American Creek Resources Ltd.

Unaudited Interim Financial Statements
March 31, 2016
(expressed in Canadian dollars)

FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of American Creek Resources Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

American Creek Resources Ltd.

Interim Statement of Financial Position

As at

(expressed in Canadian dollars)
(unaudited)

	March 31, 2016 $	December 31, 2015 $
Assets		
Current assets		
Cash	36,470	10,003
Prepaid expenses and deposits (note 3)	46,028	13,892
Receivables (note 4)	11,236	25,674
	93,734	49,569
Long-term receivables (note 4)	29,855	29,855
Reclamation bonds (note 5)	66,000	66,000
Property and equipment (note 6)	38,605	40,783
Exploration and evaluation assets (note 7)	3,646,833	14,369,125
	3,875,027	14,555,332
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	2,356,467	2,488,098
Current portion of long-term debt (note 9)	1,602	1,602
	2,358,069	2,489,700
Long-term debt (note 9)	40,152	40,669
	2,398,221	2,530,369
Shareholders' Equity		
Share capital (note 10)	27,350,179	27,159,203
Contributed surplus and warrants (note 10)	8,353,422	7,906,076
Deficit	(34,226,795)	(23,040,316)
	1,476,806	12,024,963
	3,875,027	14,555,332

Commitments (note 16)
Going concern (note 1)

See accompanying notes to these financial statements.

Approved by the Board of Directors

"Signed" – Darren R. Blaney Director *"Signed"* – Dennis G. Edwards Director

American Creek Resources Ltd.

Statement of Loss and Comprehensive Loss

For the three month period ended March 31, 2016

(expressed in Canadian dollars)
(unaudited)

	2016 $	2015 $
Expenses		
Advertising and promotion	26,782	7,857
Business development and property investigation	7,271	10,549
Corporate communications	2,882	3,855
Depreciation on equipment (note 6)	2,178	10,469
Interest on long term debt	1,083	840
Listing and transfer agent fees	5,400	5,400
Management fees (note 12)	66,318	102,800
Office and administration	32,005	33,321
Professional fees	3,368	217,170
Property impairment costs	10,758,437	-
Stock-based compensation (note 10)	292,755	403,409
Loss before income taxes	11,198,479	795,670
Deferred income taxes (recovery)	(12,000)	-
Net loss and comprehensive loss for the year	11,186,479	795,670
Basic and diluted loss per common share	0.06	0.00
Basic and diluted weighted average number of common shares outstanding	195,141,055	168,302,741

Going concern (note 1)

See accompanying notes to these financial statements.

American Creek Resources Ltd.

Interim Statement of Changes in Equity

For the three month period ended March 31, 2016

(expressed in Canadian dollars)
(unaudited)

	Share capital				Total
	Number of shares	Amount $	Contributed surplus and warrants $	Deficit $	Equity $
Balance as at January 1, 2016	193,182,674	27,159,203	7,906,076	(23,040,316)	12,024,963
Shares issued (note 10):					
Private placements	7,042,000	352,100	-	-	352,100
Valuation of warrants issued		(154,591)	154,591	-	-
Share issuance costs		(6,533)	-	-	(6,533)
Valuation of options granted		-	292,755	-	292,755
Loss for the year	-	-	-	(11,186,479)	(11,186,479)
Balance as at March 31, 2016	200,224,674	27,350,179	8,353,422	(34,226,795)	1,476,806

	Share capital				Total
	Number of shares	Amount $	Contributed surplus and warrants $	Deficit $	Equity $
Balance as at January 1, 2015	167,254,074	25,782,278	7,296,902	(21,564,171)	11,515,009
Shares issued (note 10):					
Shares issued to acquire exploration and evaluation assets	4,290,000	386,100	-	-	386,100
Share issuance costs		(1,948)	-	-	(1,948)
Valuation of options granted		-	403,409	-	403,409
Loss for the year	-	-	-	(218,458)	(218,458)
Balance as at March 31, 2015	171,544,074	26,166,430	7,700,311	(22,359,841)	11,506,900

See accompanying notes to these financial statements.

American Creek Resources Ltd.

Interim Statement of Cash Flows

For the three month period ended March 31, 2016
and year ended December 31, 2015

(expressed in Canadian dollars)
(unaudited)

	2016 $	2015 $
Cash provided by (used in)		
Operating activities		
Net loss for the year	(11,186,479)	(795,670)
Items not affecting cash		
Depreciation on equipment	2,178	10,469
Deferred income tax	(12,000)	-
Impairment write-down of exploration and evaluation assets	10,758,437	-
Stock-based compensation	292,755	403,409
	(145,109)	(381,792)
Changes in non-cash working capital		
Prepaid expenses and deposits	(32,136)	3,329
Receivables	14,438	(4,287)
Accounts payable and accrued liabilities	(119,630)	361,450
Cash used in operating activities	(282,437)	(21,300)
Financing activities		
Proceeds from issuance of long-term debt	-	-
Repayment of long-term debt	(517)	(360)
Proceeds from issuance of capital stock	350,000	-
Share issuance costs	(4,433)	(1,948)
Cash provided by financing activities	345,050	(2,308)
Investing activities		
Expenditures of exploration and evaluation assets	(36,146)	-
Cash provided by investing activities	(36,146)	-
Decrease in cash flows	26,467	(23,608)
Cash – Beginning of year	10,003	19,637
Cash – End of year	36,470	(3,971)

Supplemental disclosures with respect to cash flows (note 11)

See accompanying notes to these financial statements.

(expressed in Canadian dollars)
(unaudited)

1 Nature of operations and going concern

American Creek Resources Ltd. (the "Company") was incorporated under the *British Columbia Business Corporations Act* on February 12, 2004 and continued into Alberta on August 26, 2005. The Company is engaged in the exploration and development of mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable.

The head office and principal address of the Company is 92 – 2nd Ave W, Cardston, AB, Canada, T0K 0K0. The Company's registered address and records office is 700 – 9th Ave SW, Suite 3000, Calgary, Alberta, Canada, T2P 3V4.

The Company's primary listing is on the TSX Venture Exchange under the ticker symbol "AMK".

Going concern

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") as they apply to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. The Company is in the exploration stage and has not generated revenue from operations. The Company incurred a net loss of $11,186,479 during the three month period ended March 31, 2016 (2015 – $795,670), generated negative cash flows from operating activities of $282,437 (2015 – $21,300) and, as of that date the Company's deficit was $34,226,795 (2015 – $22,359,841) and working capital deficiency was $2,264,335 (2015 – $2,864,619). As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. These circumstances cause material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In recognition of these circumstances, management is pursuing various financial alternatives to fund the Company's exploration and development programs, including private placements, property dispositions and settling payables for shares where possible, so it can continue as a going concern (note 14). The Company was also successful in the litigation against Teuton to obtain legal title to the highly prospective Treaty Creek property, which may improve its ability to attract investment in the form of private placements (note 16). There is no assurance that these initiatives will be successful.

The Company's ability to continue as a going concern is dependent upon the existence of recoverable reserves and the ability to obtain necessary funds to develop properties with potential for profitable production in order to support its ongoing operating activities and exploration programs. These financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities, or to the reported expenses that would be necessary if the Company were unable to realise its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

(expressed in Canadian dollars)
(unaudited)

2 Basis of preparation

Statement of Compliance

These financial statements have been prepared in compliance with IFRS as issued by the International Accounting Standards Board ("IASB").

These financial statements were approved for issuance by the Company's board of directors ("Board") on May 30, 2016.

Basis of Measurement

The Company's financial statements are presented in Canadian dollars, the Company's functional currency. All references to $ are to Canadian dollars.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Standards, Amendments and Interpretations Not Yet Effective

New standards and interpretations issued but not yet adopted

The following are standards issued but not yet effective up to the date of issuance of these financial statements. The Company reasonably expects these standards to be applicable at a future time and intends to adopt these standards when they become effective. The Company is currently evaluating the impact that these standards will have on the Company's results of operations and financial position.

- IFRS 9, Financial Instruments. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets and a substantially reformed approach to hedge accounting. The Company does not apply hedge accounting. The new standard is required to be applied for annual reporting periods beginning on or after January 1, 2018.

- IFRS 15, Revenue from Contracts with Customers. The objective of IFRS 15 is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. Application of the standard is mandatory for annual reporting periods starting from January 1, 2018 onwards.

- IFRS 16, Leases, which replaces IAS 17 Leases. The objective of the new standard requires entities to recognize lease assets and lease obligations on the balance sheet. For lessees, IFRS 16 removes the classification of leases as either operating or finance leases, effectively treating all leases as finance leases. Lessors will continue with a dual lease classification model. Classification will determine how and when a

(expressed in Canadian dollars)
(unaudited)

lessor will recognize lease revenue, and what assets would be recorded. This standard is effective for years beginning on or after January 1, 2019.

3 Prepaid expense and deposits

The prepaid expenses for the Company are comprised of the following:

	2016 $	2015 $
Insurance	8,025	12,134
Vendor prepayments	38,003	1,758
	46,028	13,892

4 Receivables

The Company's receivables arise from a goods and service tax receivable which are due from Canadian government taxation authorities. Long-term receivables arise from a vendor prepayment arrangement in 2009.

5 Reclamation Bonds

The Company has posted bonds with the B.C. Ministry of Finance as security towards future site restoration work which will be released to the Company upon satisfactory completion of that work. The bonds were posted in relation to the following properties and amounts:

	2016 $	2015 $
Electrum	16,000	16,000
Treaty Creek	40,000	40,000
Ironmist	10,000	10,000
	66,000	66,000

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6 Property and equipment

	Leasehold Improvement $	Plant and Equipment $	Total $
January 1, 2015	30,671	40,447	71,118
Depreciation for the year	(15,335)	(15,000)	(30,335)
Net book value – December 31, 2015	15,336	25,447	40,783
Depreciation for the year	(3,834)	1,656	(2,178)
Net book value – March 31, 2016	11,502	27,103	38,605

No land, buildings or equipment were disposed of during the year.

7 Exploration and evaluation assets

As at March 31, 2016, the Company's exploration and evaluation assets are located in Northern British Columbia, Canada. Expenditures incurred on exploration and evaluation assets are as follows:

	Electrum, B.C., Canada $	Slippery Willow, B.C., Canada $	Treaty Creek, B.C., Canada $	Gold Hill, B.C., Canada $	Other Properties, B.C., Canada	Total $
Acquisition costs – December 31, 2015	2,211,402	231,400	66,750	336,100	**50,000**	2,895,652
Additions	-	-	-	-	412	412
Impairment	(1,441,398)	-	(59,756)	-	-	(1,501,154)
Acquisition costs – March 31, 2016	770,004	231,400	6,994	336,100	50,412	1,394,910
Exploration costs – December 31, 2015	5,054,864	3,442	6,398,770	**16,397**	**-**	11,473,473
Additions	33,334	-	-	2,400	-	35,734
Impairment	(3,528,939)	-	(5,728,345)	-	-	(9,257,284)
Exploration costs – March 31, 2016	1,559,259	3,442	670,425	18,797	-	2,251,923
	2,329,263	234,842	677,419	354,897	50,412	3,646,833

(expressed in Canadian dollars)
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	Electrum, B.C., Canada $	Slippery Willow, B.C., Canada $	Treaty Creek, B.C., Canada $	Gold Hill, B.C., Canada $	D-1 McBride, B.C., Canada $	Total $
Acquisition costs – December 31, 2014	2,211,402	231,400	66,750	-	-	2,509,552
Additions	-	-	-	336,100	50,000	386,100
Acquisition costs – December 31, 2015	2,211,402	231,400	66,750	**336,100**	50,000	2,895,652
Exploration costs – December 31, 2014	4,958,934	3,442	6,398,770	-	-	11,361,146
Additions	95,930		-	16,397	-	112,327
Exploration costs – December 31, 2015	5,054,864	3,442	6,398,770	16,397	-	11,473,473
	7,266,266	234,842	6,465,520	352,497	50,000	14,369,125

Electrum Property, British Columbia, Canada

The Electrum property is located north of Stewart, British Columbia. The claims were acquired via an option agreement for total cash payment of $210,000 and 2,500,000 common shares issued with fair value ranging from $0.12 to $0.75 per share. All payments under the agreement have been completed and the Company now holds a 100% working interest in the property subject to a 2% Net Smelter Return ("NSR") royalty. The Company may purchase the 2% NSR royalty at any time for $1,000,000. In 2016, the Company recorded an impairment on the value of the Electrum property in the amount of $4,970,337. The value now recorded in the financial statements is based on the negotiated value of the sale of 60% of the property subsequent to March 31, 2016 (See note 17).

Slippery Willow Property, British Columbia, Canada

The Slippery Willow property is located adjacent to the Company's Electrum property. The property was purchased on February 9, 2007. The consideration paid consisted of $25,000 in cash and the issuance of 120,000 of the Company's common shares with a fair value of $1.72 per share.

Treaty Creek Property, British Columbia, Canada

The Treaty Creek property is located northeast of Stewart, British Columbia. In 2009, the Company concluded that they completed the requirements as set out in the option agreement to earn a 51% interest in the property by issuing 100,000 common shares with a fair value ranging from of $0.23 to $0.24 per share and by incurring the balance of aggregate exploration expenditures in excess of $5,000,000. Each of the claims is subject to either a 2% or 3% NSR royalty interest. The Company has the option to purchase certain royalty interests for $1,000,000. The Company also has the option, and in certain circumstances is required to purchase other

(expressed in Canadian dollars)
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royalty interests for $6,000,000. Future obligations and disputes under the agreement are outlined in note 17. In 2016, an impairment on the value of the Treaty Creek property was recorded in the amount of $5,788,101. The value now recorded in the financial statements is based on the negotiated value of the sale of 31% of the Company's interest in the property subsequent to March 31, 2016 (See note 17).

Other Properties, British Columbia, Canada

The Gold Hill property is located near Fort Steele, British Columbia and was purchased in 2015 along with the D-1 McBride property which is located near Dease Lake, British Columbia. Consideration paid consisted of 3,900,000 shares issued to the vendor and 390,000 shares issued as an arms-length finders fee with a fair value of $0.09 per share.

In 2016, the Company also staked the Silvershot property located near Stewart, British Columbia. Staking costs totalled $412.

8 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities for the Company are comprised of the following:

	2016 $	2015 $
Trade payables	2,326,467	2,446,098
Accrued liabilities	30,000	30,000
Flow-through share premium liability (note 10)	-	12,000
	2,356,467	2,488,098

All payables and accrued liabilities for the Company fall due within the next 12 months.

9 Long-term debt

	2016 $	2015 $
Arms-Length loan for leasehold improvements, bearing interest at 8% per annum and repayable in monthly instalments, including principal and interest of $400 until September 1, 2030.	41,754	42,271
Less: Current portion	(1,602)	(1,602)
	40,152	40,669

(expressed in Canadian dollars)
(unaudited)

10 Share capital

a) The authorized share capital of the Company consists of an unlimited number of common shares without par value.

b) Issued and outstanding

Authorized
Unlimited number of common shares
Unlimited number of preferred shares

	Number of shares	Amount $
Balance as at December 31, 2014	167,254,074	25,782,278
Issued for cash	18,438,600	540,000
Issued to settle payables	3,200,000	641,930
Issued to acquire exploration and evaluation assets	4,290,000	386,100
Warrant value ((c) below)	-	(166,411)
Flow-through share premium	-	(12,000)
Share issue costs	-	(12,694)
Balance as at December 31, 2015	193,182,674	27,159,203
Issued for cash	7,000,000	350,000
Issued for finders fee	42,000	2,100
Warrant value ((c) below)	-	(154,591)
Share issue costs	-	(6,533)
Balance as at March 31, 2016	200,224,674	27,350,179

During the three month period ended March 31, 2016, the Company:

i) Completed a non-brokered private placement offering of 5,000,000 units at a price of $0.05 per Unit for gross proceeds of $250,000. Each Unit consisted of one common share of the Company and one non-transferrable Common Share purchase warrant Each Warrant may be exercised for one additional Common Share for a period of 24 months from the closing date of the Offering at a price of $0.08 per share.

ii) Completed a non-brokered private placement offering of 2,000,000 units at a price of $0.05 per Unit for gross proceeds of $100,000. Each Unit consisted of one common share of the Company and one non-transferrable Common Share purchase warrant. Each Warrant may be exercised for one additional Common Share for a period of 24 months from the closing date of the Offering at a price of

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(unaudited)

$0.08 per share. The Warrants are subject to an acceleration provision which provides that in the event that the market closing price of the Company's shares exceeds $0.12 for 20 consecutive trading days, the Company may within 5 days after such an event, provide notice to the Warrant holders of early expiry and thereafter, the Warrants will expire on the date which is 15 days after the date of the notice to the Warrant holders. A finders fee of 42,000 common shares were paid to a non-arms length party related to this offering.

Share issuance

During the year ended December 31, 2015, the Company:

i) Acquired exploration assets by issuing 4,290,000 common shares of the Company at price of $0.09 per share.

ii) Completed the non-brokered private placement financing of 8,000,000 units ("Units") at a price of $0.06 per Unit for gross proceeds of $480,000. Each Unit consisted of one common share of the Company ("Common Share") and one non-transferrable Common Share purchase warrant ("Warrant"). Each Warrant may be exercised for one additional Common Share for a period of 24 months from the closing date of the Offering at a price of $0.08 per share if exercised in the first 12 months and $0.10 per share if exercised in the remaining 12 month period.

iii) The Company settled a debt in the amount of $120,000 by issuing an arms-length creditor 2,000,000 of the above-described Units.

iv) The Company settled debt in the amount of $521,930 by issuing arms-length creditors 10,438,600 shares of the Company at a price of $0.05.

v) Completed a non-brokered private placement of 1,200,000 flow-through units ("FT Units) at a price of $0.05 per FT Unit for gross proceeds of $60,000. Each FT Unit consists of one flow-through common share of the Company and one non-transferrable, non-flow-through common share purchase warrant ("Warrant"). Each Warrant may be exercised for one additional common share for a period of 30 months from the closing date of the offering at a price of $0.08 if exercised in the first 24 months and $0.10 thereafter if exercised in the remaining 6 month period. The Company recorded a flow-through share premium liability of $12,000 as part of the placement.

c) Stock options and warrants

The Company has an incentive stock option plan that conforms to the requirements of the TSX Venture Exchange. Options to purchase common shares have been granted to directors, officers, employees and consultants of the Company at exercise prices determined by the market value of the common shares on the date of the grant. The options vest immediately on the date of the grant.

(expressed in Canadian dollars)
(unaudited)

Stock options transactions and the number of stock options outstanding are summarized as follows:

	Number of options	Weighted average exercise price $
Balance – December 31, 2014	11,605,000	0.10
Options expired	-	-
Options granted	6,230,000	0.10
Balance – December 31, 2015	17,835,000	0.10
Options expired	(7,535,000)	0.10
Options granted	7,700,000	0.05
Balance – March 31, 2016	18,000,000	0.08
Number of options currently exercisable	18,000,000	0.08

The following incentives stock options were outstanding and exercisable as at March 31, 2016:

Expiry Date	Exercise Price $	Number Outstanding
March 20, 2022	0.10	4,400,000
March 10, 2025	0.10	5,220,000
April, 24, 2025	0.10	680,000
March 2, 2026	0.05	7,700,000
		18,000,000

The following incentives stock options were outstanding and exercisable at December 31, 2015:

Expiry Date	Exercise Price $	Number Outstanding
March 1, 2016	0.10	6,255,000
March 29, 2016	0.10	600,000
March 20, 2022	0.10	4,750,000
March 10, 2025	0.10	5,520,000
April, 24, 2025	0.10	710,000
		17,835,000

(expressed in Canadian dollars)
(unaudited)

During the three month period ended March 31, 2016, the Company:

i) Granted 7,700,000 options to purchase common shares to directors and consultants of the Company. Each option to purchase common shares may be exercised for a period of 10 years from the grant date of the options at a price of $0.05.

The fair value of the common share purchase warrants was determined to be $292,755 in total using the Black-Scholes option pricing model, assuming a 0% dividend yield, 91% volatility, a risk free interest rate of 1.37%, and a term of 10 years.

During the year ended December 31, 2015, the Company:

i) Granted 5,520,000 options to purchase common shares to consultants of the Company. Each option to purchase common shares may be exercised for a period of 10 years from the grant date of the options at a price of $0.10.

The fair value of the common share purchase warrants was determined to be $403,625 in total using the Black-Scholes option pricing model, assuming a 0% dividend yield, 83% volatility, a risk free interest rate of 1.25%, and a term of 10 years.

ii) Granted 710,000 options to purchase common shares to consultants of the Company. Each option to purchase common shares may be exercised for a period of 10 years from the grant date of the options at a price of $0.10.

The fair value of the common share purchase warrants was determined to be $39,382 in total using the Black-Scholes option pricing model, assuming a 0% dividend yield, 83% volatility, a risk free interest rate of 1.70%, and a term of 10 years.

(expressed in Canadian dollars)
(unaudited)

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of options	Weighted average exercise price $
Balance – December 31, 2014	19,868,880	0.10
Warrants granted	11,200,000	0.10
Warrants expired	(10,536,880)	0.10
Balance – December 31, 2015	20,532,000	0.10
Warrants granted	7,000,000	0.08
Warrants expired	-	-
Balance – March 31, 2016	27,532,000	0.10

The following warrants to acquire common shares were outstanding at March 31, 2016:

Expiry Date	Exercise Price $	Number Outstanding
December 1, 2016	0.10	9,332,000
April 15, 2017	0.10	7,999,966
April 24, 2017	0.10	2,000,034
April 12, 2018	0.10	1,200,000
March 7, 2018	0.10	5,000,000
March 17, 2018	0.10	2,000,000
		27,532,000

The following warrants to acquire common shares were outstanding at December 31, 2015:

Expiry Date	Exercise Price $	Number Outstanding
December 1, 2016	0.10	9,332,000
April 15, 2017	0.10	7,999,966
April 24, 2017	0.10	2,000,034
April 12, 2018	0.10	1,200,000
		20,532,000

(expressed in Canadian dollars)
(unaudited)

The following warrants to acquire common shares were issued during the three month period ended March 31, 2016:

i) The Company issued 5,000,000 warrants to purchase common shares as part of a private placement. Each common share purchase warrant may be exercised for a period of 24 months from the closing date of the private placement at a price of $0.08 for a period of 24 months.

   The fair value of the common share purchase warrants was determined to be $125,339 in total using the Black-Scholes option pricing model, assuming a 0% dividend yield, 93% volatility, a risk free interest rate of 0.41% and a term of 24 months.

ii) The Company issued 2,000,000 warrants to purchase common shares as part of a private placement. Each common share purchase warrant may be exercised for a period of 24 months from the closing date of the issuance at a price of $0.08 for a period of 24 months.

   The fair value of the common share purchase warrants was determined to be $29,252 in total using the Black-Scholes option pricing model, assuming a 0% dividend yield, 88% volatility, a risk free interest rate of 0.41% and a term of 24 months.

The following warrants to acquire common shares were issued during the year ended December 31, 2015:

i) The Company issued 8,000,000 warrants to purchase common shares (5,999,966 as part of an initial tranche and 2,000,034 as part of a final tranche) as part of a private placement in April 2015. Each common share purchase warrant may be exercised for a period of 24 months from the closing date of the private placement at a price of $0.08 if exercised in the first 12 months and $0.10 if exercised in the remaining 12 month period.

ii) The Company issued 2,000,000 warrants to purchase common shares as part of a shares for debt agreement on April 15, 2015. Each common share purchase warrant may be exercised for a period of 24 months from the closing date of the issuance at a price of $0.08 if exercised in the first 12 months and $0.10 if exercised in the remaining 12 month period.

   The fair value of the common share purchase warrants was determined to be $150,000 in total by calculating the difference in the value of the common share trading price on the date the transaction was announced and the actual issuance price of the "Units" issued. This difference is allocated to the value of the common share purchase warrants issued.

(expressed in Canadian dollars)
(unaudited)

iii) The Company issued 1,200,000 warrants to purchase common shares (1,000,000 as part of an initial tranche and 200,000 as part of a final tranche) as part of a private placement beginning in October and closing in November 2015. Each common share purchase warrant may be exercised for a period of 30 months from the closing date of the private placement at a price of $0.08 if exercised in the first 24 months and $0.10 if exercised in the remaining 6 month period.

The fair value of the common share purchase warrants was determined to be $16,411 ($12,687 and $3,724 respectively) in total using the Black-Scholes option pricing model, assuming a 0% dividend yield, 83% volatility, a risk free interest rate of 0.53% and 0.67% respectively and a term of 30 months.

Contributed surplus

Contributed surplus is comprised of the following balances as at March 31, 2016 and December 31, 2015:

	2016 $	2015 $
Warrants	3,513,216	3,358,625
Share options	4,840,206	4,547,451
	8,353,422	7,906,076

11 Supplemental disclosures with respect to cash flows

	March 31, 2016 $	March 31, 2015 $
Cash paid during the year for income taxes	-	-
Cash paid during the year for interest	1,083	1,274
	1,083	1,274

(expressed in Canadian dollars)
(unaudited)

Supplementary disclosure of non-cash investing and financing activities during the three month period ended March 31:

	March 31, 2016 $	March 31, 2015 $
Stock-based compensation (note 11)	292,755	403,409
Exploration and evaluation assets expenditures in accounts payable	16,400	-
Shares issued for acquisition of exploration and evaluation assets	-	386,100
Shares issued for finders fee	2,100	-
	311,255	789,509

12 Related party transactions

Included in accounts payable and accrued liabilities is $1,031,911 (2015 – $1,076,911) due to companies controlled by officers of the Company. These amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

During the three month period ended March 31, 2016, the Company entered into the following related party transactions:

a) Accrued fees in the amount of $46,818 (2015 – $45,900) to a company controlled by an officer of the Company for providing services to act as the Company's Chief Executive Officer. Expenses reimbursed in the amount of $3,000 (2015 – $3,000) were expensed as business development.

b) Accrued fees in the amount of $Nil (2015 – $45,900) to an officer or company controlled by an officer of the Company for providing services to act as the Company's Chief Operating Officer. Expenses reimbursed in the amount of $12,000 (2014 – $12,000) in aggregate which were expensed as business development.

c) Accrued fees in the amount of $19,500 (2015 – $11,000) to a company controlled by an officer of the Company for providing services to act as the Company's Chief Financial Officer. Expenses reimbursed in the amount of $Nil (2015 – $Nil) in aggregate which were expensed as business development.

The amounts charged to the Company for the transactions provided have been determined by negotiations amongst the parties. These transactions were in the normal course of operations.

(expressed in Canadian dollars)
(unaudited)

13 Financial Instruments

Fair value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2016, the Company's financial instruments are comprised of cash, receivables, deposits reclamation bonds, accounts payable and accrued liabilities, and debt instruments. The carrying value of cash, receivables and accounts payable accrued liabilities and reclamation bonds approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Risk management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meets its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash, marketable securities, receivables and reclamation bonds.

The Company's cash is held through a Canadian chartered bank which is high-credit quality financial institution. The Company's receivables primarily consist of harmonized sales tax rebates due from the Government of Canada which are all current. Long-term receivables are considered past due but the Company does not consider them to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2016, the Company had a cash balance of $36,470 and short-term receivables of $11,236 to settle current liabilities of $2,358,069 (see note 1). The Company forecasts its cash needs on a regular basis and seeks additional financing based on those forecasts. Since inception, the Company has financed its cash requirements primarily through issuance of securities. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. In certain circumstances extended credit arrangements have been negotiated with vendors. All arrangements negotiated are on terms less than one year. See note 1 for further discussion on going concern and its impact on liquidity.

(expressed in Canadian dollars)
(unaudited)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

a) Interest rate risk

The Company's current policy is to hold deposits in highly rated banking institutions. Interest on short and long-term debt arrangements are fixed and are specifically disclosed.

b) Foreign currency rate risk

The Company is domiciled in Canada and its capital is raised in Canadian dollars and does not conduct regular business in any foreign country.

14 Capital management

The Company's working capital deficit as at March 31, 2016 was $2,264,335 (2015 – $2,864,619). The Company's capital management objectives, policies and processes have not been changed over the years presented. The Company is not subject to any externally imposed capital requirements.

The Company manages its cash and common shares as capital. The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the on-going business objectives including, but not limited to pursuing the exploration of its exploration and evaluation assets, funding of future growth opportunities, and pursuit of new acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company manages its capital structure by issuing new shares, adjusting capital spending or disposing of assets. In addition, management of the Company's capital structure is facilitated through its financial and operational forecasting processes. The forecast of the Company's future cash flows is based on estimates of commodity prices, forecast capital and operating expenditures, and other investing and financing activities or further discussed in note 1 going concern. The forecast is regularly updated based on new commodity prices and other changes, which the Company views as critical in the current environment.

15 Segmented information

The Company operates in one reportable operating segment, being the exploration and development of exploration and evaluation assets in Canada.

(expressed in Canadian dollars)
(unaudited)

16 Commitments and contingencies

In 2009, the Company exceeded its requirements under an option agreement to acquire a 51% interest in the Treaty Creek property by incurring in excess of $5,000,000 of exploration related expenditures on the property. The Company also has elected to earn an additional 9% interest in the property by performing and paying all expenses related to providing the option or with a positive feasibility study.

The Company initiated legal action in 2010 against Teuton Resources Corp. for failure to transfer title to the property under the terms of the initial earn-in agreement and for damages the Company may have been subject to as a result. Teuton ("Teuton") disputes that all terms of the contract have been met by American Creek.

The trial of this matter was heard in Vancouver, British Columbia and was concluded on October 3, 2013. On April 14, 2014, a judgment was handed down by the British Columbia Supreme Court finding the Company has met its obligations under the agreement. Teuton appealed the decision. The appeal was heard in the B.C. Court of Appeal on March 19-21, 2015 and on April 27, 2015 a decision was received from the BC Court of Appeal which upheld the decision of the trial judge and dismissed the appeal in its entirety.

17 Subsequent events

Options

On May 20, 2016, the Company granted a total of 2,870,000 incentive options to certain Directors, Officers, Advisors and Contractors under the Company's incentive stock option plan. The options were granted with an exercise price of $0.075 and are exercisable until March 19, 2026.

Mineral Property Acquisition and Share issuance

On April 13, 2016, the Company issued 15,000,000 common shares at $0.05 under an amended agreement with an arm's length third party that holds a Net Smelter Return royalty interest ("NSR Holders") related to the Company's 51% interest in the Treaty Creek property located in NW British Columbia. The amended agreement reduces the prior $6 million payment obligation which was potentially triggered by entering into a deal in which the Company reduced its 51% interest in the property, or granted access for development and tunnel construction.

Additional terms of the amended agreement include:

a) The NSR Holders will be issued 15,000,000 common shares of the Company.

b) The NSR Holders will hold a 2% NSR on certain Treaty Creek property mineral tenures ("Group I") and a 1% NSR on the remaining Treaty Creek mineral tenures ("Group II"). The NSR interests apply only to the Company's 51% interest in the Treaty Creek property. Within 30 days of a Treaty Creek property feasibility study being completed, the NSR Holders will be paid an aggregate sum of $1,500,000 in order for the Company to collectively buy out 0.75% of the Group I NSR and 0.25% of the Group II NSR. At any time the

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Company may buy out a further 0.75% of the Group I and 0.25% of the Group II NSR for the aggregate sum of $1,500,000. The NSR Holders will retain a 0.5% NSR on the Group I and Group II mineral tenures.

c) The NSR Holders will be entitled to 25% of any cash payments or securities the Company may receive related to the Company entering into an agreement with a third party to advance the Treaty Creek project such that it disposes directly or indirectly of any of its current 51% interest in the Treaty Creek property.

d) The Company will pay the NSR Holders 25% of any consideration the Company may receive from any non-governmental party for access, easement or right of way over, on, under or through any part of the Treaty Creek property for a mining infrastructure purpose, or fees for the use of the Company's own infrastructure facilities.

e) The Company will pay the NSR Holders 25% of any compensation proceeds the Company may receive from any governmental or quasi-governmental agency for the loss of any rights resulting from the expropriation of access, easement or right of way over, on, under or through any part of the Treaty Creek property for a mining infrastructure purpose.

Mineral Property Dispositions, Private Placement and Legal Settlement

On May 10, 2016, the Company entered into an agreement to sell an undivided 60% interest in its Electrum property located in NW British Columbia in consideration for 1,000,000 common shares of the purchaser and a payment of $500,000 cash. The purchaser has also agreed to invest $250,000 into American Creek pursuant to a private placement at a price of the greater of $0.08 per share or the discounted market price as defined by Exchange policy. A 60/40 joint venture will be formed and the purchaser will be operator of the project.

On May 20, 2016, the Company also entered into an agreement to sell an undivided 31% interest in its Treaty Creek property in consideration for 500,000 common shares of the purchaser. The purchaser has agreed to complete a minimum of $1,000,000 in exploration expenditures on the Treaty Creek property during 2016. A joint venture has been formed with the purchaser who will hold a 60% interest in the Treaty Creek Property and American Creek and Teuton Resources Corp. will hold a 20% interest in the joint venture. The Company's remaining 20% interest is fully carried during the exploration period until a production notice is given. Thereafter, each will be responsible for 20% of the costs under and subject to the terms of the joint venture.

In conjunction with the execution of the agreements above, the Company advises that a settlement with Teuton and its officers, directors and contractors has been reached with respect to the conspiracy, defamation, economic interference and economic harm claim that was filed in 2012 against the Teuton Resources and others. The terms of the settlement are confidential. Each of the agreements are subject to approval from the TSX Venture Exchange.