanced from the research stage to the development stage as evidenced by the trading of securities by Tyche in 2015. Based on the results and continued improvements in Tyche, Till intends to complete the Tyche system and use it to trade securities. Till believes it has adequate technical, financial, and other resources to complete the development of Tyche.

The total capitalized development costs of the Tyche system for the twelve months ended December 31, 2015 amounted to $322,657. As of December 31, 2015, the Tyche system remains in the development stage. A determination will be made as to the useful life of the Tyche Intangible Asset and the capitalized development costs will be amortized over that period using the straight-line method.

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2015	December 31, 2014	February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Trade payables	$ 1,622,068	$ 733,995	$ 912,329
Deposit - reinsurance assumption contracts	2,920,596	—	—
Accrued payroll	33,159	90,368	153,569
Other liabilities	1,988	72,329	847,295
Financial derivative (Note 7)	337,684	—	—
Debt and finance leases	—	320,346	378,717
	$ 4,915,495	$ 1,217,038	$ 2,291,910

(Expressed in US dollars)

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Twelve Months Ended December 31, 2015	Ten Months Ended December 31, 2014	Twelve Months Ended February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Net loss for the period	$ (15,610,735)	$ (8,192,249)	$ (18,894,952)
Statutory tax rate	0%	0%	30%
Expected income tax recovery	—	—	(5,668,485)
Impact of different foreign statutory tax rates on earnings of subsidiaries	(2,515,000)	(1,709,000)	3,181,000
Permanent difference	(717,000)	237,000	(17,000)
Impact of future income tax rates	—	—	228,000
Carryback losses	—	—	(715,000)
Impact of flow-through shares	—	24,000	—
Share issue costs	—	(2,000)	—
Other	—	(80,000)	—
True up of prior-period provision to statutory tax returns	—	2,297,000	—
Change in unrecognized deductible temporary differences and other	3,254,079	(3,151,657)	4,796,145
Total income tax expense (recovery)	$ 22,079	$ (2,384,657)	$ 1,804,660
Current income tax expense (recovery)	$ 22,079	$ —	$ (715,340)
Deferred income tax expense (recovery)	—	(2,384,657)	2,520,000
	$ 22,079	$ (2,384,657)	$ 1,804,660

The significant components of Till's unrecorded deferred tax assets are as follows:

	December 31, 2015	December 31, 2014	February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Deferred Tax Assets (liabilities):			
Share issue costs	$ 68,000	$ 261,000	$ 383,000
Losses available for future periods	25,402,000	9,315,000	12,424,000
Property and equipment	550,000	1,776,000	659,000
Canadian eligible capital	639,000	136,000	125,000
Exploration and evaluation assets	16,791,000	16,081,000	8,815,000
Marketable securities	13,000	(309,000)	869,000
Unrecognized deferred tax assets	43,463,000	27,260,000	23,275,000
Deferred income tax liability	$ —	$ —	$ 2,367,736
Recognized deferred tax assets	$ 479,136	$ —	$ —

The significant components of Till's unrecognized temporary differences and tax losses are as follows:

	December 31, 2015	Expiry Date Range	December 31, 2014	Expiry Date Range	February 28, 2014	Expiry Date Range
			Restated (Note 2)		Restated (Note 2)	
Share issue costs	$ 227,000	2036 to 2038	$ 893,764	2035 to 2038	$ 1,276,000	2035 to 2037
Allowable capital losses	5,632,000	No expiry date	7,645,797	No expiry date	6,567,000	No expiry date
Non-capital losses available for future period	73,975,000	2026 to 2035	27,016,985	2015 to 2034	32,079,000	2015 to 2034
Property and equipment	1,896,000	No expiry date	5,435,142	No expiry date	2,225,000	No expiry date
Canadian eligible capital	457,000	No expiry date	464,701	No expiry date	417,000	No expiry date
Exploration and evaluation assets	51,873,000	No expiry date	51,180,977	No expiry date	26,065,000	No expiry date
Reserves	1,908,000	No expiry date	—	—	—	—
Marketable securities	(134,000)	No expiry date	(2,752,748)	No expiry date	578,000	No expiry date

(Expressed in US dollars)

The recognized deferred tax asset relates to the operations of Omega whereby the timing of insurance deductions for tax purposes is different than for accounting purposes.

Tax attributes are subject to review and potential adjustment by tax authorities. Till's April 2014 reorganization involved multiple transactions with various tax considerations that Till believes have no material effect on its current or deferred income tax liability.

16. SHARE CAPITAL AND RESERVES

Authorized share capital

In April 2014, in conjunction with the Arrangement described in Note 23, Till's Board of Directors approved changes to the authorized share capital. Till is authorized to issue 12,000,000 shares of restricted voting stock at a par value of $0.001. Shares of Till have restricted voting rights, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares.

Till completed a quasi-reorganization effective December 31, 2014 to restate its share capital to an amount equal to its then issued and outstanding shares multiplied by the par value per share of $0.001, or $3,569. The quasi-reorganization also eliminated Till's historical deficit and increased contributed surplus. Because assets had been stated at approximate fair values, the quasi-reorganization had no effect on reported assets.

A quasi-reorganization is an accounting process and transaction that results in eliminating the accumulated deficit in retained earnings. This accounting process and transaction is limited to a reclassification of accumulated deficits as a reduction of share capital. Till implemented the quasi-reorganization effective December 31, 2014 upon completion of Till's revised business strategy and operating plans, and, as a result thereof, entered into the insurance and reinsurance business.

Stock options and warrants

Till adopted an incentive stock option plan (the “2014 Stock Option Plan”), under which Till’s Board of Directors may, from time to time and in its sole discretion, award options to acquire shares of the restricted voting stock of Till to directors, employees, and consultants. During the twelve months ended December 31, 2015, Till recognized stock-based compensation related to options of $169,735 (ten months ended December 31, 2014 - $426,072, twelve months ended February 28, 2014 - $377,762), which amounts are included in the consolidated statement of comprehensive loss. At December 31, 2015, Till has 167,641 stock options outstanding with a weighted average exercise price of CDN$14.51. Till also recognized stock-based compensation of $40,911 as a result of consolidating GPY (through September 30, 2015) and SPD.

Till's Board of Directors may, from time to time and in its sole discretion, issue warrants to acquire shares of the restricted voting stock of Till. During the twelve months ended December 31, 2015, Till issued 171,000 warrants with an exercise price of CDN$9.50 to MSRE and recognized stock-based compensation related to warrants of $98,398, which amount is included in the consolidated statement of comprehensive loss. At December 31, 2015, Till has 179,500 warrants outstanding with a weighted average exercise price of CDN$9.92.

The fair value of all compensatory options granted is estimated on grant date using the Black-Scholes option pricing model. The weighted average assumptions used in calculating the fair values are as follows:

	December 31, 2015	December 31, 2014	February 28, 2014
Risk-free interest rate	1.42%	1.42%	1.29%
Expected life	5.00 years	5.00 years	4.26 years
Volatility	53.14%	47.30%	75.80%
Dividend rate	0.0%	0.0%	0.0%

(Expressed in US dollars)

The warrants and options outstanding in the following table are shown with historical amounts:

	Warrants		Stock Options	
	Number	Weighted average exercise price (Canadian $)	Number	Weighted average exercise price (Canadian $)
Outstanding, February 28, 2013	37,500	$115.00	140,562	$49.00
Issued / granted	—	—	30,500	19.00
Exercised	—	—	—	—
Expired	—	—	—	—
Forfeited	—	—	(33,416)	42.00
Outstanding, February 28, 2014	37,500	$115.00	137,646	$44.00
Issued / granted	8,500	18.27	225,900	10.00
Fractional options adjusted for split	—	—	87	—
Exercised	—	—	—	—
Expired	(37,500)	115.00	(24,796)	59.73
Forfeited	—	—	(30,974)	46.65
Outstanding, December 31, 2014	8,500	$18.27	307,863	$19.49
Issued / granted	171,000	9.50	10,500	7.00
Exercised	—	—	—	—
Expired	—	—	(16,050)	43.12
Forfeited	—	—	(134,672)	21.90
Outstanding, December 31, 2015	179,500	$9.92	167,641	$14.51
Exercisable, December 31, 2015	179,500	$9.92	93,941	$18.19

Normal course issuer bid

On September 25, 2015, Till announced that it has initiated a new normal course issuer bid ("NCIB"). Under the new NCIB, Till intends to bid for up to 265,502 common shares, representing 10% of the 2,655,025 shares forming Till's public float. Till's Board of Directors believes that the current and recent market prices for Till's common shares do not give full effect to their underlying value and that, accordingly, the purchase of common shares under the NCIB will increase the proportionate share interest of, and be advantageous to, all remaining shareholders. Till also believes the NCIB purchases will provide increased liquidity to current shareholders who would like to sell their shares. Purchased shares will be returned to treasury and canceled. Purchases subject to the bid will be carried out pursuant to open market transactions through the facilities of the TSX-V/ Nasdaq by Canaccord Genuity on behalf of Till.

Under a prior NCIB that commenced on September 23, 2014 and expired on September 23, 2015, Till purchased 183,400 common shares through open market purchases, all of which have been returned to treasury and canceled.

Treasury shares

Till purchased and subsequently canceled 139,900 shares of its restricted voting shares during the twelve months ended December 31, 2015 pursuant to an NCIB program approved by Till's directors in September 2014.

17. INCOME (LOSS) PER SHARE

Till uses the treasury stock method to calculate diluted income (loss) per share. Following the treasury stock method, the numerator for Till’s diluted income (loss) per share calculation remains unchanged from the basic income (loss) per share calculation, as the assumed exercise of Till’s stock options and warrants does not result in an adjustment to profit or loss.

Stock options to purchase 167,641 restricted voting shares were outstanding at December 31, 2015 (December 31, 2014 – 307,863, February 28, 2014 - 137,646). Warrants to purchase 179,500 restricted voting shares were outstanding at December 31, 2015 (December 31, 2014 – 8,500, February 28, 2014 - 37,500). Those stock options and warrants were excluded in the calculation of diluted earnings per share because the exercise price of the awards was greater than the weighted average market value of the restricted voting shares in the twelve months ended ended December 31, 2015.

(Expressed in US dollars)

18. SEGMENT INFORMATION

Till operates in a single segment, which is insurance.

The revenue from external customers and non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas:

	December 31, 2015	December 31, 2014	February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Revenue			
Canada	$ 551,576	$ —	$ —
Bermuda	(6,689,783)	7,065,786	—
United States	151,657	19,194	13,435
	$ (5,986,550)	$ 7,084,980	$ 13,435
Non-current assets			
Canada	$ 2,948,221	$ —	$ 4,571,517
Bermuda	849,585	17,992,738	—
United States	951,601	1,207,720	7,723,506
	$ 4,749,407	$ 19,200,458	$ 12,295,023

19. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant transactions impacting cash flows for the ten months ended December 31, 2014 included:

- In the twelve months ended February 28, 2014, in connection with the option exercise related to Till's senior secured facility agreement, Till entered into an agreement for 18 Nevada royalties. The transaction included a hold-back receivable of $13,950,000 that was collected in April 2014 and was reported as investment proceeds.

- The Grew Creek notes and interim financing notes recorded in accounts receivable at February 28, 2014 were paid in April 2014 by GPY in the form of shares with a fair value of CDN$1,311,081.

- Till received $15,505,588 in cash and marketable securities from Kudu in exchange for Till's restricted voting shares.

Significant transactions impacting cash flows for the twelve months ended February 28, 2014 included:

- Till's senior secured loan facility was retired when the lender exercised an option to retire the debt of $8,705,137 and accrued interest of $919,893. The offset to the debt was reported as a gain in the consolidated statements of comprehensive loss.

- In connection with the option exercise related to Till's senior secured loan facility, Till entered into an agreement with Orion Royalty Company LLC (“Orion”) for 18 Nevada royalties. The transaction included a hold-back receivable of $13,950,000 that was collected subsequent to February 28, 2014.

- In March 2013, Till received 6,240,000 common shares with a fair value of CDN$748,800 from SPD for payment on the option of the Taylor mineral property, in December 2013, Till received 6,283,333 common shares with a fair value of CDN$188,500 to complete the sale of the Taylor mineral property.

- There was $397,816 of mineral property expenditures included in accounts payable and accrued liabilities as of February 28, 2014.

- Till sold the Grew Creek property for CDN$900,000 in convertible notes.

20. RELATED PARTY DISCLOSURES

Compensation of key management personnel

Key management personnel comprise all members of Till's Board of Directors and executive officers. The compensation of key management personnel comprises salaries, fees, share-based awards, and other employee benefits. Total compensation amounted to $1.6 million for 2015 (ten months ended December 31, 2014 - $0.8 million, twelve months ended February 28, 2014 - $1.3 million).

Service agreements

Till is party to service agreements with SPD whereby Till provides accounting, corporate communications, and other management services on a cost-plus recovery basis, and was party to service agreements with GPY whereby Till provided similar services as to SPD on a cost-plus recovery basis. The agreements with GPY were terminated on July 31, 2015. During 2015, Till charged SPD a total of $242,786 (ten months ended December 31, 2014 - $149,638, twelve months ended February 28, 2014 - $nil) and GPY a total of $82,082 (ten months ended December 31, 2014 - $73,908, twelve months ended February 28, 2014 - $nil) for those service.

21. CAPITAL MANAGEMENT

Till's objectives when managing capital consist of:

- Ensuring policyholders in the insurance and reinsurance subsidiaries are well protected while maintaining strong regulatory capital levels (see Regulatory capital section below).
- Maximizing long-term shareholder value by optimizing capital used to operate and grow Till.

Till views capital as a scarce and strategic resource. This resource protects the financial well-being of the organization, and is also critical in enabling Till to pursue strategic business opportunities. Adequate capital also acts as a safeguard against possible unexpected losses, and as a basis for confidence in Till by shareholders, policyholders, creditors, and others. For the purpose of capital management, Till has defined capital as shareholders' equity, excluding accumulated other comprehensive income ("AOCI"). Capital is monitored by Till's Board of Directors. Till's insurance subsidiaries are subject to a minimum amount of capital which, in the case of Omega, is CDN$10 million, and in the case of RRL, is $1 million. Those amounts are not available to satisfy financial liabilities of the parent company or other subsidiaries. Both Omega and RRL are in compliance with those requirements.

Regulatory capital

Till manages capital on an aggregate basis, as well as individually for each regulated entity. Its insurance subsidiaries are subject to the regulatory capital requirements defined by Office of Superintendent of Financial Institutions (Canada) ("OSFI") for Omega and the Bermuda Monetary Authority ("BMA") for RRL.

Omega

OSFI has established an industry-wide supervisory target capital ratio of 150% to provide an amount above the minimum requirement. Management of Omega has set an internal target of 200%. To ensure that there is minimal risk of breaching the supervisory target, Omega has established a higher internal threshold in excess of which, under normal circumstances, Till will maintain its capital. Total capital available in Omega principally represents total shareholders' equity less specific deductions for disallowed assets, including goodwill and intangible assets, net of related deferred tax liabilities. Total capital required is calculated by classifying assets and liabilities into categories and applying prescribed risk factors to each category. That amount is further increased by an operational risk margin, based on the overall riskiness of a P&C insurer (its capital required) and its premium volume. Capital required is then reduced by a credit for diversification between investment risk and insurance risk. Reinsurance is utilized to protect Till's capital from catastrophic loss.

As of December 31, 2015, Omega had total capital available of CDN$9.2 million and a total capital required of CDN$2.3 million. Omega's Minimum Capital Test ratio is at 409% compared to a minimum Capital Test Ratio of 100% with a 150% supervisory target for Canadian property and casualty insurance companies as established by OSFI. In addition to that test, there is a minimum capital requirement in Canada of CDN$10 million set by OSFI as the minimum amount of capital for an insurance company; Omega has met that requirement.

Resource Re Ltd.

RRL is registered as a Class 3A insurer under The Bermuda Insurance Act 1978 and related regulations (the "Act") that requires that RRL file a statutory financial return and maintain certain measures of solvency and liquidity. As of December 31, 2015, RRL met the required Minimum General Business Solvency Margin and the required Minimum Liquidity Ratio.

The required Minimum General Business Solvency Margin at December 31, 2015 was $1,000,000 (December 31, 2014 - $1,213,089, February 28, 2014 - $nil). RRL's statutory capital and surplus at December 31, 2015 was $3,660,932 (December 31, 2014 - $39,106,637, February 28, 2014 - $nil).

The Minimum Liquidity Ratio is the ratio of the insurer's relevant assets to its relevant liabilities. The minimum allowable ratio is 75%. RRL's relevant assets at December 31, 2015 were $5,655,463 (December 31, 2014 - $28,838,065, February 28, 2014

(Expressed in US dollars)

- $nil) and 75% of its relevant liabilities as of December 31, 2015 were $28,671 (December 31, 2014 - $5,380,019, February 28, 2014 - $nil).

Distributions by RRL to Till are restricted to the extent that any such distribution would result in RRL not meeting the required Minimum General Business Solvency Margin or the required Minimum Liquidity Ratio.

22. FINANCIAL RISK MANAGEMENT

Insurance risk

Till principally issues general insurance contracts in personal property, commercial property, and liability lines of business. Under these general insurance contracts, Till is exposed to certain risks defined in the general insurance contracts, usually for durations of one to twelve months.

In addition to general insurance contracts, Till also assumes portfolios of existing claims from other insurers through assumption reinsurance transactions. These portfolios of claims could be from any line of business that the transferring insurer wrote in the past. Under these assumption reinsurance transactions, Till is exposed to certain risks defined in the underlying insurance contracts that were originally written by the transferring insurer.

The principal risk Till faces under both general insurance contracts and assumption reinsurance transactions is that the actual claims and benefit payments, or the timing thereof, differs from the expectations used to price the general insurance contacts or assumption reinsurance transactions. That risk is influenced by the frequency of claims, severity of claims, emergence of unknown claims, actual benefits paid, and subsequent development of long-term claims. For long-tail claims that take years to settle, Till is also exposed to inflation risk. Till's objective is to ensure that sufficient reserves are available to cover those liabilities.

Risk exposure is mitigated by diversification across a portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategies and guidelines. Inflation risk is also mitigated by taking expected inflation into account when estimating insurance contract liabilities.

Risk exposure is also mitigated through the use of various claim review strategies and guidelines to reduce the risk exposure for Till.

Till purchases reinsurance as part of its risk mitigation strategies. Reinsurance is placed on both a proportional and non-proportional basis. The use of proportional and non-proportional reinsurance varies by line of business.

Amounts recoverable from reinsurers (reinsurance assets) are estimated in a manner consistent with the underlying claim liabilities and in accordance with the reinsurance contracts. Although Till has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit risk exposure exists with respect to such reinsurance agreements.

The table below sets out the concentration of insurance claim liabilities by line of business:

	December 31, 2015			December 31, 2014 Restated (Note 2)		
	Insurance Liability	Reinsurance Asset	Net	Insurance Liability	Reinsurance Asset	Net
Automobile	$ 2,371,266	$ 1,510,079	$ 861,187	$ —	$ —	$ —
Aircraft	229,574	102,454	127,120	—	—	—
Property	1,728,404	1,544,560	183,844	—	—	—
Liability	10,931,443	4,688,809	6,242,634	—	—	—
Other	508,208	—	508,208	—	—	—
Reinsurance	—	—	—	6,771,623	—	6,771,623
Total	$ 15,768,895	$ 7,845,902	$ 7,922,993	$ 6,771,623	$ —	$ 6,771,623

Key assumptions underlying the valuation of the insurance claim liabilities are that Till's future claims development will follow a similar pattern to past claims development experience, including average claim costs, claim handling costs, claim inflation factors, and claim numbers for each accident year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future. Judgment is further used to assess the extent to which external factors such as court decisions and government legislation affect the estimates. Other key circumstances affecting the reliability of assumptions include variation in interest rates, claim settlement delays, and changes in foreign exchange rates.

A 5% increase in the net outstanding claim liabilities as of December 31, 2015 would have resulted in a decrease to comprehensive income of approximately $396,000 (2014 - approximately $482,000).

A 5% decrease in the net outstanding claim liabilities as of December 31, 2015 would have resulted in an increase to comprehensive income of approximately $396,000 (2014 - approximately $482,000).

The following table sets out the estimates of gross cumulative incurred claims, including both claims notified and IBNR for each successive underwriting year at each reporting date, together with cumulative payments to date (amounts are in thousands):

Gross	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
End of year	747	428	890	960	7,181	8,867	10,669	13,198	16,119	20,559	79,618
One year later	1,013	640	1,591	1,822	9,214	9,587	10,605	13,236	16,681	—	64,389
Two years later	953	565	1,627	2,870	9,167	9,184	10,488	13,218	—	—	48,072
Three years later	736	558	2,146	3,820	9,453	9,093	10,655	—	—	—	36,461
Four years later	694	566	2,338	3,759	9,774	9,156	—	—	—	—	26,287
Five years later	652	565	2,206	3,710	10,518	—	—	—	—	—	17,651
Six years later	550	561	2,154	3,919	—	—	—	—	—	—	7,184
Seven years later	521	561	2,246	—	—	—	—	—	—	—	3,328
Eight years later	497	560	—	—	—	—	—	—	—	—	1,057
Nine years later	497	—	—	—	—	—	—	—	—	—	497
Cumulative payments to date	(497)	(530)	(1,757)	(3,401)	(9,459)	(8,166)	(9,721)	(12,456)	(15,594)	(18,462)	284,544
Current reserve	—	30	489	518	1,059	990	934	762	1,087	2,097	7,966
Current reserve for assumption reinsurance transactions for original underwriting years prior to 2005											7,803
Total gross outstanding claim liabilities											15,769

Net (of reinsurance)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
End of year	292	133	447	502	4,009	6,422	7,218	7,575	9,890	291	36,779
One year later	372	193	764	971	6,650	7,670	7,798	8,033	10,480	—	42,931
Two years later	208	169	779	2,366	7,333	7,438	7,860	8,027	—	—	34,180
Three years later	180	168	1,382	3,410	7,720	7,597	8,022	—	—	—	28,479
Four years later	187	170	1,544	3,483	7,792	7,683	—	—	—	—	20,859
Five years later	177	170	1,391	3,377	8,242	—	—	—	—	—	13,357
Six years later	147	169	1,391	3,403	—	—	—	—	—	—	5,110
Seven years later	139	169	1,484	—	—	—	—	—	—	—	1,792
Eight years later	133	169	—	—	—	—	—	—	—	—	302
Nine years later	133	—	—	—	—	—	—	—	—	—	133
Cumulative payments to date	(133)	(159)	(995)	(2,910)	(7,368)	(6,772)	(7,363)	(7,726)	(10,094)	(5)	183,922
Current reserve	—	10	489	493	874	911	659	301	386	286	4,409
Current reserve for assumption reinsurance transactions for original underwriting years prior to 2005											3,514
Total net outstanding claim liabilities											$ 7,923

Till has presented the foregoing tables on an underwriting year basis as opposed to an accident year basis. As a result, the reserves at the “one year later” point can normally be expected to increase. Assuming the reserves develop as expected, there will be premium earned in that subsequent year to offset the incurred claims.

Till has presented the reserves for unpaid claims assumed in assumption reinsurance transactions in a single line in the above tables since the original underwriting years for the underlying insurance contract liabilities were for years prior to 2005. During the twelve months ended December 31, 2015, the insurance contract liabilities from assumption reinsurance transactions developed favorably by approximately $655,000 (2014 - approximately $492,000) on a net of reinsurance basis.

Liquidity risk

Liquidity risk is the risk that Till is unable to meet its financial obligations as they come due. Till manages this risk by management of its working capital to assess that the estimated expenditures will not exceed share capital and debt financings, or proceeds from property sales or option exercises.

(Expressed in US dollars)

The following tables show the terms to maturity of investments and the maturity of financial liabilities:

	Less than 1 year	From 1 to 5 years	Over 5 years	No specific maturity	Total
Cash and cash equivalents	$ 1,519,881	$ —	$ —	$ —	$ 1,519,881
Fixed-income securities	3,951,504	10,906,186	4,113,629	—	18,971,319
Common and preferred shares	5,012,267	—	—	1,119,605	6,131,872
	$ 10,483,652	$ 10,906,186	$ 4,113,629	$ 1,119,605	$ 26,623,072

	Less than 1 year	From 1 to 5 years	Over 5 years	No specific maturity	Total
Provision for claims	$ 5,450,760	$ 8,112,692	$ 2,205,443	$ —	$ 15,768,895
Claims and ceded premiums payable	2,110,536	—	—	—	2,110,536
Accounts payable and accrued liabilities	4,915,495	—	—	—	4,915,495
	$ 12,476,791	$ 8,112,692	$ 2,205,443	$ —	$ 22,794,926

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Till's credit risk is primarily attributable to cash and cash equivalents, investments, balances receivable from policyholders and reinsurers, and reclamation bonds. Till has policies in place to limit and monitor its exposure to individual issuers and classes of issuers of investments. Till's credit exposure to any one individual policyholder is not material. Till's insurance and reinsurance policies are distributed by brokers and agents who manage cash collection on its behalf and Till monitors its exposure to brokers and agents. Till has policies in place that limit its exposure to individual reinsurers and conducts regular review processes to assess the creditworthiness of reinsurers with whom it transacts business. Reclamation bonds consist of term deposits and guaranteed investment certificates that have been invested with reputable financial institutions from which management believes the risk of loss to be minimal.

Till's maximum exposure to credit risk is limited to the carrying amount of financial assets as follows:

	December 31, 2015	December 31, 2014	February 28, 2014
		Restated (Note 2)	Restated (Note 2)
Class of financial assets, at carrying amounts			
Bonds	18,971,319	—	—
Listed equity securities	5,012,267	7,540,422	465,400
Private placements	1,119,605	1,555,584	116,893
Gold Bullion	—	195,334	214,850
Cash and cash equivalents	1,519,881	17,034,451	2,588,528
Receivables	12,303,514	6,087,262	—
	38,926,586	32,413,053	3,385,671

Equity price risk

The impact on net loss and other comprehensive income of a 5% increase applied to the price of all common and preferred shares would be an increase in net income of $231,003 (ten months ended December 31, 2014 - $429,682, twelve months ended February 28, 2014 - $2,240) and comprehensive income of $306,594 (ten months ended December 31, 2014 - $454,800, twelve months ended February 28, 2014 - $29,115) and a 5% decrease would be a decrease in net income of $231,003 (ten months ended December 31, 2014 - $429,682, twelve months ended February 28, 2014 - $2,240) and comprehensive income of $306,594 (ten months ended December 31, 2014 - $454,800, twelve months ended February 28, 2014 - $29,115).

23. REORGANIZATION PLAN

On April 17, 2014, Till completed an Arrangement whereby shareholders of AMB received 0.01 of restricted voting shares of Till Capital Ltd. in exchange for each AMB share held. Till issued a total of 3,612,684 shares pursuant to the Arrangement, including 1,806,789 to AMB shareholders. As a result of the Arrangement, the AMB shares ceased trading on the Toronto Stock Exchange ("TSX") on April 23, 2014 and the Till shares became listed on the TSX-V on April 24, 2014.

The Till shares that AMB shareholders received under the Arrangement are restricted voting shares, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares.

The Arrangement was denominated principally in Canadian dollars, however, the tables in this note have been translated to US dollars, for reference purposes, the exchange rates of CDN$ and US$ on April 17, 2014, December 31, 2014, and December 31, 2015 are CDN$1.00 equals US$0.91, US$0.86, and US$0.72, respectively.

The Arrangement involved the following series of transactions in sequential order as presented:

a) Golden Predator US Holding Corp. ("GPUS"), a wholly-owned subsidiary of AMB, sold all of the issued and outstanding shares of Nevada Royalty Corp. ("NRC"), and Springer Mining Corp. ("Springer"), each a wholly-owned subsidiary of GPUS, to Silver Predator Corp. ("SPD") pursuant to a share purchase agreement between GPUS and SPD, dated April 17, 2014, in exchange for the grant of certain royalties, a convertible promissory note in the principal amount of $4,500,000, and 6,892,500 shares of SPD. The assets of NRC and Springer include the Springer mine and mill, the Taylor mill, and certain US mineral properties;

b) AMB purchased all of the issued and outstanding shares of Till from MultiStrat Holdings Ltd. ("MSH") for approximately $1.4 million. The assets of Till included $1.0 million cash and 100% interest in Resource Re Ltd., a Bermuda-incorporated company that holds a Class 3A insurance license;

c) AMB transferred certain royalties, cash, and securities to Till as a capital contribution in exchange for 1,806,789 Till shares;

d) Till received assets of Kudu Partners, LP ("Kudu"), consisting of $9.2 million in cash and $6.3 in securities (including 6,728,508 SPD shares) in exchange for the issuance of 1,805,895 Till shares;

e) Till transferred all issued and outstanding AMB shares to Northern Tiger Resources ("NTR") in exchange for 1,571,429 shares of NTR, a convertible promissory note in the principal amount of CDN$4,700,000, and certain royalties. The assets in AMB that NTR acquired include Brewery Creek and other Yukon mineral interests, and AMB's accumulated tax losses;

f) Till subscribed for 6,428,571 common shares of NTR for CDN$1,800,000 in a private placement;

g) NTR issued 2,414,774 common shares to Till in satisfaction of outstanding debts of CDN$507,103;

h) NTR issued 3,809,524 common shares to Till with the conversion of the convertible portion (CDN$800,000) of the Grew Creek promissory notes; and,

i) In conjunction with the Arrangement, Redtail Metals Corp. ("RTZ"), a junior exploration company, was purchased by NTR whereby NTR issued 4,773,405 shares to former RTZ shareholders. NTR shares were then consolidated on a 7:1 basis and NTR's name has been changed to Golden Predator Mining Corp. ("GPY").

AMB is considered the accounting acquirer in the Arrangement. As part of the sale of assets to SPD in the Arrangement-related transactions, Till agreed to a concurrent financing of CDN$1,800,000 in the form of a private placement in SPD. The financing agreement was revised and was closed on July 30, 2014 for CDN$1,330,000. As a result of these transactions, not including the CDN$1.3 million private placement with SPD, Till owned 55% of the outstanding shares of SPD and 54% of GPY.

On July 30, 2014, Till participated in SPD's private placement by purchasing 19,000,000 common shares, and on April 17, 2015, Till received 29,028,000 SPD shares as payment pursuant to the terms of the note agreement dated April 17, 2014. Till now holds 91,705,674 shares, or 71.62%, of SPD's issued and outstanding shares.

AMB's purchase of Till as the accounting acquirer

AMB was incorporated under the laws of the Province of British Columbia on January 6, 2009. AMB's business plan was to generate passive royalty income from its royalty properties, conduct mining exploration and development activities, and invest in undervalued natural resource assets. AMB's principal royalty properties were located in Nevada, United States and its exploration properties were primarily located in the Yukon Territory, Canada.

On April 17, 2014, as part of the Arrangement, AMB purchased all of the issued and outstanding shares of Till from MultiStrat Holdings Ltd. ("MSH") for approximately $1.4 million. The assets of Till included $1.0M cash and 100% interest in Resource

(Expressed in US dollars)

Re Ltd., a wholly-owned subsidiary that holds a Class 3A insurance license. AMB was considered the accounting acquirer and Till was the legal acquirer.

The following table summarizes the consideration transferred to acquire Till and the amounts of the identified assets acquired and liabilities assumed at the acquisition date:

Fair Value of Consideration:

Cash	$ 1,334,890

Recognized amounts of identifiable assets acquired and liabilities assumed:

Cash	$ 1,032,506
Prepaid expenses	21,424
Goodwill	346,591
Accounts payable and accrued liabilities	(65,631)
	$ 1,334,890

Included in the forgoing Intangibles is the value of the Class 3A Bermuda insurance license held by Resource Re Ltd.

Acquisition of SPD

On April 17, 2014, as part of the Arrangement, Till increased its interest in the common shares of SPD to 55%, resulting in Till's control of SPD, and SPD became a subsidiary of Till on that date. SPD is a junior mining exploration company with properties in the US. Till previously accounted for its 37.5% interest in SPD as an equity method investment in associate.

As a result of the Arrangement, Till received royalty interests in the properties that were sold to SPD as well as royalty interests in the properties then held by SPD. Additionally, Till had a convertible promissory note in the principal amount of $4,500,000 bearing interest of 4% per annum and payable over a period of three years. SPD has the right to repay the promissory note with SPD shares. The note and related interest is eliminated in consolidation. SPD made its first payment on the promissory note, including principal and accrued interest, on April 17, 2015 by issuing to Till a total of 29,028,000 shares at a value of CDN$0.05 per share for a total payment of CDN$1,451,400. The share settlement option has been removed. SPD had 128,049,192 shares issued and outstanding as of December 31, 2015.

SPD contributed a loss of $499,040 to Till for the period from April 18, 2014 to December 31, 2014.

The following table summarizes the consideration transferred to acquire SPD and the amounts of the identified assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest in SPD at the acquisition date:

Fair Value of Consideration Transferred:

Fair value of Till's investment in SPD held before the business combination	$ 2,050,805
Shares of SPD received for NRC and Springer purchase agreement (6,892,500)	500,082
Shares of SPD acquired through Kudu acquisition in the Arrangement (6,728,508)	416,246
Total consideration	2,967,133
Fair value of the non-controlling interest in SPD	2,436,778
	$ 5,403,911

(Expressed in US dollars)

Recognized amounts of identifiable assets acquired and liabilities assumed:

Cash	$ 418,781
Prepaid expenses	36,427
Receivables	18,641
Investments	154,658
Reclamation bonds	107,319
Mineral interests	4,881,587
Accounts payable and accrued liabilities	(213,502)
	$ 5,403,911

As a result of Till obtaining control of SPD, Till's previously held 37.5% percent interest of CDN$1,671,731 as of February 28, 2014 and the additional private placement closed with SPD in March of 2014 were re-measured to fair value as of April 17, 2014, resulting in a gain of CDN$307,710, which amount has been recognized in the other adjustments line item in the condensed consolidated statement of comprehensive loss. The fair value of the non-controlling interest and the fair value of the previously held equity interest in SPD were estimated by using the market value of the shares as listed on the TSX-V on April 17, 2014.

On July 30, 2014, Till participated in SPD's private placement by purchasing 19,000,000 common shares, and, on April 17, 2015, Till received 29,028,000 SPD shares as payment pursuant to the terms of the note agreement dated April 17, 2014. On April 17, 2015, SPD made its first payment on the promissory note, including principal and accrued interest, by issuing to Till a total of 29,028,000 shares. Till now holds 91,705,674 shares, or 71.62%, of SPD's issued and outstanding shares.

Acquisition of GPY (Formerly Northern Tiger Resources)

On April 17, 2014, as part of the Arrangement, Till increased its interest of the common shares of GPY to 54%, resulting in Till's control of GPY, and GPY became a subsidiary of Till on that date. GPY is a junior mining exploration company with properties in Canada and Nevada. Till previously owned 14.37% of RTZ, a company that was merged with GPY in conjunction with the Arrangement. Till previously accounted for its ownership interest in RTZ as an equity method investment in associate.

As a result of the Arrangement, Till received royalty interests in the properties that were sold to GPY as well as royalty interests in the properties then held by GPY. Additionally, Till had a convertible promissory note in the principal amount of CDN$4,700,000 bearing interest of 6% per annum and payable over a period of three years. GPY has the right to repay the promissory note with GPY shares. The note and related interest is eliminated in consolidation. If the note were fully repaid with GPY shares based on the December 31, 2014 market price, Till would have owned approximately 69% of GPY. GPY made it's first payment on the promissory note, including principal and accrued interest, on April 17, 2015 by issuing to Till a total of 3,948,571 shares at a value of CDN$0.35 per share for a total payment of CDN$1,382,000. GPY had 31,670,250 shares issued and outstanding as of December 31, 2015.

GPY contributed a loss of $762,315 to Till for the period from April 18, 2014 to December 31, 2014.

The following table summarizes the consideration transferred to acquire GPY and the amounts of the identified assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest in GPY at the acquisition date:

Fair Value of Consideration Transferred:

Fair value of Till's investment in RTZ and GPY before the business combination and merger with GPY	$ 141,239
Shares of GPY issued upon conversion of convertible portion of Grew Creek Promissory Notes	731,419
Shares of GPY issued in satisfaction of outstanding interim financing debt	461,337
Shares of GPY received for AMB asset purchase agreement	500,363
Cash for private placement of GPY shares	1,637,549
Total consideration given	3,471,907
Fair value of the non-controlling interest in GPY	2,420,023
	$ 5,891,930

(Expressed in US dollars)

Recognized amounts of identifiable assets acquired and liabilities assumed:

Cash	$ 20,274
Prepaid expenses	10,609
Receivables	11,755
Investments	128,976
Mineral interests	5,999,478
Property, plant and equipment	217,914
Accounts payable and accrued liabilities	(497,076)
	$ 5,891,930

As a result of Till obtaining control of GPY, Till's previously held interest in RTZ of CDN$108,208 was re-measured to fair value, resulting in a gain of CDN$39,542, which has been recognized in other adjustments in the consolidated statement of income.

The fair value of the non-controlling interest of and the fair value of the previously held equity interest were estimated by using the market value of the shares as listed on the TSX-V on April 17, 2014.

On September 30, 2015, Till lost control of GPY as described in Note 7. As of December 31, 2015, Till owns approximately 33% of the outstanding shares of GPY.

Pro forma financial information for above acquisitions:

The following unaudited pro forma financial information summary presents consolidated information of Till as if the business combinations included in the Arrangement had occurred on March 1, 2014.

Pro forma information for the period from March 1, 2014 to December 31, 2014:

	Consolidated as Reported	Till	SPD	GPY	RTZ	Pro forma Till Consolidated
Revenue	$ 7,084,980	$ —	$ —	$ —	$ —	$ 7,084,980
Loss	$ 5,807,592	$ 26,371	$ 201,761	$ 173,900	$ 68,210	$ 6,277,834

Till had no material nonrecurring pro forma financial adjustments directly attributable to the business combination included in the forgoing pro forma revenue and loss.

The foregoing amounts have been calculated after applying Till's accounting policies and adjusting the results of the acquired companies to recognize the additional depreciation and amortization that would have been charged assuming the fair value adjustments to property, plant, and equipment and intangible assets and the consequential tax effects had been applied on March 1, 2014.

Asset acquisition of Kudu cash and securities portfolio

On April 17, 2014, as part of the Arrangement, Till acquired CDN$17.2 million in cash and securities from Kudu in exchange for 1,805,895 Till shares. Kudu was a privately owned investment fund company. All of the Till shares received by Kudu were distributed to its 52 limited partners. The purchase of Kudu has been accounted for as an asset purchase.

The fair value for each of the Till shares on April 17, 2014 was deemed to be CDN$9.50 per share for a total of CDN$17,156,003, of which CDN$10.2 million was allocated to cash and CDN$6.9 million investments.

24. SUBSEQUENT EVENTS

On January 7, 2016, Mr. William Lupien resigned as Interim Chief Executive Officer of Till Capital Ltd., and Till appointed Dr. Terry Rickard as its Interim Chief Executive Officer.

On January 22, 2016, Mr. Timothy Leybold resigned as Chief Financial Officer of Till Capital Ltd. and each of its subsidiaries.

On March 17, 2016, Till appointed Mr. Brian P. Lupien as its Chief Financial Officer and Ms. Weiying ("Mary") Zhu as its Treasurer.

On March 25, 2016, Till made the final payment on the purchase of Omega in the amount of $681,970 representing the 5% hold-back amount in accordance with the share purchase agreement.

On April 27, 2016, Till announced that, subject to TSX-V approval, it has amended the terms of the two promissory notes that RRL had issued to SPD. The terms on the original $4,500,000 promissory note have been amended to extend the due date of the second payment of $1,500,000 plus interest to July 18, 2016 and the interest rate was increased from 4% to 10% beginning April 16, 2016. The terms on the $400,000 short term note have been amended to extend the payment due date from April 30, 2016 to June 15, 2016.