LEVON RESOURCES LTD.

(formerly 1027949 B.C. Ltd.)
(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements - Unaudited

For the three and nine months ended December 31, 2015
(Expressed in Canadian Dollars)

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 condensed interim consolidated financial statements of 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 Instituted of Chartered Accountants for a review of interim financial statements by an entity's auditor.

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Statements of Financial Position - Unaudited
(Expressed in Canadian Dollars)
As December 31, 2015 and March 31, 2015

		December 31, 2015 (Note 5)		March 31, 2015
ASSETS				
Current				
Cash and cash equivalents	$	5,217,049	$	1
Amounts receivable		58,884		-
Prepaid expenses		51,782		-
Investments (Note 6)		9,494,172		-
		14,821,887		1
Non-current assets				
Reclamation deposits (Note 7)		32,629		-
Amounts receivable (Note 8)		2,545,890		-
Exploration and evaluation assets (Note 9)		50,000,000		-
Property and equipment (Note 10)		42,529		-
Total Assets	$	67,442,935	$	1
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	144,428	$	-
Due to related parties (Note 12)		55,796		-
Total Liabilities		200,224		-
SHAREHOLDERS' EQUITY				
Share capital (Note 11)		71,869,874		1
Contributed surplus		464,184		-
Accumulated other comprehensive loss		(4,070,005)		-
Deficit		(1,021,342)		-
Total Equity		67,242,711		1
Total Liabilities and Shareholders' Equity	$	67,442,935	$	1

Commitments (Notes 13 and 15)

Approved on behalf of the Board:

"Gary Robertson"
……….. Director
Gary Robertson

"Ron Tremblay"
…... Director
Ron Tremblay

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Statements of Operations and Comprehensive Loss - Unaudited
(Expressed in Canadian Dollars)
Three and nine months ended December 31, 2015

	Three months ended December 31, 2015	Nine months ended December 31, 2015
		(Note 5)
Expenses		
Consulting and management fees (Note 13)	$ 230,957	$ 495,276
Exploration (Notes 9 and 13)	62,916	272,433
General exploration (Notes 9(e) and 13)	33,621	56,118
Listing and filing fees	28,169	54,289
Office, occupancy and miscellaneous	34,235	78,412
Professional fees	21,853	50,364
Share-based compensation (Note 11)	464,184	464,184
Shareholder relations and promotion	5,060	27,551
Travel	24,166	55,206
Loss before other items	(905,161)	(1,553,833)
Interest income	17,608	30,715
Foreign exchange gain	188,217	409,937
Realized gain on investment (Note 12)	700,000	700,000
Income (loss) before income taxes	664	(413,181)
Deferred income tax expense	(69,122)	(608,161)
Net loss for the period	(68,458)	(1,021,342)
Other comprehensive loss		
Items that will be reclassified to net loss		
Unrealized loss on investments (Note 6)	(531,709)	(4,678,166)
Deferred income tax recovery	69,122	608,161
Other comprehensive loss, net of tax	(462,587)	(4,070,005)
Total comprehensive loss for the period	$ (531,045)	$ (5,091,347)
Loss per share, basic and diluted	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding	119,552,693	76,072,623

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity - Unaudited
(Expressed in Canadian Dollars)
Nine months ended December 31, 2015

	Number of common shares	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total equity
At March 31, 2015	1	$ 1	$ -	$ -	$ -	$ 1
Issuance of common shares pursuant to plan of arrangement (Note 5)	119,542,692	71,869,873	-	-	-	71,869,873
Share-based compensation	-	-	464,184	-	-	464,184
Net loss for the period	-	-	-	-	(1,021,342)	(1,021,342)
Total other comprehensive loss for the period	-	-	-	(4,070,005)	-	(4,070,005)
At December 31, 2015	119,542,693	$ 71,869,874	$ 464,184	$ (4,070,005)	$ (1,021,342)	$ 67,242,711

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Condensed Interim Consolidated Statements of Cash Flows - Unaudited
(Expressed in Canadian Dollars)
Nine months ended December 31, 2015

	Nine months ended December 31, 2015
	(note 5)
Operating activities	
Net loss for the period	$ (1,021,342)
Items not involving cash:	
Depreciation	8,663
Share-based compensation	464,184
Unrealized foreign exchange gain	(415,467)
Realized gain on investment	(700,000)
Deferred income tax expense	608,161
Changes in non-cash working capital items:	
Amounts receivable and prepaid expenses	212,150
Accounts payable, accrued liabilities, due to related parties	(170,816)
Cash used in operating activities	(1,014,467)
Investing activities	
Proceeds from sale of investment (note 12)	700,000
Net cash acquired from acquisition (note 5)	5,149,205
Cash provided by investing activities	5,849,205
Foreign exchange effect on cash	382,310
Increase in cash and cash equivalents	5,217,048
Cash and cash equivalents, beginning of the period	1
Cash and cash equivalents, end of period	$ 5,217,049
Cash and cash equivalents consists of:	
Cash	$ 408,879
Cash equivalents	4,808,170
	$ 5,217,049
Supplemental cash flow information	
Interest received	$ 25,577
Non-cash transactions (Note 5)	

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Levon Resources Ltd. (formerly 1027949 B.C. Ltd.) (the "Company" or "Levon") was incorporated under the *Business Corporations Act* (British Columbia) on February 18, 2015. The Company is an exploration stage public company whose principal business activities are the exploration for and development of exploration and evaluation properties in Mexico. There have been no significant revenues generated from these activities to date. The address of the Company's registered office is Suite 500 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

On July 9, 2015, pursuant to an arrangement agreement the Company acquired or assumed all of the assets and liabilities of the former Levon Resources Ltd. ("Old Levon", renamed SciVac Therapeutics Inc. ("SciVac Therapeutics"), on July 9, 2015), other than $27 million of cash that remained with Old Levon, and concurrently changed its name to Levon Resources Ltd. (Note 5). The Company's financial statements reflect the result of the operations of the former Levon Resources from the date of completion of the transaction.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

Basis of presentation

These condensed interim consolidated financial statements are expressed in Canadian dollars, the Company's functional currency, and have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The accounting policies set out in Note 3 have been applied consistently to all periods presented in these condensed interim consolidated financial statements as if the policies have always been in effect.

Approval of the consolidated financial statements

These condensed interim consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 11, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries (Note 5).

	Jurisdiction	**Nature of Operations**
Valley High Ventures Ltd. ("VHV")	British Columbia, Canada	Holding Company
Citrine Investment Holdings Limited	British Virgin Islands	Holding Company
Minera Titan S.A. de C.V	Mexico	Exploration Company
Aphrodite Asset Holdings Ltd.	British Virgin Islands	Holding Company
Turney Assets Limited	British Virgin Islands	Holding Company
Minera El Camino S.A. de C.V.	Mexico	Holding Company
Administracion de Projectos Levon en Mexico S.A. de C.V.	Mexico	Mexican operations administration

Subsidiaries are all entities over which the Company has control. Control is defined as where the Company is exposed to, or has rights to, variable returns from its involvement in the investee and has the ability to affect those returns through power over the investee. Subsidiaries are fully consolidated from the date of on which control is transferred to the Company, until the date on which control ceases. All significant intercompany transactions and balances have been eliminated upon consolidation.

The Company applies the acquisition method to account for business combinations. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company and each of its subsidiaries is the Canadian dollar. The consolidated financial statements are presented in Canadian dollars.

Foreign currency transactions

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the consolidated statement of financial position. Non-monetary assets and liabilities that are denominated in foreign currencies are translated at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held-to-maturity, available-for-sale, loans and receivables or fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities.

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in the consolidated statements of operations and comprehensive loss.

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity dates. They are initially recognized at fair value and subsequently carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are initially recognized at fair value and subsequently are measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the consolidated statements of operations and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income, within equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the consolidated statements of operations and comprehensive loss.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

All financial assets, except for those at FVTPL, are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in the consolidated statements of operations and comprehensive loss.

*Other financial liabilitie*s – Liabilities in this category are initially recognized at fair value, net of transaction costs, and are subsequently stated at amortized cost.

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significant inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 – Inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash, bank deposits, cashable guaranteed investment certificates ("GIC") and short-term investments that are readily convertible to known amounts of cash with original maturities of three months or less.

Exploration and evaluation assets

The Company is in the exploration stage with respect to its mineral properties. The Company capitalizes all costs relating to the acquisition of mineral claims, and expenses all costs relating to the exploration and evaluation of mineral claims.

All exploration and evaluation expenditures are expensed until properties are determined to contain economically viable reserves. When economically viable reserves have been determined, technical feasibility has been determined and the decision to proceed with development has been approved, the subsequent costs incurred for the development of that project will be capitalized as mining properties, a component of property and equipment.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are recorded at historical cost less accumulated depreciation. Historical costs include expenditures that are directly attributable to bringing the asset to a location and condition necessary to operate in a manner intended by management. Such costs are accumulated as construction-in-progress until the asset is available for use, at which point the asset is classified as property and equipment. Once commercial production has commenced, mine, mill, machinery, plant facilities and certain equipment will be depreciated using the units of production method if sufficient reserve information is available, or the straight-line method over their estimated useful lives, not to exceed the life of the mine to which the assets relate.

Depreciation property and equipment is calculated using the straight-line method over the following useful lives:

Computer equipment	Two to three years
Furniture and equipment	Five years
Vehicles	Five years
Building and machinery	Five to twenty years

Impairment

At each reporting date, the carrying amounts of the Company's exploration and evaluation assets and property and equipment are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an orderly transaction between market participants. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to the passage of time is recognized as accretion expense.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Reclamation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore mineral properties in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and restoration, reclamation and revegetation of affected areas.

The fair value of the liability for a rehabilitation provision is recorded when it is incurred. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability, which is accreted over time through periodic charges to profit or loss. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur.

Share-based payments

The Company's stock option plan provides for the granting of stock options to directors, employees and consultants to acquire shares of the Company. The Company records share-based compensation expense using the fair value method.

The fair value of employee options is measured at the option's grant date, and the fair value of non-employee options is measured at the date or over the period during which goods or services are received. The fair value of each tranche of options granted, which do not vest immediately on grant, is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

The Company records the cumulative share-based compensation as contributed surplus. When the options are exercised, the Company issues new shares. Upon exercise of the stock options, consideration paid together with the amount previously recognized in contributed surplus is recorded as an increase in share capital.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of shares outstanding for the effects of all dilutive potential common shares.

Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized as equity.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

New accounting standards and interpretations not yet adopted

New and revised IFRS pronouncements that have been issued but are not yet effective, and that may have an impact on the disclosures and financial position of the Company, are disclosed below. The Company intends to adopt these new or revised standards and interpretations, if applicable, when they become effective.

IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers,* (“IFRS 15”) replacing IAS 11 *Construction Contracts*, IAS 18 *Revenue*, and the related revenue-related interpretations. IFRS 15 introduces a single, principle based, five-step model for the recognition of revenue when control of a good or service is transferred to the customer. IFRS 15 also requires expanded disclosures 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 contacts with customers. IFRS will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company is currently evaluating the impact of adopting IFRS 15 on the consolidated financial statements.

IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments*, to replace IAS 39, *Financial Instruments: Recognition and Measurement*, and (“IAS 39). IFRS 9 introduces a single approach to determine whether a financial asset is measured at fair value through profit and loss, fair value through other comprehensive income, or at amortized cost. Measurement and classification of financial assets is dependent on the entity’s business model for managing financial assets and the contractual cash flow characteristics of the financial asset. For financial liabilities, IFRS 9 retains most of the IAS 39 requirements; however, where the fair value option is applied to financial liabilities, the change in fair value resulting from an entity’s own credit risk is recorded in other comprehensive income rather than net earnings, unless this creates an accounting mismatch.

In addition, a new expected credit loss model for calculating impairment on financial assets replaces the incurred loss impairment model used in IAS 39. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards and interpretations not yet adopted (continued)

credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure about expected credit losses and credit risk. IFRS 9 also includes a simplified hedge accounting model, aligning hedge accounting more closely with risk management. The Company does not currently apply hedge accounting.

IFRS 9 is effective for years beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact of adopting IFRS 9 on the consolidated financial statements.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements requires management to make estimates and judgments and to form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities. Management's estimates and judgements are continually evaluated and are based on historical experience and other factors that management believes to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to estimates are accounted for prospectively.

The estimates and judgements that could result in a material effect in the next financial year on the carrying amounts of assets and liabilities are outlined below.

Critical accounting judgments

(a) ***Business combinations***

Business combinations are accounted for using the acquisition method whereby the assets acquired and the liabilities assumed are recorded at fair value.

For the business combination described in Note 5, the following significant judgements and assumptions were made by management in determining fair values:

Exploration and evaluation assets: The Company utilized an external opinion of value dated April 2, 2015, to determine the fair value of the exploration and evaluation assets assumed. It was determined that the recoverable value of the project based on fair value less costs to sell was approximately $50,000,000 using a median of three valuation methods, including adjusted appraised value based on historical costs, comparables approach based on resource value and attributed share of market capitalization as secondary corroboration. Key assumptions in the adjusted appraised value include the amount that historical expenditures have added to the project value and the market to book value ratio estimate. Key assumptions in the comparables approach include the percentage taken of published median metal prices of deposits with contained metal reflecting Cordero's resource estimates and grades. The fair value estimated is in accordance with Level 3 of the fair value hierarchy.

The fair value of cash and cash equivalents, and available for sale investments were determined using level 1 inputs (Note 16).

It was management's judgement that the carrying value of the remaining assets and liabilities assumed, including the value added taxes to be recovered from Mexico (Note 8), was a reasonable estimate of their fair values.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

(b) ***Functional currency***

The determination of the functional currency for the Company and each of its subsidiaries was based on management's judgment of the underlying transactions, events and conditions relevant to each entity.

(c) ***Impairment of marketable securities***

Management assesses at the end of each reporting period whether there had been any other-than-temporary impairment on its investments, using objective evidence to determine if the marketable securities are impaired. Listed prices on public stock exchanges are used to determine if the fair value is at a significant or prolonged decline below the historical cost of the marketable securities.

At December 31, 2015, there are no indications that suggest that the Company's marketable securities are impaired.

(d) ***Recoverability of amounts receivable***

The balance in amounts receivable includes value added taxes to be recovered in Mexico. At each financial position reporting date, the carrying amounts of the Company's amounts receivable are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The Company is corresponding with the Mexican government to recover the Mexican value added tax and the estimate is based on the amount of eligible expenditures calculated by management. Actual amount receivable from the government may be lower. At December 31, 2015, there are no indications that suggest that the Company's Mexican value added tax is not recoverable.

(e) ***Realization of exploration and evaluation assets and impairment***

The investment in exploration and evaluation assets on the Cordero Sanson Property ("Cordero") comprise a significant portion of the Company's assets. Realization of the Company's investment in the exploration and evaluation assets is dependent upon the Company obtaining permits, the satisfaction of local governmental requirements, obtaining drill results that support an economically viable mining operation, the attainment of successful production from the properties or from the proceeds upon disposal of the Company's properties. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Significant accounting judgments and estimates (continued)

(f) ***Environmental***

The Company assesses its provisions for environmental rehabilitation on an annual basis or when new material information becomes available. Provisions for environmental rehabilitation require management to make estimates of the future costs of the work required to comply with legal or constructive obligations. Actual costs incurred may differ from those amounts estimated. Future changes to environmental laws and regulations could increase the extent of work required to be performed, which could materially impact the amounts charged to operations for provisions for environmental rehabilitation.

At December 31, 2015, the Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

(g) ***Income taxes***

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The Company is subject to assessments by various taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. The Company provides for such differences where known based on management's best estimate of the probable outcome of these matters.

5. ACQUISITION AND ASSUMPTION OF ASSETS AND LIABILITIES

On March 20, 2015, the Company (formerly 1027949 B.C. Ltd.) entered into an arrangement agreement with SciVac Ltd. and Old Levon (Note 1) pursuant to which on July 9, 2015 it completed the acquisition and assumption of all of the assets and liabilities of Old Levon, other than $27 million in cash, which was retained by Old Levon (the "Arrangement"). As consideration for the acquisition the Company issued to SciVac Therapeutics 119,542,692 ordinary shares. All Old Levon stock options outstanding immediately prior to closing were cancelled. At closing 1027949 B.C. Ltd. changed its name to Levon Resources Ltd and the Old Levon changed its name to SciVac Therapeutics Inc.

From the perspective of the Company, the Arrangement represents a business combination under IFRS 3 "Business Combinations". Under the acquisition method, the identifiable assets and liabilities acquired or assumed are measured at fair value.

The following wholly owned direct and indirect subsidiaries were included in the transfer of assets to the Company: Valley High Ventures Ltd., Citrine Investment Holdings Limited, Minera Titan S.A. de C.V., Aphrodite Asset Holdings Ltd., Turney Assets Limited, Minera El Camino S.A. de C.V., and Administracion de Projectos Levon.

(Expressed in Canadian Dollars)

5. ACQUISITION AND ASSUMPTION OF ASSETS AND LIABILITIES (continued)

The following table summarizes the recognizable consolidated assets and liabilities acquired and assumed by the Company from this transaction.

	As at July 9, 2015
Assets	
Cash and cash equivalents	$ 5,149,205
Amounts receivable - current	99,845
Prepaid expenses	37,690
Investments	14,172,338
Reclamation deposits	32,629
Amounts receivable (Note 8)	2,689,851
Exploration and evaluation assets	50,000,000
Property, plant and equipment	51,192
Convertible debenture (Note 12)	-
Total assets assumed	**72,232,750**
Accounts payable and accrued liabilities	**362,877**
Net assets assumed	**$ 71,869,873**

The fair value of the net assets assumed is the consideration for the 119,542,692 shares issued by the Company in connection with the Arrangement.

The receivables are primarily comprised of recoverable value added taxes from the Canadian and Mexican governments for which the fair value approximates the carrying value (Notes 4(a) and 8).

The entire consolidated net losses of $68,458 and $1,021,342 reported by the Company for the three and nine months ended December 31, 2015, respectively, are attributable to this business combination.

Had the business combination been reported from as of the beginning of the fiscal year of April 1, 2015, the consolidated proforma net loss for the nine month period ended December 31, 2015, would show proforma revenue of nil and a proforma net loss of approximately $2.4 million.

6. INVESTMENTS

At December 31, 2015, the Company held investments as follows:

	Quantity of Common Shares	Cost (Note 5)	Accumulated Unrealized Gains (Losses)	Fair Value
Available-for-sale				
Pershing Gold Corporation	1,954,366	$ 14,172,163	$ (4,678,166)	$ 9,493,997
Great Thunder Gold Corp.	11,632	175	-	175
Balance at December 31, 2015		$ 14,172,338	$ (4,678,166)	$ 9,494,172

(Expressed in Canadian Dollars)

7. RECLAMATION DEPOSITS

The Company has pledged specified term deposits as security for reclamation permits, as required by certain government agencies. The Company has a varying number of deposits on hand ranging from $1,000 to $6,000 with maturity dates ranging from January 13, 2016 to November 16, 2016, and interest rates from 0.50% to 1.00%. These deposits are renewed annually.

8. AMOUNTS RECEIVABLE

The Company is corresponding with the Mexican government to recover the Mexican value added tax. During the period from July 9, 2015 (Note 5) to December 31, 2015, the Company recovered Mexican value added tax of approximately $197,000. Subsequent to the period, the Company recovered further value added tax of approximately $245,000. At December 31, 2015, there are no indications that suggest that the Company's Mexican value added tax is not recoverable.

9. EXPLORATION AND EVALUATION ASSETS

The Company has capitalized the following acquisition expenditures:

		Cordero
Balance, March 31, 2015	**$**	**-**
Additions during the period (Note 5)		50,000,000
Balance, December 31, 2015	**$**	**50,000,000**

The Company incurred the following exploration expenditures, which were expensed in the consolidated statements of operations and comprehensive loss for the three and nine month periods ended December 31, 2015:

		Three months ended December 31, 2015		**Nine months ended December 31, 2015**
Cordero (Note 9(a))				
Drilling and exploration	$	18,484	$	42,014
Geological and management services		13,569		79,149
Mining rights		-		95,803
Payroll and general supplies		30,863		55,467
Balance, December 31, 2015	**$**	**62,916**	**$**	**272,433**

(a) Cordero Sanson

The Cordero property is located near Hidalgo Del Parral, Chihuahua, Mexico. The Cordero mining claims are comprised of claims wholly-owned by VHV by agreement with long-standing ranch families and small local mining companies, and certain other claims that were staked by the Company.

9. EXPLORATION AND EVALUATION ASSETS (continued)

(b) Congress claims

The Company owns a 50% leasehold interest in certain claims in the Lillooet Mining Division, British Columbia.

The Congress claims are subject to a Joint Venture Agreement dated February 25, 1983 between the Company and Veronex Resources Ltd. ("Veronex"). Veronex has earned a 50% net interest in the claims, net of a 5% net smelter royalty ("NSR") held by the Company, by expending $1,000,000 in a prior year. All subsequent expenditures are to be contributed equally by the Company and Veronex. The Company is looking to reacquire Veronex's interest in the claims, as Veronex transferred its interest to another company against the terms of the original agreement and had not complied with other terms of agreement.

(c) Gold Bridge claims (BRX Project)

The Company owns a 50% interest in certain mineral claims in the Gold Bridge area, Lillooet Mining Division, British Columbia. The claims remain in good standing.

(d) Other

Other claims include the Eagle, Ruf and Norma Sass, and Wayside, as described below:

(i) Eagle claims

The Company holds a 50% interest in certain lode mining claims located in Lander County, Nevada. The claims are subject to a 3% NSR.

(ii) Ruf and Norma Sass properties

The Company holds an undivided one-third interest in certain mineral claims known as the Ruf and Norma Sass properties located in Lander County, Nevada.

A third party holds a 3% NSR on the production from certain of the claims, up to a limit of USD $1,250,000.

(iii) Wayside claims

The Company owns certain mineral claims in the Lillooet Mining Division, British Columbia.

(e) During the three and nine months ended December 31, 2015, the Company also incurred general exploration expenditures of $33,621 and $56,118, respectively, in connection with its exploration properties in Canada and due diligence and exploration on mining projects.

Subsequent to December 31, 2015, the Company entered into a settlement and property transfer agreement with Coral Gold Resources Ltd. ("Coral Gold") pursuant to which the Company returned its interests in the Eagle Claims and Ruf and Norma Sass properties in exchange for the extinguishment of $73,709 owing to Coral Gold, which is included in the Company's accounts payable and accrued liabilities as at December 31, 2015.

9. EXPLORATION AND EVALUATION ASSETS (continued)

Realization of assets

The investment in and expenditures on exploration and evaluation assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Title to exploration and evaluation assets

Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by an undetected defect.

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

(Expressed in Canadian Dollars)

10. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture and Equipment	Vehicles	Building and Machinery	Total
COST					
Balance at March 31, 2015	$ -	$ -	$ -	$ -	$ -
Additions (Note 5)	2,621	1,081	29,278	18,212	51,192
Balance at December 31, 2015	**$ 2,621**	**$ 1,081**	**$ 29,278**	**$ 18,212**	**$ 51,192**
ACCUMULATED DEPRECIATION					
Balance at March 31, 2015	$ -	$ -	$ -	$ -	$ -
Depreciation	693	108	7,268	594	8,663
Balance at December 31, 2015	**$ 693**	**$ 108**	**$ 7,268**	**$ 594**	**$ 8,663**
CARRYING AMOUNTS					
At March 31, 2015	$ -	$ -	$ -	$ -	$ -
At December 31, 2015	**$ 1,928**	**$ 973**	**$ 22,010**	**$ 17,618**	**$ 42,529**

For the three and nine months ended December 31, 2015, depreciation of $4,294 and $8,663, was expensed as exploration expenditures.

11. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued

On February 18, 2015, the date of incorporation, the Company issued one common share at a price of $1. On July 9, 2015, pursuant to the Arrangement, the Company issued 119,542,692 common shares (Note 5).

Stock options

The Company has a stock option plan carried over as part of the July 9, 2015 transaction with SciVac Therapeutics Inc., (the "Plan") dated September 21, 2012, ratified and confirmed by shareholders of Old Levon at the annual general and special meeting held on September 18, 2014, and authorizing the grant of stock options under the Plan until September 18, 2017. Pursuant to the Plan, the Company may grant stock options totaling in aggregate up to 10% of the Company's total number of shares issued and outstanding on a non-diluted basis. The Plan provides for the granting of stock options to employees and persons providing investor relations or consulting services up to a limit of 5% and 2%, respectively, of the Company's total number of issued and outstanding shares per year.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (continued)

Stock options (continued)

The Plan provides for the vesting of stock options over a period of one year or as otherwise determined by the Company's Board of Directors at the time of the grant. The option price must be greater than or equal to the discounted market price on the grant date and the option expiry date cannot exceed five years from the grant date.

For the period ended December 31, 2015, stock option activity is summarized as follows:

	Underlying Shares	Weighted Average Exercised Price
Stock options outstanding, March 1, 2015	**-**	**-**
Granted	11,850,000	$0.16
Exercised	-	-
Expired and forfeited	-	-
Stock options outstanding, December 31, 2015	**11,850,000**	**$0.16**

A summary of stock options outstanding and exercisable as at December 31, 2015 as follows:

Expiry Date	Exercise Price	Outstanding December 31, 2015	Exercisable December 31, 2015
November 3, 2020	$ 0.16	11,600,000	-
November 13, 2020	$ 0.16	250,000	-
		11,850,000	**-**

On November 3, 2015, and on November 13, 2015, the Company granted to directors, officers and consultants of the Company 11,600,000 and 250,000 stock options, respectively, exercisable at $0.16 over five years. The options granted vest with the right to exercise one-quarter of the options upon every three months subsequent to the grant date.

Share-based payment expense is measured at fair value and recognized over the vesting period from the date of the grant. For the three and nine months ended December 31, 2015, share-based payment expense of $464,184 was recognized in the consolidated statements of operations.

Option pricing requires the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates. The fair value of the options granted to officers, directors, and consultants was calculated using the Black-Scholes option pricing model with following weighted average assumptions:

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (continued)

Stock options (continued)

	2015
Weighted average assumptions:	
Fair value of options at grant date	$ 0.12
Risk-free interest rate	0.79%
Expected dividend yield	-
Expected option life (years)	5.00
Expected share price volatility	101.04%

Expected volatility is based on historical price volatility to the extent of the expected life of the option.

12. REALIZED GAIN ON INVESTMENT

On November 13, 2015, the Company entered into an assignment agreement pursuant to which it was paid $700,000 as consideration for the assignment of a convertible senior secured debenture in the principal amount of $1,000,000 issued by the assignee to Old Levon and the related security. As at July 9, 2015, the Company determined the fair value of the debenture was $Nil, reflecting that Old Levon had recorded a full impairment provision against the gross principal and accrued interest on the basis that there was insufficient information available to support a reliable estimate of recoverable value (Note 5).

13. RELATED PARTY TRANSACTIONS

Key management transactions

The Company has identified its directors and certain senior officers as its key management personnel. The total compensation paid or payable to the CEO, CFO, VP Exploration and Corporate Secretary of the Company for the three and nine months ended December 31, 2015 are as follows:

	Three months ended December 31, 2015	Nine months ended December 31, 2015
Consulting and management fees (i)	$ 176,341	$ 335,340
Share-based compensation	393,897	393,897
	$ 570,238	$ 729,237

(i) For the three months ended December 31, 2015, $15,124 included as exploration expenses and $15,124 included as general exploration expenses. For the nine months ended December 31, 2015, $30,006 included as exploration expenses and $30,006 included as general exploration expenses.

(Expressed in Canadian Dollars)

13. RELATED PARTY TRANSACTIONS (continued)

Due to related parties

Due to related parties consists of the following:

		December 31, 2015
Chevillon Exploration Ltd. (i)	$	34,323
NK Financial Services Ltd (ii)	$	21,473
	$	55,796

(i) Chevillon Exploration Ltd. is a private company controlled by the VP Exploration / Director.
(ii) NK Financial Services Ltd. is a private company controlled by the CFO.

Commitments with related parties

The Company has commitments for future minimum payments in respect of consulting agreements with key management personnel as follows:

		December 31, 2015
Not later than one year	$	602,040
Later than one year and no later than five years		1,058,760
	$	1,660,800

Included in the above table are the following consulting contracts with key management:
(i) A consulting agreement with the Company's VP of Exploration with a five year term ending on June 30, 2020, which may be terminated by the Company at any time by paying US$22,500 plus US$7,500 for each whole or partial year since the effective date;
(ii) A consulting agreement with the Company's CEO with a three year term ending on June 30, 2018, which may be terminated by the Company at any time by paying US$825,000. The Company is committed to pay the CEO US$750,000 in the event of a change in control of the Company.
(iii) A consulting agreement with a company controlled by a director of the Company providing financial management and advisory services with a one year term ending on September 30, 2016. The Company is committed to pay a success fee of four (4) percent on any amount raised for the Company.

14. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties.

(Expressed in Canadian Dollars)

15. COMMITMENTS

The Company's commitment for future minimum payments in respect of operating lease agreements as at December 31, 2015, are as follows:

		December 31, 2015
Not later than one year	$	25,914
Later than one year and no later than five years		42,317
	$	68,231

Subsequent to December 31, 2015, the Company renewed its existing office lease for a further one-year term effective April 1, 2016, with minimum lease payments of $3,059 per month.

16. FAIR VALUE MEASUREMENTS

The carrying amounts of amounts receivable (excluding GST and IVA, being Mexican value added tax), accounts payable and due to related parties are a reasonable estimate of their fair values due to their short term to maturity. Cash equivalents are comprised of cashable GICs and are carried at fair value in accordance with Level 1 of the fair value hierarchy. Investment securities are accounted for at fair value based on quoted market prices in accordance with Level 1 of the fair value hierarchy. The carrying amount of reclamation deposits approximate their fair value in accordance with Level 2 of the fair value hierarchy as the stated rates approximate market rates of interest.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at December 31, 2015.

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 5,217,049	$ -	$ -
Investments	$ 9,494,172	$ -	$ -
Reclamation deposits	$ -	$ 32,629	$ -