# United Hunter Oil & Gas Corp.

## Condensed Interim Consolidated Financial Statements
## June 30, 2012
**(expressed in US dollars)**
**(unaudited)**

**Management's Comments on Unaudited Interim Consolidated Financial Statements**

These unaudited condensed interim consolidated financial statements of United Hunter Oil & Gas Corp. (the "Company") have been prepared by management and approved by the Board of Directors of the Company.

These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

# United Hunter Oil & Gas Corp.
## Consolidated Statements of Financial Position

(expressed in US dollars)
(unaudited)

| | Notes | As at June 30, 2012 $ | As at December 31, 2011 $ |
|---|---|---|---|
| **Assets** | | | |
| Current | | | |
| Cash and cash equivalents | | 75,588 | 413,967 |
| Accounts receivable | | 85,864 | 118,587 |
| Prepaid expenses | | 149,140 | 145,015 |
| | | 310,592 | 677,569 |
| Exploration and evaluation | 2 and 4 | 4,760,886 | 4,745,297 |
| Property, plant and equipment | 5 | 417,776 | 717,879 |
| | | 5,489,254 | 6,140,745 |
| **Liabilities** | | | |
| Current | | | |
| Accounts payable and accrued liabilities | | 275,402 | 347,021 |
| Due to joint venture partner | | - | 25,507 |
| Consideration payable | 6 | 800,000 | 800,000 |
| | | 1,075,402 | 1,172,528 |
| Decommissioning liabilities | | 52,690 | 52,749 |
| | | 1,128,092 | 1,225,277 |
| **Shareholders' equity** | | | |
| Share capital | 7 | 7,923,357 | 7,519,574 |
| Warrants | 7 | - | 403,783 |
| Contributed surplus | | 2,079,125 | 1,959,250 |
| Deficit | | (5,641,320) | (4,967,139) |
| | | 4,361,162 | 4,915,468 |
| | | 5,489,254 | 6,140,745 |

Going-concern 2

**Approved by the Board:**

Arthur Halleran — **Director**

Daniel Bloch — **Director**

**United Hunter Oil & Gas Corp.**
# Consolidated Statements of Loss and Comprehensive Loss
(expressed in US dollars)
(unaudited)

| | Notes | 3 months ended June 30, 2012 | 3 months ended June 30, 2011 | 6 months ended June 30, 2012 | 6 months ended June 30, 2011 |
|---|---|---|---|---|---|
| | | $ | $ | $ | $ |
| **Revenues** | | | | | |
| Oil sales | | 207,247 | 68,640 | 434,174 | 110,332 |
| Royalties | | 8,684 | - | 8,684 | - |
| Net revenues | | 198,564 | 68,640 | 425,491 | 110,332 |
| Gain on revaluation of warrant liablility | | - | 335,676 | - | 12,506 |
| Foreign exchange loss | | (2,785) | 13,199 | 3,143 | 106,478 |
| Interest income | | 3 | 5,635 | 345 | 78,436 |
| | | 195,782 | 423,150 | 428,979 | 307,752 |
| **Expenses** | | | | | |
| Operating and transportation | | 39,704 | 148,513 | 128,650 | 187,429 |
| Depletion | 6 | 161,567 | 34,824 | 308,108 | 57,335 |
| Impairment losses | 6 | - | - | 10,119 | - |
| Professional fees | | 69,377 | 58,197 | 88,130 | 84,125 |
| Management fees | | - | 24,375 | - | 48,750 |
| Salaries | | 119,665 | 126,009 | 260,813 | 285,629 |
| Consulting fees | | 11,882 | 42,349 | 23,870 | 161,164 |
| Share-based compensation | | 53,472 | 118,860 | 119,875 | 259,855 |
| Premises | | (4,066) | 10,003 | 1,170 | 31,885 |
| General and administrative | | 4,963 | 12,251 | 12,063 | 26,078 |
| Public company costs | | 9,204 | 8,448 | 18,877 | 17,324 |
| Investor relations | | 15,102 | 39,286 | 27,049 | 110,360 |
| Travel | | 6,426 | 16,587 | 24,030 | 32,014 |
| Permitting | | 26,820 | 28,170 | 59,046 | 28,170 |
| Loss (gain) on reduction in interest in joint | 6 | (22,639) | - | 21,361 | - |
| | | 491,477 | 667,872 | 1,103,160 | 1,330,119 |
| **Loss and comprehensive loss before income taxes** | | (295,695) | (244,722) | (674,181) | (1,022,367) |
| Deferred income tax reduction | | - | 30,815 | - | 61,312 |
| **Net loss and comprehensive loss** | | (295,695) | (213,907) | (674,181) | (961,055) |
| **Basic and diluted loss per share** | | - | - | (0.01) | (0.01) |
| **Weighted average number of shares outstanding - basic and diluted** | | 120,302,722 | 120,302,722 | 120,302,722 | 120,302,722 |

See accompanying notes to consolidated financial statements

# United Hunter Oil & Gas Corp.
# Consolidated Statements of Changes in Equity

(expressed in US dollars)
(unaudited)

| | Share capital $ | Warrants $ | Contributed surplus $ | Deficit $ | Total $ |
|---|---|---|---|---|---|
| **Balance, December 31, 2011** | 7,519,574 | 403,783 | 1,959,250 | (4,967,139) | 4,915,468 |
| Share-based compensation | - | - | 119,875 | - | 119,875 |
| Warrants expired | 403,783 | (403,783) | - | - | - |
| Loss | - | - | - | (674,181) | (674,181) |
| **Balance, June 30, 2012** | 7,923,357 | - | 2,079,125 | (5,641,320) | 4,361,162 |
| | | | | | |
| **Balance, December 31, 2010** | 7,519,574 | - | 1,593,489 | (1,671,226) | 7,441,837 |
| Share-based compensation | - | - | 259,855 | - | 259,855 |
| Loss | - | - | - | (961,055) | (961,055) |
| **Balance, June 30, 2011** | 7,519,574 | - | 1,853,344 | (2,632,281) | 6,740,637 |

See accompanying notes to consolidated financial statements

# United Hunter Oil & Gas Corp.
# Consolidated Statements of Cash Flows
(expressed in US dollars)
(unaudited)

| | 6 months ended June 30, | |
|---|---|---|
| | 2012 | 2011 |
| | $ | $ |
| **Cash flow from operating activities** | | |
| Loss | (674,181) | (961,055) |
| Items not affecting cash | | |
| Depletion | 308,108 | 57,335 |
| Share-based compensation | 119,875 | 259,855 |
| Loss on reduction in interest in joint | 21,361 | - |
| Gain on revaluation of warrant liablility | - | (106,478) |
| Deferred income tax reduction | - | (61,312) |
| Changes in non-cash working capital | | |
| Accounts receivable | 32,723 | (11,693) |
| Due to joint venture partner | (25,507) | 92,207 |
| Prepaid expenses | (4,125) | (125,464) |
| Accounts payable and accrued liabilities | (71,660) | (599,635) |
| | (293,405) | (1,456,239) |
| **Cash flow from investing activities** | | |
| Exploration and evaluation expenditures | (36,950) | (586,508) |
| Property, plant and equipment | (8,024) | - |
| | (44,973) | (586,508) |
| **Net change in cash and cash equivalents** | (338,378) | (2,042,747) |
| **Cash and cash equivalents, beginning of period** | 413,967 | 3,641,755 |
| **Cash and cash equivalents, end of period** | 75,588 | 1,599,008 |
| **Cash and cash equivalents consist of the following:** | | |
| Cash | 75,588 | 233,365 |
| Short-term investments | - | 1,365,643 |
| | 75,588 | 1,599,008 |
| **Supplementary information** | | |
| Interest paid | - | - |
| Income taxes paid | - | - |

See accompanying notes to consolidated financial statements

**1. Nature of operations**

United Hunter Oil & Gas Corp. (the "Company") is a public company engaged in the exploration and development of oil and gas properties. The Company owns a 65% indirect joint venture interest in Excelaron, LLC ("Excelaron"), an exploration stage company based in San Luis Obispo, California; a 25% joint venture interest in Alamo Creek Oil LLC ("Alamo"), an exploration stage company based in San Luis Obispo, California; and interests in oil and gas properties in Alberta.

The Company was incorporated under the Business Corporations Act of Ontario on February 22, 2008 and its registered office is located at 181 Bay Street, Suite 1800, Toronto, ON M5J 2T9.

**2. Going concern**

These interim financial statements were prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has financed its operations through the issue of equity. At June 30, 2012, the Company had a working capital deficit of $764,810 (December 31, 2011 - $494,959) and for the 6 months ended June 30, 2012, the Company incurred losses of $674,181 (2011 - $961,055) and negative cash flows from operations of $293,405 (2011 - $1,456,239). The working capital deficiency and losses limit the Company's ability to fund operations and the exploration and development of oil and gas properties. In addition, there is uncertainty whether the Company will secure conditional use permits for its planned exploration and development of the Huasna property. At a hearing held on August 21, 2012, the San Luis County Board of Supervisors denied the Company's application for conditional use permits. In the event the conditional use permits are secured, the Company is committed to make a payment of $800,000. As a result, there is significant doubt about the Company's ability to continue as a going concern.

The continuation of the Company as a going concern is dependent on completing an equity financing and securing conditional use permits for its Huasna property. The Company will work to raise the necessary financing and secure the conditional use permits, but the outcome of these efforts cannot be predicted at this time.

These interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate.

**3. Basis of presentation**

**Statement of compliance**
These interim financial statements are prepared in accordance with IAS 34, *Interim Financial Reporting*, using accounting policies consistent with IFRS.

The policies applied in these interim financial statements are based on IFRS issued and outstanding as of June 30, 2012. Any subsequent changes to IFRS that are reflected in the annual financial statements for the year ending December 31, 2012 could result in the restatement of these interim financial statements.

These interim financial statements do not include certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2011.

The interim financial statements were approved and authorized for issue by the Board of Directors on August 27, 2012.

**New standards and interpretations not yet adopted**
The following new standards, amendments to standards and interpretations are effective for periods beginning on or after January 1, 2013:

*IFRS 10, Consolidation ("IFRS 10")*
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

*IFRS 11, Joint Arrangements ("IFRS 11")*
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

*IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")*
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off-balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

*IFRS 13, Fair Value Measurement ("IFRS 13")*
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement.

Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

*Amendments to other standards*
In addition, there have been amendments to existing standards, including IAS 27, Separate Financial Statements (IAS 27), and IAS 28, Investments in Associates and Joint Ventures (IAS 28). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10-13.

The following amendment to standards and interpretations is effective for periods beginning on or after January 1, 2015:

*IFRS 9, Financial Instruments ("IFRS 9")*
IFRS 9 addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments - Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

*Effect of new standards*
IFRS 9, IFRS 10, IFRS 11 and IFRS 12 are expected to have an effect on the consolidated financial statements of the Company. The Company has not determined the extent of the impact of these standards and does not plan to early adopt these new standards.

## 4. Exploration and evaluation

| | Huasna<br>$ | Porter Ranch<br>$ | Total<br>$ |
|---|---|---|---|
| Balance, December 31, 2011 | 4,688,437 | 56,860 | 4,745,297 |
| Additions | – | 36,950 | 36,950 |
| Loss due to reduction in joint venture interest | – | (21,361) | (21,361) |
| Balance, June 30, 2012 | 4,688,437 | 72,449 | 4,760,886 |

Exploration and evaluation consists of the Company's exploration projects which are pending the determination of proved or probable reserves. Additions represent the Company's share of costs incurred on exploration and evaluation during the period.

**Huasna**

At a hearing held on August 21, 2012, the San Luis County Board of Supervisors denied the Company's application for conditional use permits for its planned exploration and development of Huasna. The Company is reviewing its strategic options with respect to Huasna.

**Porter Ranch**

Effective March 31, 2012, the Company declined to pay its share of a cash call and its joint venture interest in Alamo was reduced from 45% to 25% and the Company recorded a loss of $21,361 on the reduction of its interest in Porter Ranch.

## 5. Property, plant and equipment

**Cost**

| | $ |
|---|---|
| Balance, December 31, 2011 | 1,663,851 |
| Additions | 8,024 |
| Balance, June 30, 2012 | 1,671,875 |

**Accumulated depletion and impairment losses**

| | $ |
|---|---|
| Balance, December 31, 2011 | 945,990 |
| Depletion | 308,109 |
| Balance, June 30, 2012 | 1,254,099 |

**Carrying amount**

| | $ |
|---|---|
| At June 30, 2012 | 417,776 |

## 6. Consideration payable

Pursuant to its acquisition of Excelaron, the Company is committed to pay US$800,000 when Excelaron secures its permits for its planned operations on its oil and gas properties. In the event that Excelaron does not secure such permits or the Company does not pay the US$800,000, the Company's 65% Membership Interest in Excelaron will be reduced to a 40% Membership Interest.

## 7. Share capital

**Authorized**

An unlimited number of common shares
Unlimited number of preference shares, issuable in series.

**Outstanding**

| | Number of shares | Amount $ |
|---|---|---|
| Balance, December 31, 2011 and June 30, 2012 | 120,302,722 | 7,519,574 |
| Fair value of warrants expired | – | 403,783 |
| Balance, December 31, 2011 and June 30, 2012 | 120,302,722 | 7,923,357 |

**Warrants**
A summary of the Company's warrants is presented below:

| | Number of warrants | Weighted-average exercise price C$ | Amount $ |
|---|---|---|---|
| Balance, December 31, 2011 | 33,525,000 | 0.38 | 403,783 |
| Expired | 3,600,000 | 0.20 | (403,783) |
| Balance, June 30, 2012 | 29,925,000 | 0.40 | – |

A summary of the Company's outstanding warrants at June 30, 2012 is presented below:

| Exercise price | Number of warrants | Expiry date |
|---|---|---|
| C$0.40 | 29,925,000 | August 31, 2012 |

In the event that the Company's common shares trade at or above C$0.80 for more than 20 consecutive days, the 29,925,000 warrants must be exercised after written notice is provided by the Company or they will expire. On March 23, 2012, the expiry date of the 29,925,000 warrants was extended from April 23, 2012 to August 31, 2012.

**Stock options**
Under its stock option plan, the Company may grant options to its employees to acquire up to 10% of the issued and outstanding common shares at the time of the grant. As at June 30, 2012, there were 12,030,272 common shares available for issuance under the stock option plan.

A summary of the Company's stock options is presented below:

| | Number of options outstanding | Weighted-average exercise price C$ |
|---|---|---|
| Balance, December 31, 2011 and June 30, 2012 | 10,375,000 | 0.15 |
| Options exercisable | 6,991,667 | 0.15 |

A summary of the Company's outstanding stock options at June 30, 2012 is presented below:

| Exercise price | Expiry date | Number of options outstanding | Number of options exercisable |
|---|---|---|---|
| C$0.15 (expired subsequent to June 30, 2012) | July 28, 2012 | 1,000,000 | 666,666 |
| C$0.15 | May 12, 2015 | 6,350,000 | 4,233,334 |
| C$0.15 | July 20, 2015 | 1,000,000 | 1,000,000 |
| C$0.15 | August 31, 2015 | 425,000 | 141,667 |
| C$0.15 | January 18, 2016 | 650,000 | 433,333 |
| C$0.15 | May 5, 2016 | 600,000 | 400,000 |
| C$0.15 | September 19, 2016 | 350,000 | 116,667 |
| | | 10,375,000 | 6,991,667 |

The weighted average remaining contractual life of outstanding stock options is 3.04 years.

## 8. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

*Cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and consideration payable*
The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and consideration payable are estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. At June 30, 2012, the fair value of these balances approximated their carrying value due to their short term to maturity.

*Exploration and evaluation and property, plant and equipment*
The Company estimated the VIU to determine the recoverable amounts of the Company's CGUs for impairment testing based on consideration of the following:

- net present value of proved plus probable reserves using a pre-tax discount rate of 10% as determined by independent qualified reserves evaluators;
- management's estimate of the fair value of undeveloped land; and
- a review of the values indicated by the metrics of recent market transactions of similar assets within the oil and gas industry.

The market value of other items of exploration and evaluation and property, plant and equipment is based on the quoted market prices for similar items.

*Share-based payments*
Share-based payments are measured using a Black-Scholes option pricing model. Measurement inputs include share price on grant date, exercise price, expected volatility (based on historical volatility of securities of comparable companies), weighted average expected life and forfeiture rate (both based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds).

*Classification of fair value of financial instruments*
The Company classified the fair value of its financial instruments measured at fair value according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 - quoted prices in active markets for identical assets and liabilities;
- Level 2 - inputs, other than the quoted prices included in 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

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and consideration payable approximate fair value due to their short-term nature.

## 9. Financial risk management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

***Credit risk***

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's cash balances and receivables. The maximum exposure to credit risk is equal to the balances of cash and cash equivalents.

The Company's limits its exposure to credit risk on its cash and cash equivalents by holding its cash balances in deposits with a high credit quality Canadian chartered bank.

***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet is liabilities as they come due. The amounts for accounts payable and accrued liabilities and consideration payable are due in less than one year.

***Market risk***

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates, and interest rates will affect the Company's income or the value of its financial instruments.

*Equity price risk*

Equity risk arises from the effect of changes in the market value of the Company's common shares on the determination of fair value of the warrant liability as calculated using the Black-Scholes option pricing model.

*Currency risk*

Currency risk arises from the Company's financial instruments and purchases that are denominated in a currency other than the US dollar, the Company's functional currency. As at June 30, 2012, the Company had the following monetary assets and liabilities denominated in Canadian dollars:

| | **C$** |
|---|---:|
| **Assets** | |
| Cash and cash equivalents | 55,188 |
| Accounts receivable | 86,620 |
| | 141,807 |
| **Liabilities** | |
| Accounts payable and accrued liabilities | 133,153 |
| | 8,654 |

As at June 30, 2012, a 5% change in the exchange rate between the US dollar and Canadian dollar would have resulted in an impact on operations of $433.

*Interest rate risk*

The Company's exposure to interest rate risk is limited due to the short-term nature of its financial instruments.

*Capital management*
Capital of the Company consists of share capital, warrants, contributed surplus and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can acquire, explore and develop oil and gas properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's principal source of capital is from the issue of common shares. In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

## 10. Related party transactions

| | 6 months ended June 30, | |
|---|---|---|
| | **2012** | **2011** |
| | **$** | **$** |
| **Royalties** | | |
| Payable to 2 directors | 8,684 | – |
| **Legal fees** | | |
| Payable to a firm, of which, a director is a partner | 40,154 | – |
| **Rent** | | |
| Paid to a company controlled by a director for office premises | – | 12,648 |
| Paid to a company controlled by an officer for office premises | – | 7,050 |
| **Salaries** | | |
| Paid to a person related to a director for administration services | 20,886 | 2,535 |
| **Office** | | |
| Paid to a company controlled by an officer for office services | – | 2,525 |

These transactions were in the normal course of business.

**Compensation of key management personnel**
The Company considers its directors and officers to be key management personnel. Transactions with key management personnel are set out as follows:

| | 6 months ended June 30, | |
|---|---|---|
| | **2012** | **2011** |
| | **$** | **$** |
| Salaries | 221,093 | 239,576 |
| Share-based payments, representing amortization of share-based compensation | 85,226 | 190,574 |
| | 306,319 | 430,150 |