



CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2016 & 2015

STATEMENTS OF FINANCIAL POSITION

(Unaudited; in thousands of Canadian dollars)

	Note	September 30, 2016	December 31, 2015
Assets			
Current Assets			
Accounts receivable		4,553	6,144
Prepaid and other expenses		1,138	1,344
Commodity price contracts	3	-	1,633
Total current assets		5,691	9,121
Exploration and evaluation assets	4	13,208	14,600
Property, plant and equipment	5	159,654	204,220
Total assets		178,553	227,941
Liabilities			
Current Liabilities			
Bank debt	7	46,017	52,415
Accounts payable and accrued liabilities		4,693	5,352
Commodity price contracts	3	250	-
Total current liabilities		50,960	57,767
Decommissioning liabilities	8	58,838	89,732
Flow through share premium	9b	621	621
Total liabilities		110,419	148,120
Shareholders' Equity			
Share capital	9b	180,436	180,436
Contributed surplus	10c	12,329	11,894
Deficit		(124,631)	(112,509)
Total shareholders' equity		68,134	79,821
Total liabilities and shareholders' equity		178,553	227,941

Liquidity	7
Commitments	12

See accompanying notes to the condensed interim financial statements

STATEMENTS OF OPERATIONS

(Unaudited; in thousands of Canadian dollars, except per share amounts)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2016	2015	2016	2015
Revenue					
Oil and natural gas sales		7,432	12,792	23,525	42,984
Royalties		(384)	(1,521)	(2,058)	(5,059)
Revenue, net of royalties		7,048	11,271	21,467	37,925
Realized gain (loss) on commodity price contracts		(298)	1,303	2,031	7,098
Unrealized gain (loss) on commodity price contracts		644	2,052	(1,883)	(4,209)
Net revenue before expenses		7,394	14,626	21,615	40,814
Expenses					
Production and operating		3,990	7,107	14,545	20,543
Transportation		305	546	1,305	1,982
General and administrative		1,222	1,794	3,443	5,142
Finance		1,261	797	2,958	2,335
Transaction costs	6	688	587	982	957
(Gain) on disposition of oil and gas interests	5	-	-	(8,787)	(1,669)
Gain on acquisition of oil and gas interests	5	-	(1,667)	-	(1,667)
Share-based compensation	10c	115	209	406	839
Depletion and depreciation	5	5,060	12,895	18,885	31,344
Exploration and evaluation		-	470	-	1,694
Total expenses		12,641	22,738	33,737	61,500
Loss before income taxes		(5,247)	(8,112)	(12,122)	(20,686)
Deferred income tax expense		-	9,725	-	6,032
Net loss and comprehensive loss		(5,247)	(17,837)	(12,122)	(26,718)
Net loss per share					
Basic and diluted	9c	(0.04)	(0.15)	(0.10)	(0.22)

See accompanying notes to the condensed interim financial statements

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited; in thousands of Canadian dollars)

	Note	Share Capital	Contributed Surplus	Deficit	Total Shareholders' Equity
Balance at December 31, 2014		179,438	9,687	(59,090)	130,035
Stock-based compensation		-	830	-	830
Net loss for the period		-	-	(26,718)	(26,718)
Balance at September 30, 2015		179,438	10,517	(85,808)	104,147
Balance at December 31, 2015		180,436	11,894	(112,509)	79,821
Share-based compensation	10c	-	435	-	435
Net loss for the period		-	-	(12,122)	(12,122)
Balance at September 30, 2016		180,436	12,329	(124,631)	68,134

See accompanying notes to the condensed interim financial statements

STATEMENTS OF CASH FLOWS

(Unaudited; in thousands of Canadian dollars)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2016	2015	2016	2015
Cash flows from (used in) operating activities					
Net loss for the period		(5,247)	(17,837)	(12,122)	(26,718)
Adjustments for:					
Amortization of other liabilities		-	(8)	-	(24)
Depletion and depreciation	5	5,060	12,895	18,885	31,344
Share-based compensation expense	10c	115	209	406	839
Unrealized (gain) loss on commodity contracts		(644)	(2,052)	1,883	4,209
Gain on disposition of oil and natural gas interests	5	-	(1,667)	(8,787)	(3,336)
Accretion of decommissioning liabilities	8	214	291	802	936
Exploration and evaluation expenditures	4	-	470	-	1,694
Deferred tax expense		-	9,725	-	6,032
Decommissioning expenditures	8	(30)	11	(246)	(594)
Changes in non-cash working capital	11	(279)	3,243	1,058	3,148
Net cash from (used in) operating activities		(811)	5,280	1,879	17,530
Cash flows from (used in) investing activities					
Exploration and evaluation asset expenditures		(112)	(4,409)	(301)	(6,058)
Property, plant and equipment expenditures	5	(98)	(4,168)	(388)	(10,095)
Asset acquisitions		-	(12,687)	-	(27,049)
Proceeds on disposition of property, plant and equipment	5	-	-	5,127	38,643
Proceeds on disposition of exploration and evaluation assets		-	15,000	-	10
Changes in non-cash working capital	11	(259)	88	81	(6,803)
Net cash from (used in) investing activities		(469)	(6,176)	4,519	(11,352)
Cash flows from (used in) financing activities					
Proceeds from (repayment) of bank debt	7	1,280	896	(6,398)	(6,178)
Cash used in financing activities		1,280	896	(6,398)	(6,178)
Change in cash		-	-	-	-
Cash, beginning of period		-	-	-	-
Cash, end of period		-	-	-	-

See accompanying notes to the consolidated interim financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

1. GENERAL BUSINESS DESCRIPTION

Marquee Energy Ltd. ("Marquee" or the "Company") is engaged in the acquisition of, exploration for, development of and production of oil and natural gas. Marquee is a publicly traded company on the TSX Venture Exchange under the symbol "MQL.V", and on the United States OTC Market ("OTCQX") under the symbol "MQLXF", incorporated and domiciled in Canada. The Company's operations are in Alberta and Saskatchewan. The address of business of the Company is Suite #1700, 500 – 4th Avenue SW, Calgary, Alberta, Canada, T2P 2V6.

2. BASIS OF PRESENTATION

The condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, "Interim Financial Reporting" of International Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These condensed interim financial statements have been prepared using the accounting policies, methods of computation and key estimates disclosed in the Company's audited annual financial statements for the year ended December 31, 2015, except as noted below under IAS 1. The disclosures provided below are incremental to those included within the audited annual financial statements and certain disclosures, which are normally required to be included in the notes to the audited annual financial statements, have been condensed or omitted. These condensed interim financial statements should be read in conjunction with the audited annual financial statements and notes thereto in the Company's annual filings for the year ended December 31, 2015.

IAS 1, "Presentation of Financial Statements" ("IAS 1") In December 2014, the IASB issued amendments to IAS 1, clarifying guidance on the concepts of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of operations and the statement of comprehensive income or loss, and providing additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendments to IAS 1 may be applied immediately, and become mandatory for annual periods beginning on or after January 1, 2016. The amendments have been applied by the Company effective January 1, 2016 and did not have any effect on the Company's financial statements.

The condensed interim financial statements were authorized for issue by the Board of Directors on November 29, 2016.

3. COMMODITY PRICE CONTRACTS

It is the Company's policy to economically hedge some oil and natural gas sales through the use of various financial derivatives and forward sales contracts. The Company's production is normally sold using "spot" or near term contracts, with prices fixed at the time of transfer of custody or on the basis of a monthly average market price. The Company, however, may give consideration in certain circumstances to the appropriateness of entering into long term, fixed price marketing contracts. The Company does not enter into commodity price contracts other than to meet the Company's expected sale requirements.

All financial commodity price contracts are recorded on the balance sheet at fair value with any changes in fair value recorded as a gain or loss in the statement of operations. The fair value of commodity price contracts is determined by discounting the difference between the contracted prices and level two published forward price curves as at the balance sheet date, using the remaining contracted oil and natural gas volumes and a risk-free interest rate (based on published government rates). At September 30, 2016, the Company held financial commodity price contracts as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

Product	Type	Notional Volumes	Price (\$Cdn)	Index	Term	Fair value (\$000)
Crude oil	Swap	200 bbl/day	\$54.15/bbl	WTI-NYMEX	Oct.01,2016 to Dec.31,2016	(185)
Crude oil	Swap	100 bbl/day	\$57.21/bbl	WTI-NYMEX	Oct.01,2016 to Dec.31,2016	(65)
						(250)

4. EXPLORATION AND EVALUATION ASSETS

Cost	(\$000's)
Balance, December 31, 2014	34,329
Capital expenditures	2,545
Transfers to property, plant and equipment (note 5)	(3,111)
Exploration and evaluation costs expensed	(19,128)
Dispositions of exploration and evaluation assets	(35)
Balance, December 31, 2015	14,600
Capital expenditures	301
Transfers to property, plant and equipment (note 5)	(64)
Dispositions of exploration and evaluation assets (note 5)	(1,628)
Balance, September 30, 2016	13,209

Exploration and evaluation assets include undeveloped lands and assets that have not been fully evaluated for technical feasibility and commercial viability. Capital expenditures represent the Company's share of costs incurred on exploration and evaluation assets during the period. Transfers to property, plant and equipment represent successful drilling and related land costs to which technical feasibility and commercial viability are determined to exist.

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

5. PROPERTY, PLANT AND EQUIPMENT

	Oil and natural gas interests	Corporate assets	Total
Cost			
Balance, December 31, 2014	313,100	493	313,593
Capital expenditures	16,190	243	16,433
Dispositions	(48,936)	-	(48,936)
Acquisition of oil and natural gas properties	34,414	-	34,414
Transfers from exploration and evaluation assets (note 4)	3,111	-	3,111
Change in decommissioning liabilities (note 8)	11,742	-	11,742
Balance, December 31, 2015	329,621	736	330,357
Capital expenditures	336	82	418
Dispositions	(51,638)	-	(51,638)
Transfers from exploration and evaluation assets (note 4)	64	-	64
Balance, September 30, 2016	278,383	818	279,201

Accumulated depletion and depreciation and impairments			
Balance, December 31, 2014	(89,542)	(260)	(89,802)
Depletion and depreciation expense	(35,204)	(219)	(35,423)
Dispositions	5,268	-	5,268
Impairment loss	(6,180)	-	(6,180)
Balance, December 31, 2015	(125,658)	(479)	(126,137)
Depletion and depreciation expense	(18,660)	(224)	(18,885)
Dispositions	25,474	-	25,474
Balance, September 30, 2016	(118,844)	(703)	(119,548)

Net book value			
At December 31, 2015	203,963	257	204,220
At September 30, 2016	159,539	115	159,654

On May 31, 2016, the Company disposed of non-core shallow-gas assets for net proceeds of \$5.0 million with a net book value of \$18.2 million and an associated decommissioning liability of \$26.7 million (note 8). A \$13.5 million gain was recognized in earnings.

On June 6, 2016, the Company disposed of its heavy oil Lloydminster assets for net proceeds of \$0.1 million with a net book value of \$9.6 million and an associated decommissioning liability of \$4.8 million (note 8). A \$4.7 million loss was recognized in earnings.

During the nine months ended September 30, 2016, the Company capitalized salaries of \$0.5 million (2015 - \$0.5 million) as well as related share-based compensation expense of \$0.03 million (2015 - \$0.3 million) for employees and consultants who performed services that were directly attributable to development activities.

The calculation of depletion and depreciation included estimated future development costs of \$151.8 million (December 31, 2015: \$166.2 million) associated with the development of the Company's proved plus probable crude oil and natural gas

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

reserves.

6. ALBERTA OILSANDS INC. ARRANGEMENT

On August 19, 2016, Marquee entered into an arrangement agreement ("Arrangement Agreement") whereby Alberta Oilsands Inc. will acquire all of the issued and outstanding common shares of Marquee. Under the terms of the Arrangement Agreement, holders of common shares of Marquee will receive, for each Marquee share held, 1.67 common shares in the capital of Alberta Oilsands Inc. ("Alberta Oilsands").

On November 29, 2016, Marquee Energy Ltd. ("Marquee") and Alberta Oilsands Inc. ("AOS") announced that they have reached a settlement with Smoothwater Capital Corporation ("Smoothwater") in respect of Smoothwater's prior opposition to the proposed acquisition of Marquee by AOS through a plan of arrangement involving the "Arrangement" and the completion of the short-form vertical amalgamation contemplated to immediately follow completion of the Arrangement to form "Marquee Energy Ltd." ("New Marquee").

Smoothwater has agreed to cease all actions related to the opposition of the Arrangement before any and all courts, securities commissions, the TSX Venture Exchange and any other governmental or regulatory authority. Smoothwater has withdrawn its requisition for a meeting of AOS shareholders and ceased all proxy solicitations in connection therewith.

On completion of the Arrangement, Marquee shareholders will own approximately 49% of the common shares of the combined entity. The combined entity will be led by the current management team of Marquee, and the board of directors will include three of the current directors of Marquee and of Alberta Oilsands, respectively plus one additional director from Smoothwater. In addition, New Marquee will reimburse a portion of Smoothwater's documented expenses and issue to Smoothwater an aggregate of 1,000,000 common shares of New Marquee at a deemed price of \$0.11 per share, being the trading price of the common shares of AOS on the TSX-V at the close of trading on November 28, 2016. The continuing operations of the combined entity will be that of Marquee.

The total cost of all related expenses for Marquee for this transaction will be approximately \$3 million including the cash settlement with Smoothwater.

The completion of the arrangement is subject to receipt of the Final Order of the Alberta Court of Queen's Bench. Upon receipt of the final court approval the Arrangement is expected to close shortly thereafter.

7. BANK DEBT AND LIQUIDITY

At September 30, 2016, the Company has a syndicated credit facility ("credit facility") with two Canadian Chartered Banks. The credit facility has a borrowing base of \$50 million comprised of a \$40 million revolving demand facility ("revolving loan") and a \$10 million operating demand facility ("operating loan"). Subsequent to September 30, 2016, the borrowing base of the credit facility was reduced to \$48.0 million comprised of \$38 million revolving demand facility and \$10 million operating demand facility.

The credit facility is based on the bank's interpretation of the Company's reserves and future commodity prices. The current economic environment relating to the oil and gas industry has made access to capital, both debt and equity, challenging for many companies. If the credit facility availability is decreased, the Company has 60 days to repay any shortfall.

On August 19, 2016, Marquee and Alberta Oilsands entered into an arrangement agreement whereby Alberta Oilsands will acquire all of the issued and outstanding common shares of Marquee. Reference is made to note 6 for additional information. The successful completion of the arrangement agreement would result in the injection of approximately \$30.0 million of net cash (after expected transaction costs associated with the arrangement). The lenders have given the Company until December 9, 2016, the anticipated date that the Alberta Court of Queen's Bench final approval of the

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

Arrangement. In the event that the proposed arrangement is not successful, there can be no assurance that the Company will be successful in its efforts to maintain the credit facility at acceptable levels or to arrange additional financing or complete additional asset dispositions or other transactions on terms satisfactory to the Company or at all, which would result in a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The revolving and operating loans can be used for general corporate purposes and capital expenditures, and bear interest at either the Banks' prime rate plus an applicable margin (of 50 bps to 400 bps) or, Bankers Acceptance ("BA") rates plus an additional margin (of 175 bps to 525 bps) both determined by reference to the Company's net debt to funds from operations ratio calculated as working capital, excluding the fair value of any commodity contracts, over annualized trailing quarterly cash flow from operating activities before working capital adjustments. At September 30, 2016 the interest rate is prime plus 400 bps and the BA rate as quoted plus 525 bps.

The credit facility is secured by a general assignment of book debts and a \$150 million demand debenture with a floating charge over all assets of the Company with an undertaking to provide fixed charges on the Company's producing petroleum and natural gas properties at the request of the banks.

At September 30, 2016, the Company had drawn \$38.0 million on the revolving loan and \$8.0 million on the operating loan. At September 30, 2016, the Company had \$0.7 million in letters of guarantee outstanding reducing the amount available under the operating loan. The letters of guarantee are comprised of \$0.5 million to Saskatchewan's provincial Oil and Gas Orphan Fund, and \$0.2 million to a third party relating to monthly gas transportation fees.

The Company is subject to a financial covenant that requires it to maintain an adjusted working capital ratio of at least 1:1 (for the purposes of compliance with the covenant, bank debt and the fair value of any commodity contracts are excluded and the unused portion of the operating and revolving loan is added to working capital). At September 30, 2016, the Company was in compliance with the adjusted working capital ratio covenant of 1.9 to 1.0 (at December 31, 2015 – 2.7 to 1.0).

8. DECOMMISSIONING LIABILITIES

The Company's decommissioning liabilities are an estimate of the reclamation and abandonment costs arising from its ownership in oil and natural gas assets, including well sites, batteries and gathering systems. At September 30, 2016, the total undiscounted cash flows required to settle the liabilities is approximately \$75.1 million (December 31, 2015- \$113.6 million). The estimated net present value of the decommissioning liabilities was calculated using a risk-free rate between approximately 1% and 3% at September 30, 2016 (December 31, 2015 - between 1% and 3%) based on the Bank of Canada benchmark bond yields corresponding to the estimated time of reclamation and an inflation rate of 2% (December 31, 2015 - 2%).

These obligations are to be settled based on the economic lives of the underlying assets, which currently extend up to 35 years into the future and will be funded from general corporate resources at the time of abandonment. The majority of the costs will be incurred between 2020 and 2042.

The following table summarizes changes in the decommissioning liabilities:

	September 30, 2016	December 31, 2015
Decommissioning liabilities, beginning of period	89,732	77,578
New liabilities recognized	-	262
Change in estimates	-	11,742
Liabilities assumed on acquisitions	-	4,419
Liabilities settled on dispositions (note 5)	(31,450)	(5,167)
Actual costs incurred	(246)	(413)
Accretion	802	1,311
Decommissioning liabilities, end of period	58,838	89,732

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

9. SHARE CAPITAL

a) Authorized

Unlimited number of common shares with voting rights.
 Unlimited number of preferred shares, issuable in series.

b) Issued

The following table summarizes the changes in common shares outstanding:

	Number of Common Shares	Stated Amount (\$)
Outstanding, December 31, 2014	120,340,685	179,438
Flow-through common shares issued	2,824,967	1,695
Flow-through share premium	-	(621)
Share issue costs	-	(76)
Outstanding, December 31, 2015 and September 30, 2016	123,165,652	180,436

c) Per Share Amounts

The following table summarizes the common shares used in calculating basic and diluted per share amounts:

	Three months ended		Nine months ended	
	September 30		September 30	
	2016	2015	2016	2015
(000s, except share and per share amounts)				
Net loss for the period	\$ (5,247)	\$ (17,837)	\$ (12,122)	\$ (26,718)
Weighted-average number of common shares				
Basic and diluted	123,165,652	120,340,685	123,165,652	120,340,685
Net loss per weighted-average common share				
Basic and diluted	\$ (0.04)	\$ (0.15)	\$ (0.10)	\$ (0.22)

For the three and nine months ended September 30, 2016 and 2015, all options have been excluded from the calculation of diluted per share amounts as all options were out of the money.

10. SHARE-BASED PAYMENTS

a) Share option plan

Under the Company's share option plan, the Company may grant options to its directors, officers, employees and consultants for up to 10% of the issued and outstanding common shares at the time of the option grant. The maximum number of common shares optioned to any one optionee during a twelve month period shall not exceed 5% (2% for consultants) of the outstanding common shares of the Company at the time of grant. Options granted under the plan have a five year term and have vesting periods as determined by the Company's directors at the date of grant. The exercise price of each option equals the market price of the Company's share of the date of grant.

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

The following table summarizes the changes in the stock options outstanding:

	Number	Weighted Average Exercise Price (\$)
Outstanding, December 31, 2015	7,890,000	0.67
Forfeited and cancelled	(400,000)	0.80
Outstanding, September 30, 2016	7,490,000	0.67
Exercisable, September 30, 2016	3,476,250	0.74

The following table summarizes the expiry terms and exercise prices of the Company's outstanding stock options as at September 30, 2016:

Exercise Price	Outstanding Options	Weighted Average Remaining Contractual Term (years)	Weighted Average Exercise Price (\$)	Outstanding Options Exercisable	Weighted Average Remaining Contractual Term Exercisable (years)	Weighted Average Exercise Price Exercisable (\$)
\$0.41 to \$0.50	620,000	4.2	0.48	110,000	4.1	0.49
\$0.51 to \$0.60	3,285,000	3.9	0.52	888,750	3.8	0.52
\$0.61 to \$0.70	350,000	1.7	0.65	306,250	1.7	0.65
\$0.71 to \$0.80	1,830,000	2.4	0.80	1,091,250	2.4	0.80
\$0.81 to \$5.44	1,405,000	1.4	0.92	1,080,000	1.3	0.93
	7,490,000	3.0	0.67	3,476,250	2.4	0.74

b) Warrants

The Company issued warrants to directors of the Company. All outstanding warrants expired on June 12, 2016. The following table summarizes the changes in the warrants outstanding:

Warrants	Number	Weighted Average Exercise Price (\$)
Outstanding, December 31, 2015	1,146,226	1.20
Expired	(1,146,226)	1.20
Outstanding and exercisable, September 30, 2016	-	-

c) Stock-based compensation expense

The Company recorded stock-based compensation expense (net of capitalization) for the three and nine month periods ended September 30, 2016 of \$0.1 million and \$0.4 million (2015 - \$0.2 million and \$0.8 million). Capitalized stock-based compensation in the amount of \$11 thousand and \$29 thousand was included in property, plant and equipment for the three and nine month periods ended September 30, 2016 (2015 - \$0.1 million and \$0.3 million).

The Company did not grant any stock options in the three and nine month periods ended September 30, 2016.

NOTES TO THE FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2016 and 2015
(Unaudited; in thousands of Canadian dollars, unless otherwise noted)

11. SUPPLEMENTAL CASH FLOWS INFORMATION

Changes in non-cash working capital is comprised of:

	Three months ended, September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Source/(use) of cash:				
Accounts receivable	(160)	1,958	1,591	4,241
Prepaid and other expenses	(588)	208	206	(156)
Accounts payable and accrued liabilities	210	1,164	(659)	(7,740)
Changes in non-cash working capital	(538)	3,330	1,138	(3,655)
Related to operating activities	(279)	3,242	1,058	3,148
Related to investing activities	(259)	88	81	(6,803)
Changes in non-cash working capital	(538)	3,330	1,139	(3,655)
Cash interest paid	1,003	506	2,370	1,399

12. COMMITMENTS

- a) On August 19, 2015 Marquee completed a facility arrangement with a third party under which the Company received \$15.0 million in cash, before transaction costs, in exchange for the sale of a gas plant. Pursuant to the arrangement, the Company has been contracted by the purchaser to operate the facility over a 7.5 year term and will continue to process gas from certain producing properties. Marquee will pay the purchaser an annual facility tariff fee of \$2.3 million for the life of the agreement, but retain all third party processing revenues generated.
- b) On December 22, 2015, the Company issued 2,824,967 flow-through shares at \$0.60 for total proceeds of \$1.7 million and associated share issue costs of \$0.1 million. The Company committed to incur qualifying expenditures by December 31, 2016.
- c) The Company has lease commitments for office premises that expire in 2020. Future minimum lease payments, including operating costs, are as follows:

	Amount (\$)
Less than one year	258
Between one and five years	1,147
	1,405