NORTH BAY RESOURCES INC.
UNAUDITED CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2016 AND DECEMBER 31, 2015

	Mar 31, 2016	Dec 31, 2015
ASSETS		
Current Assets		
Cash	$ 6,946	$ 4,784
Accounts Receivable	-	-
Deferred Financing Costs, net	-	3,151
Available For Sale Securities	-	72,821
Total Current Assets	6,946	80,756
Other Assets		
Certificates of Deposit - Pledged	173,590	173,512
Prepaid Expenses	36,920	36,920
Mining Claims – Unproved	1,795,778	1,795,778
Property, Plant & Equipment, net of accumulated depreciation	388,278	413,358
Reclamation Bond – Fraser River	5,000	5,000
Total Other Assets	2,399,566	2,424,568
TOTAL ASSETS	$ 2,406,512	$ 2,505,324
LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)		
Liabilities		
Current Liabilities		
Accounts Payable	$ 125,456	$ 132,456
Accrued Expenses - Related Party	1,150,624	1,120,624
Accrued Interest	405,592	379,807
Convertible notes payable (net of discounts of $0 and $166,985, respectively)	1,688,264	1,525,279
Derivative Liabilities – Convertible Debt	-	693,325
Note Payable – Ruby Mine Mortgage	1,697,055	1,697,055
Note Payable - Equipment	3,373	7,761
Total Current Liabilities	5,070,364	5,556,307
Long-Term Liabilities		
Note Payable – Equipment, net of current portion	-	-
Asset Retirement Obligation	5,332	5,256
Total Long-Term Liabilities	5,332	5,256
Total Liabilities	$ 5,075,696	$ 5,561,563
Stockholders' Equity (Deficit)		
Preferred stock, Series I, $0.001 par value, 100 shares authorized, 100 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	-	-
Convertible Preferred stock, Series A, $0.001 par value, 8,000,000 shares authorized, 4,000,000 and 4,000,000 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	4,000	4,000
Common stock, $0.00001 par value, 7,500,000,000 shares authorized, 1,112,057,813 and 1,062,057,813 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	11,121	10,621
Additional Paid-In Capital	17,101,305	16,404,479
Stock Payable	79,648	79,648
Accumulated Deficit	(19,865,258)	(19,554,987)
Total Stockholders' Equity (Deficit)	(2,669,185)	(3,056,239)
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)	$ 2,406,512	$ 2,505,324

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

NORTH BAY RESOURCES INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTH PERIODS ENDING
MARCH 31, 2016 AND 2015

	3 months ended March 31, 2016	3 months ended March 31, 2015
Revenues		
Gross Profit	-	-
Operating Expenses		
General & Administrative Costs	61,343	78,369
Mining Property Costs	4,407	12,203
Depreciation Expense	25,080	25,080
Accretion Expense	76	76
Professional Services	2,500	27,431
Total Operating Expenses	93,406	143,159
Net Operating Loss	(93,406)	(143,159)
Other Income (Expenses)		
Other Income from Mineral Claims	-	100,000
Interest Income	78	78
Interest Expense	(195,921)	(370,415)
Gain/Loss on Derivative Liability	-	775,131
Other Income	-	3,842
Realized Gain (Loss) on Investment	(21,022)	(13,431)
Net Other Income (Expenses)	(216,865)	495,205
Net Income (Loss)	(310,271)	352,046
Net Income (Loss) Attributable to Common Shareholders	(310,271)	352,046
Total Comprehensive Income (Loss)	(310,271)	352,046
WEIGHTED AVG NUMBER OF SHARES OUTSTANDING (Basic)	1,097,057,813	12,240,042
Basic Net Gain (Loss) per Share	**$ 0.00**	**$ 0.03**
WEIGHTED AVG NUMBER OF SHARES OUTSTANDING (Diluted)	1,097,057,813	70,227,730
Diluted Net Gain (Loss) per Share	**$ 0.00**	**$ 0.01**

The accompanying notes are an integral part of these financial statements

NORTH BAY RESOURCES INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE PERIOD JANUARY 1, 2015 THROUGH MARCH 31, 2016

	Preferred Stock				Common Stock						
	Series A Shares	**Series I Shares**	**Series A Amount**	**Series I Amount**	**Common Shares**	**Amount**	**Additional Paid-In Capital**	**Stock Payable**	**Accumulated Deficit**	**Accumulated OCI**	**Total Stockholders' Deficit**
Balance at 12/31/2014	4,000,000	100	$ 4,000	$ -	9,163,491	$ 92	$ 15,891,846	$ 79,648	$ (18,795,552)	$ -	$ (2,819,968)
Common Stock issued for convertible debt conversion	-	-	-	-	1,052,893,800	10,529	177,255	-	-	-	187,784
Common Stock issued for fractional shares	-	-	-	-	522	-	-	-	-	-	-
Settlement of Derivative Liability – Convertible Debt	-	-	-	-	-	-	335,379	-	-	-	335,379
Net income (loss) for period	-	-	-	-	-	-	-	-	(759,435)	-	(759,435)
Balance at 12/31/2015	4,000,000	100	$ 4,000	$ -	1,062,057,813	$ 10,621	$ 16,404,480	$ 79,648	$ (19,554,987)	$ -	$ (3,056,239)
Common Stock issued for convertible debt conversion	-	-	-	-	50,000,000	500	3500	-	-	-	4,000
Settlement of Derivative Liability – Convertible Debt to APIC	-	-	-	-	-	-	693,325	-	-	-	693,325
Net income (loss) for period	-	-	-	-	-	-	-	-	(310,271)	-	(310,271)
Balance at 3/31/2016	4,000,000	100	$ 4,000	$ -	1,112,057,813	$ 11,121	$ 17,101,304	$ 79,648	$ (19,865,258)	$ -	$ (2,669,185)

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

NORTH BAY RESOURCES INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIODS ENDING
MARCH 31, 2016 AND 2015

	3 Months Ended March 31, 2016	3 Months Ended March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	$ (310,271)	$ 352,046
Adjustments to reconcile Net Income (Loss) to net cash provided by (used in) operations:		
Common Stock issued for services	-	-
Amortization of discount on debt	166,985	285,624
Amortization of deferred financing cost	3,151	23,269
Amortization of gold advances discount	-	-
Change in derivative liability	-	(775,131)
Depreciation Expense	25,080	25,080
Accretion Expense	76	76
Changes in operating assets and liabilities:		
Accounts receivable	-	(30,985
Other assets	-	-
Accrued expenses – related party	30,000	46,000
Accrued interest	25,785	61,446
Accrued expenses	-	-
Accounts Payable	-	12,142
Other current assets	-	16,242
Net Cash Provided by (Used in) Operating Activities	(59,194)	15,809
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Fixed Asset Disposal	-	-
Investment received from claim sales	-	(52,887)
Net Cash Provided by/Used in Investing Activities	-	(52,887)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of common stock	-	-
Proceeds from sale of AFS	61,032	-
Cash paid for deferred financing costs	-	-
Advances from shareholder	-	15,000
Debt Repayments	(4,000)	(4,311)
Borrowings on convertible debt	-	12,500
Net Cash Provided by Financing Activities	57,032	23,189
Net cash increase (decrease) for period	2,162	(13,889)
Cash at beginning of period	4,784	32,060
Cash at end of period	**6,946**	**18,171**
Supplementary Cash Flow Information:		
Cash Paid for Interest	$ -	$ 15,000
Cash Paid for Taxes	$ -	$ -
Non-Cash Investing & Financing Activities:		
Revision to Asset Retirement Obligation	$ -	$ 1,708
Common stock issued for conversion of convertible debt	$ 4,000	$ 50,208
Common stock owed for deferred financing costs	$ -	$ 12,800
Debt discount due to derivative liability	$ -	$ 356,908
Settlement of Derivative liability	$ 693,325	$ 36,033
Settlement of gold derivative	$ -	$ 1,667
Interest on Redeemable Common Stock	$ -	$ 14,644

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

NORTH BAY RESOURCES INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 GENERAL ORGANIZATION AND BUSINESS

The Company was incorporated in the State of Delaware on June 18, 2004 under the name Ultimate Jukebox, Inc. On September 4, 2004, Ultimate Jukebox, Inc. merged with NetMusic Corporation, and subsequently changed the Company name to NetMusic Entertainment Corporation. On March 10, 2006, the Company ceased digital media distribution operations, began operations as a natural resources company, and changed the Company name to Enterayon, Inc. On January 15, 2008, the Company merged with and assumed the name of its wholly-owned subsidiary, North Bay Resources Inc. As a result of the merger, Enterayon, Inc. was effectively dissolved, leaving North Bay Resources Inc. as the remaining company.

The Company's business plan is based on the Generative Business Model, which is designed to leverage our mining properties and mineral claims into near-term income streams even during the earliest stages of exploration. This is accomplished by entering into sales, joint-venture, and/or option contracts with other mining companies, for which the Company generates income through payments in cash, stock, and other consideration.

The Generative Business Model is our short term plan to leverage properties until funding is adequate to implement our long term plan. The Company's long term plan is to locate and extract gold and silver from current exploration stage properties. This will be done through utilizing joint-ventures and other funding that is available to develop properties until they reach the production stage. Once in the production stage, the Company plans on extracting gold, silver, and other profitable by-products, and selling them to smelters. The Company has not currently begun this stage of the business plan.

NOTE 2 GOING CONCERN

These consolidated financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has generated modest revenues since inception and has never paid any dividends and is unlikely to pay dividends. The Company has accumulated losses since inception equal to $19,865,258 as of March 31, 2016. These factors raise substantial doubt regarding the ability of the Company to continue as a going concern. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploration of economically recoverable reserves in its resource properties, confirmation of the Company's interests in the underlying properties, and the attainment of profitable operations. The Company has had very little operating history to date. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation. There was no material effect to the consolidated financial statements as result of these reclassifications.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Ruby Gold, Inc. All significant inter-company accounts and transactions have been eliminated in consolidation

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments and other short-term investments with a maturity of three months or less, when purchased, to be cash equivalents. There were no cash equivalents at March 31, 2016 and December 31, 2015. The Company maintains cash and cash equivalent balances at one financial institution that is insured by the Federal Deposit Insurance Corporation up to $250,000.

Reclamation Bonds

The Company holds its reclamation bonds on the Ruby Mine in the form of one-year Certificates of Deposit that automatically rollover annually on their anniversary dates. These funds are held in reserve to guarantee the Company's Asset Retirement Obligation.

Marketable Securities

The Company accounts for its marketable securities, which are available for sale, in accordance with Financial Accounting Standards Board ("FASB") guidance regarding accounting for certain investments in debt and equity securities, which requires that available-for-sale and trading securities be carried at fair value. Unrealized gains and losses deemed to be temporary on available-for-sale securities are reported as other comprehensive income ("OCI") within shareholders' deficit. Realized gains and losses and declines in value deemed to be other than temporary on available-for-sale securities are included in "(Gain) loss on short- and long-term investments" and "Other income" on our statements of operations. Trading gains and losses also are included in "(Gain) loss on short-term and long-term investments." Fair value of the securities is based upon quoted market prices in active markets or estimated fair value when quoted market prices are not available. The cost basis for realized gains and losses on available-for-sale securities is determined on a specific identification basis. We classify our available-for-sale securities as short- or long-term based upon management's intent and ability to hold these investments. In addition, throughout 2009, the FASB issued various authoritative guidance and enhanced disclosures regarding fair value measurements and impairments of securities which helps in determining fair value when the volume and level of activity for the asset or liability have significantly decreased and in identifying transactions that are not orderly.

Revenue Recognition

The company has recognized no mining revenue to date. In the future mining revenue will be recognized according to the policy described below.

Revenue is recognized when the following conditions are met:

(a) persuasive evidence of an arrangement to purchase exists;
(b) the price is fixed or determinable;
(c) the product has been delivered; and
(d) collection of the sales price is reasonably assured.

Under the terms of concentrate sales contracts with third-party smelters, final prices for the gold, silver, zinc, copper and lead in the concentrate are set based on the prevailing spot market metal prices on a specified future date based on the date that the concentrate is delivered to the smelter. The Company records revenues under these contracts based on forward prices at the time of delivery, which is when transfer of legal title to concentrate passes to the third-party smelters. The terms of the contracts result in differences between the recorded estimated price at delivery and the final settlement price. These differences are adjusted through revenue at each subsequent financial statement date.

Mineral Property Costs

Mineral property acquisition costs are capitalized upon acquisition. Mineral property exploration and improvement costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven or probable reserves, the costs incurred to develop and improve such property are capitalized. To date the Company has not established any proven or probable reserves on its mineral properties.

The Company reviews long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the review indicates that the carrying amount of the asset may not be recoverable, the potential impairment is measured based on a projected discounted cash flow method using a discount rate that is considered to be commensurate with the risk inherent in the Company's current business model. For purposes of recognition and measurement of an impairment loss, a long-lived asset is grouped with other assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets.

Purchase Options for Mining Property

Costs associated with acquisitions related to purchase options for mining properties are capitalized when the costs are incurred in accordance with ASC 340.10. The costs are carried at the amount paid and transferred to the appropriate asset account if the option is exercised. If it is determined that the Company will not exercise the option, the option is expensed.

Deferred Gains

Deposits on pending sales of mineral claims are classified as deferred gains until the transaction has been completed.

Asset Retirement Obligation

The FASB standard on accounting for asset retirement obligation requires that the fair value of the liability for asset retirement costs be recognized in an entity's balance sheet, as both a liability and an increase in the carrying values of such assets, in the periods in which such liabilities can be reasonably estimated. The present value of the estimated future asset retirement obligation ("ARO"), as of the date of acquisition or the date at which mining commences is capitalized as part of the costs of mineral assets and recorded with an offsetting liability. The asset retirement costs are depleted over the production life of the mineral assets on a unit-of-production basis.

The ARO is recorded at fair value and accretion expense is recognized as the discounted liability is accreted to its expected settlement value. The fair value of the ARO liability is measured by using expected future cash outflows discounted at the Company's credit adjusted risk free interest rate.

Amounts incurred to settle plugging and abandonment obligations that are either less than or greater than amounts accrued are recorded as a gain or loss in current operations. Revisions to previous estimates, such as the estimated cost to remediate and abandon a mine may require adjustments to the ARO and are capitalized as part of the costs of mineral assets.

Income Taxes

The Company utilizes the liability method of accounting for income taxes. Under the liability method, deferred tax assets and liabilities are determined based on the differences between the financial reporting basis and the tax basis of the assets and liabilities, and are measured using enacted tax rates that will be in effect when the differences are expected to reverse.

The Company adopted the provisions of the FASB interpretation related to accounting for uncertainty in income taxes, which seeks to reduce the diversity in practice associated with the accounting and reporting for uncertainty in income tax positions. The Company believes it does not have any uncertain tax positions taken or expected to be taken in its income tax returns.

Fair Value of Financial Instruments

The Company adopted the FASB standard related to fair value measurement at inception. The standard defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The standard applies under other accounting pronouncements that require or permit fair value measurements and, accordingly, does not require any new fair value measurements. The standard clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the standard established a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows.

Level 1. Observable inputs such as quoted prices in active markets;

Level 2. Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Stock Based Compensation

Beginning January 1, 2006, the Company adopted the FASB standard related to stock based compensation. The standard requires all share-based payments to employees (which includes non-employee Directors), including employee stock options, warrants and restricted stock, be measured at the fair value of the award and expensed over the requisite service period (generally the vesting period). The fair value of common stock options or warrants granted to employees is estimated at the date of grant using the

Black-Scholes option pricing model by using the historical volatility of the Company. The calculation also takes into account the common stock fair market value at the grant date, the exercise price, the expected life of the common stock option or warrant, the dividend yield and the risk-free interest rate.

The Company from time to time may issue stock options, warrants and restricted stock to acquire goods or services from third parties. Restricted stock, options or warrants issued to other than employees or directors are recorded on the basis of their fair value, which is measured as of the date required by the Emerging Issues Task Force guidance related to accounting for equity instruments issued to non-employees. In accordance with this guidance, the options or warrants are valued using the Black-Scholes option pricing model on the basis of the market price of the underlying equity instrument on the "valuation date," which for options and warrants related to contracts that have substantial disincentives to non-performance, is the date of the contract, and for all other contracts is the vesting date. Expense related to the options and warrants is recognized on a straight-line basis over the shorter of the period over which services are to be received or the vesting period. As of March 31, 2016 and December 31, 2015, no options or warrants related to compensation have been issued, and none are outstanding.

Beneficial Conversion Feature

From time to time, the Company may issue convertible notes that may have conversion prices that create an embedded beneficial conversion feature pursuant to the Emerging Issues Task Force guidance on beneficial conversion features. A beneficial conversion feature exists on the date a convertible note is issued when the fair value of the underlying common stock to which the note is convertible into is in excess of the remaining unallocated proceeds of the note after first considering the allocation of a portion of the note proceeds to the fair value of any attached equity instruments, if any related equity instruments were granted with the debt. In accordance with this guidance, the intrinsic value of the beneficial conversion feature is recorded as a debt discount with a corresponding amount to additional paid in capital. The debt discount is amortized to interest expense over the life of the note using the effective interest method.

Deferred Financing Costs

Deferred financing costs include debt issuance costs primarily incurred by the Company as part of Convertible Note transactions. These amounts are capitalized to Deferred Financing Costs and amortized over the term of the note. Amortization is provided on a straight-line basis over the terms of the respective debt instruments to which the costs relate and is included in interest expense. The difference between the straight line and effective interest methods is immaterial due to the short term nature of the convertible notes.

Accounting for Derivative Instruments

All derivatives have been recorded on the balance sheet at fair value based on the lattice model calculation. These derivatives, including embedded derivatives in the Company's convertible notes which have floating conversion prices based on changes to the quoted price of the Company's common stock and common stock equivalents tainted as a result of the derivative, are separately valued and accounted for on the Company's balance sheet. Fair values for exchange traded securities and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market based pricing models incorporating readily observable market data and requiring judgment and estimates.

Lattice Valuation Model

The Company valued the conversion features in their convertible notes and tainted warrants using a lattice valuation model, with the assistance of a valuation consultant. The lattice model values these instruments based on a probability weighted discounted cash flow model. The Company uses the model to develop a set of potential scenarios. Probabilities of each scenario occurring during the remaining term of the instruments are determined based on conversion prices relative to current stock prices, historic volatility, and estimates on investor behavior. These probabilities are used to create a cash flow projection over the term of the instruments and determine the probability that the projected cash flow will be achieved. A discounted weighted average cash flow for each scenario is then calculated and compared to the discounted cash flow of the instruments without the compound embedded derivative in order to determine a value for the compound embedded derivative.

Income/Loss Per Share of Common Stock

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share includes additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for the periods presented. As of March 31, 2016 and 2015, there were 57,987,688 and 57,987,688 common stock equivalents outstanding, respectively.

The following is a reconciliation of the computation for basic and diluted EPS for the three months ended March 31, 2016 and 2015, respectively:

	March 31, 2016	March 30, 2015
Net Income (Loss) attributable to common shareholders	$ (310,271)	$ 352,046
Weighted-average common shares Outstanding (Basic)	1,097,057,813	12,240,042
Weighted-average common stock Equivalents	57,987,688	57,987,688
Deduction of stock Equivalents not included due to net loss	(57,987,688)	-
Weighted-average common shares Outstanding (Diluted)	1,097,057,813	70,227,730
Basic Net Income (Loss) per Share	$ (0.00)	$ 0.03
Diluted Net Income (Loss) per Share	$ (0.00)	$ 0.01

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment is depreciated using the straight-line method over the estimated useful life of the asset - periods of approximately 18-28 years for buildings, 3-10 years for machinery and equipment and 3- 5 years for vehicles. Long-lived assets are reviewed for impairment whenever in management's judgment conditions indicate a possible loss. Such impairment tests compare estimated undiscounted cash flows to the recorded value of the asset. If an impairment is indicated, the asset is written down to its fair value or, if fair value is not readily determinable, an estimated fair value is used based on discounted cash flows. Fully depreciated assets are retained in property, plant and equipment and accumulated depreciation accounts until they are removed from service. In case of disposals of assets, the assets and related accumulated depreciation are removed from the accounts, and the net amounts after proceeds from disposal are credited or charged to income.

Recently Issued Accounting Standards

On November 2014, The Financial Accounting Standards Board (FASB) issued Accounting Standard Update No. 2014-16—Derivatives and Hedging (Topic 815): Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity (a consensus of the FASB Emerging Issues Task Force). The amendments in this Update do not change the current criteria in GAAP for determining when separation of certain embedded derivative features in a hybrid financial instrument is required. That is, an entity will continue to evaluate whether the economic characteristics and risks of the embedded derivative feature are clearly and closely related to those of the host contract, among other relevant criteria. The amendments clarify how current GAAP should be interpreted in evaluating the economic characteristics and risks of a host contract in a hybrid financial instrument that is issued in the form of a share. The effects of initially adopting the amendments in this Update should be applied on a modified retrospective basis to existing hybrid financial instruments issued in the form of a share as of the beginning of the fiscal year for which the amendments are effective. Retrospective application is permitted to all relevant prior periods.

On November 2014, The Financial Accounting Standards Board (FASB) issued Accounting Standard Update No. 2014-17—Business Combinations (Topic 805): Pushdown Accounting (a consensus of the FASB Emerging Issues Task Force). The amendments in this Update provide an acquired entity with an option to apply pushdown accounting in its separate financial statements upon occurrence of an event in which an acquirer obtains control of the acquired entity. The amendments in this Update are effective on November 18, 2014. After the effective date, an acquired entity can make an election to apply the guidance to future change-in-control events or to its most recent change-in-control event. However, if the financial statements for the period in which the most recent change-in-control event occurred already have been issued or made available to be issued, the application of this guidance would be a change in accounting principle.

On August 2014, The Financial Accounting Standards Board (FASB) issued Accounting Standard Update No. 2014-15, Presentation of Financial Statements – Going Concerns (Subtopic 205-40): Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern. The amendments require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term substantial doubt, (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management's plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). The amendments in this Update are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early application is permitted.

In June 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-12, Compensation – Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period. The new guidance requires that share-based compensation that require a specific performance target to be achieved in order for employees to become eligible to vest in the awards and that could be achieved after an employee completes the requisite service period be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant-date fair value of the award. Compensation costs should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the period(s) for which the requisite service has already been rendered. If the performance target becomes probable of being achieved before the end of the requisite service period, the remaining unrecognized compensation cost should be recognized prospectively over the remaining requisite service period. The total amount of compensation cost recognized during and after the requisite service period should reflect the number of awards that are expected to vest and should be adjusted to reflect those awards that ultimately vest. The requisite service period ends when the employee can cease rendering service and still be eligible to vest in the award if the performance target is achieved. This new guidance is effective for fiscal years and interim periods within those years beginning after December 15, 2015. Early adoption is permitted. Entities may apply the amendments in this Update either (a) prospectively to all awards granted or modified after the effective date or (b) retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. The adoption of ASU 2014-12 is not expected to have a material impact on our financial position or results of operations.

In June 2014, the FASB issued ASU No. 2014-10: Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation , to improve financial reporting by reducing the cost and complexity associated with the incremental reporting requirements of development stage entities. The amendments in this update remove all incremental financial reporting requirements from U.S. GAAP for development stage entities, thereby improving financial reporting by eliminating the cost and complexity associated with providing that information. The amendments in this Update also eliminate an exception provided to development stage entities in Topic 810, Consolidation, for determining whether an entity is a variable interest entity on the basis of the amount of investment equity that is at risk. The amendments to eliminate that exception simplify U.S. GAAP by reducing avoidable complexity in existing accounting literature and improve the relevance of information provided to financial statement users by requiring the application of the same consolidation guidance by all reporting entities. The elimination of the exception may change the consolidation analysis, consolidation decision, and disclosure requirements for a reporting entity that has an interest in an entity in the development stage. The amendments related to the elimination of inception-to-date information and the other remaining disclosure requirements of Topic 915 should be applied retrospectively except for the clarification to Topic 275, which shall be applied prospectively. For public companies, those amendments are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. Early adoption is permitted. The adoption of ASU 2014-10 is not expected to have a material impact on our financial position or results of operations.

NOTE 4 AVAILABLE FOR SALE SECURITIES

On October 24, 2012, the Company entered into an agreement on its Willa property with Caribou King Resources Ltd. ("Caribou", or "CKR"), a Canadian issuer listed on the TSX Venture Exchange. Under the terms of Agreement, Caribou may earn up to a 100% interest in the Willa Claims by making aggregate payments to North Bay of USD $232,500 in cash and issuing 1,000,000 shares of Caribou common stock. Of the aggregate payments, $7,500 in cash and 500,000 shares are due upon receipt of regulatory acceptance of the agreement by the TSX Venture Exchange. Subsequent to TSX approval in November, 2012, and pursuant to the agreement, the Company received 500,000 shares of CKR stock. These shares were valued at $25,050 based upon the closing price of CKR stock on the date the shares were issued. As of December 31, 2013 and 2014, the market value of these shares was $22,500 and $200, respectively. This resulted in an unrealized loss of $2,500 for the year ended December 31, 2014, and a realized loss of $22,300 for the year ended December 31, 2015.

On July 18, 2014, the Company executed a mineral property option agreement (the "Agreement") with Ximen Mining Corp. ("Ximen"), a Canadian issuer listed on the TSX Venture Exchange, pursuant to which Ximen may earn up to a 100% interest in the Company's "Brett West" and "Bouleau Creek" mineral claims (the "Brett West Claims") in southeastern British Columbia. Under the terms of Agreement, Ximen may earn up to a 100% interest in the Brett West Claims by making aggregate payments to North Bay of USD $600,000, consisting of $300,000 in cash and issuing $300,000 in shares of Ximen common stock. Of the aggregate payments, $100,000 in cash and $100,000 in stock are due upon receipt of regulatory acceptance of the agreement by the TSX Venture Exchange, and equal payments of $50,000 cash and $50,000 in shares of Ximen stock are each due upon the 1st, 2nd, 3rd, and 4th 6-month anniversaries of the Agreement. Subsequent to TSX approval on September 5, 2014, and pursuant to the agreement, as of December 31, 2015, the Company received $98,484 of the $100,000 cash consideration due on closing, and received the $1,515 balance due subsequent to December 31, 2015, which was accounted for as accounts receivable as of December 31, 2015. As of December 31, 2015 the Company also received 217,391 shares of Ximen stock. These shares were valued at $100,000 based upon the closing price of Ximen stock on the date the shares were issued. As of March 31, 2016, the Company received $86,579 of the $50,000 cash consideration due on the 1st and 2nd 6 month anniversaries, and there is a $13,421 balance due as of March 31, 2016, which was accounted for as accounts receivable. As of March 31, 2016 the Company also received 1,801,777 additional shares of Ximen stock on the 1st and 2nd 6 month anniversaries of the Agreement. These shares were valued at $105,755 based upon the closing price of Ximen stock on the date the shares were granted. The loss was $68,794 for the year ended December 31, 2015. As of March 31, 2016 all Ximen shares have been sold for a net gain of $61,032.

NOTE 5 RUBY MINE ACQUISITION

On September 27, 2010, the Company executed an option-to-purchase agreement with Ruby Development Company ("RDC"), a California partnership, for the acquisition of the Ruby Mine (the "Ruby") in Sierra County, California. The purchase price is $2,500,000.

On June 1, 2011, the Company exercised its option to purchase the Ruby Mine and made a final option payment of $85,000 to open escrow. On July 1, 2011, escrow was closed and the acquisition of the Ruby Mine was completed. During the preceding option period and as of the closing date, the Company has made payments totaling $510,000 to RDC, consisting of $360,000 cash and 50,000 shares of common stock valued at $150,000. These payments were credited towards the purchase price, thereby reducing the outstanding principal due to $1,990,000. The mortgage is to be paid in full by December 30, 2015 pursuant to amendments to the agreement executed on December 12, 2012, March 28, 2013, and November 19, 2013. The seller has also been granted 10 million 5-year warrants exercisable at 2 cents, 2 million 5-year warrants exercisable at 9 cents, 2 million 5-year warrants exercisable at 10 cents, and 4 million 5-year warrants exercisable at 4 cents. Pursuant to the aforementioned amendment dated November 19, 2013, the term of all of the outstanding warrants issued to the seller has been extended to December 30, 2018.

On the transaction closing date of July 1, 2011, the Company issued a promissory note to RDC for $1,990,000 plus 3% interest per annum. The note, as amended, is due on or before December 30, 2015, and currently accrues interest at 8% per annum. As of March 31, 2016 and December 31, 2015, the outstanding balance due on the note is $1,697,055 and $1,697,055, respectively.

Upon the close of the transaction and the transfer of title, as previously set forth in the purchase agreement, the Company acquired all of the real and personal property associated with the Ruby Gold Mine, all of the shares of Ruby Gold, Inc., a private California corporation, and $171,618 in reclamation bonds securing the permits at the Ruby Mine. Subsequent to the close of the transaction, Ruby Gold, Inc. became a wholly-owned subsidiary of North Bay Resources Inc. The Company has also assumed the reclamation liabilities on the Ruby Mine, for which reclamation bonds are pledged. In addition, a $2,500 liability from a pre-existing shareholder loan that was outstanding as of the closing date has been extinguished as of the close of escrow.

All costs related to the acquisition of the property have been capitalized when incurred. All other costs have been expensed when incurred.

As of the date of this report, the Company has defaulted on the Ruby promissory note, and upon surrender of all the shares of Ruby Gold Inc. the Ruby Mine has been forfeited, resulting in a total loss.

NOTE 6 PROPERTY, PLANT, EQUIPMENT AND MINERAL CLAIM ASSETS

As of March 31, 2016 and December 31, 2015, components of property, plant, and equipment and mineral assets were as follows:

	March 31, 2016	December 31, 2015
Buildings	$ 558,885	$ 558,885
Machinery and equipment	137,820	137,820
Vehicles	281,602	281,602
Total property, plant and equipment	978,307	978,307
Less: accumulated impairment (1)	(124,343)	(124,343)
Less: accumulated depreciation(2)	(465,686)	(440,606)
Property, plant and equipment, net	$ 388,278	$ 413,358

	March 31, 2016	December 31, 2015
Mining claims	$ 1,792,660	$ 1,792,660
Asset retirement costs	3,118	3,118
Total mineral claim assets	1,795,778	1,795,778
Less: accumulated depletion(2)	-	-
Mining claims, net	$ 1,795,778	$ 1,795,778

(1) Following the acquisition of the Ruby Mine on July 1, 2011, an evaluation of the equipment inventory determined that some equipment was obsolete and/or otherwise not in compliance with safety regulations, resulting in an impairment deduction of $124,343.

(2) Depreciation expense totaled $25,080 and $25,080 for the three months ended March 31, 2016 and 2015, respectively. Depletion expense totaled $0 and $0 for the three months ended March 31, 2016 and 2015, respectively.

NOTE 7 DEBT

There was no new debt issued in the three month period ended March 31, 2016.

The following table summarizes all of the Convertible Notes outstanding as of March 31, 2016 and December 31, 2015:

	March 31, 2016	December 31, 2015
Mortgage payable – Ruby Mine	$ 1,697,055	$ 1,697,055
Secured note payable with annual interest rate of 8%	3,373	7,761
Discount on note payable	-	-
Net note payable	1,700,428	1,704,816
Convertible notes:		
Secured convertible notes payable with annual interest rate of 10%	241,341	241,341
Unsecured convertible notes payable with annual interest rate of 10%	84,059	84,059
Unsecured convertible notes payable with annual interest rate of 9.9%	250,000	250,000
Unsecured convertible notes payable with annual interest rate of 8%	171,444	171,444
Unsecured convertible notes payable with annual interest rate of 7%	702,896	684,450
Unsecured convertible notes payable with annual interest rate of 6%	10,421	10,421
Unsecured convertible notes payable with annual interest rate of 5%	228,103	250,549
Discount on debt from derivative valuation	-	(166,985)
Total convertible notes	1,688,264	1,525,279
Total Debt	$ 3,388,692	$ 3,230,095

NOTE 8 COMMITMENTS AND CONTINGENCIES

As of March 31, 2016 and December 31, 2015, respectively, the Company does not have any outside commitments, and is not currently leasing any office space. Office space is provided as part of a management agreement with The PAN Network, a private business management and consulting company wholly-owned by the Company's Chief Executive Officer. The agreement is renewable annually at the discretion of both parties. As a result there are no future payments for our lease beyond the current year contract.

NOTE 9 STOCK SPLITS

On February 18, 2005, the Company effected a 4 for 1 forward stock split of our common shares. On March 12, 2006, and on February 7, 2008, the Company effected 1 for 10 reverse stock splits. On February 17, 2015, the Company effected a 1 for 200 reverse stock split. All information presented herein has been retrospectively adjusted to reflect these stock splits as they took place as of the earliest period presented.

NOTE 10 DEFERRED COMPENSATION/NQDC

The Company has adopted an unfunded Non-Qualified Deferred Compensation (NQDC) plan to compensate our Chief Executive Officer. Under this plan, the Company is not required to reserve funds for compensation, and is only obligated to pay compensation when and if funds are available. Any amounts due but unpaid automatically accrue to deferred compensation. The plan has the option to be renewed annually at the discretion of the Company. While unfunded and non-recourse, for compliance with GAAP this is disclosed as an accrued expense on the balance sheet. As of March 31, 2016 and December 31, 2015, the outstanding balance of the NQDC plan is $1,150,624 and $1,120,624, respectively.

NOTE 11 ASSET RETIREMENT OBLIGATIONS

Provisions for site closure and reclamation costs are based principally on legal and regulatory requirements established by various government agencies, principally Sierra County, California, the US Forest Service, and the California Dept. of Conservation Office of Mine Reclamation (OMR). Under current regulations, the Company is required to meet performance standards to minimize the environmental impact from its operations and to perform site restoration and other closure activities at its mining sites. The exact nature of environmental remediation requirements that may be encountered in the future, if any, cannot be predicted with certainty, because environmental requirements currently established by government agencies may change.

The following table illustrates the inputs used to calculate the current Asset Retirement Obligation as of March 31, 2016 and December 31, 2015.

Cost estimate for reclamation work at today's cost	$	172,914
Estimated life of mine (years)		50
Risk adjusted rate (borrowing rate)		9.9%
Estimated inflation rate		2.2%

	Asset Retirement Obligation	
Asset retirement obligation at 12/31/15	$	4,952
Adjustment		-
Accretion Expense		228
Asset retirement obligation at 3/31/16	$	5,180

NOTE 12 RELATED PARTY TRANSACTIONS

In August 2009, the Board of Directors approved and the Company executed a management agreement with The PAN Network (“PAN”), a private business management and consulting company wholly-owned by the Company’s Chief Executive Officer. The agreement is in consideration of $18,000 per month, and calls for PAN to provide (a) office and board room space, including reception, utilities, landline phone/fax, computers, copiers, projectors, and miscellaneous services; (b) financial services, including accounting, corporate filing and bookkeeping; (c) project and administrative services; (d) resource targeting, acquisition, development and management services; (e) marketing services, communications, marketing materials management, and writing services; (f) strategic planning, milestone management and critical path analysis; and (g) online services, including web site hosting, web site design, web site maintenance, and email services. The agreement includes Mr. Leopold’s salary of $15,000 per month, which will accrue entirely to deferred compensation during any period in which the commitment remains unpaid. The term of the agreement is one year, and automatically renews annually on January 1 each year unless otherwise terminated by either party. As of March 31, 2016 and December 31, 2015, the outstanding balance accrued to deferred compensation is $1,150,624 and $947,624, respectively.

NOTE 13 SHARE ISSUANCES

During 2015, the Company filed a Certificate of Amendment to its Certificate of Incorporation with the Secretary of State of the State of Delaware to implement a 1-for-200 reverse stock split of the Company’s outstanding common stock. The reverse stock split became effective on February 17, 2015. An additional 522 shares were issued to round up fractional shares as a result of the reverse stock split.

During 2015, and pursuant to six partial conversion notices received, the Company issued an aggregate of 42,279,299 shares of common stock of the Company to satisfy $15,941 of the principal and interest due on a Promissory Note dated July 14, 2014 with JSJ Investments Inc.

During 2015, and pursuant to eleven partial conversion notices received, the Company issued an aggregate of 139,331,250 shares of common stock of the Company to satisfy $20,555 of the principal and interest due on a Promissory Note dated April 21, 2014 with WHC Capital, LLC.

During 2015, and pursuant to fifteen partial conversion notices received, the Company issued an aggregate of 279,977,381 shares of common stock of the Company to satisfy $45,572 of the principal and interest due on a Promissory Note dated October 2, 2012 with Tangiers Investors LP.

During 2015, and pursuant to seven partial conversion notices received, the Company issued an aggregate of 138,205,000 shares of common stock of the Company to satisfy $27,285 of the principal and interest due on a Promissory Note dated October 1, 2013 with Typenex Co-Investment, LLC.

During 2015, and pursuant to seventeen partial conversion notices received, the Company issued an aggregate of 88,409,784 shares of common stock of the Company to satisfy $28,050 of the principal and interest due on a Promissory Note dated August 6, 2014 with KBM Worldwide, Inc.

During 2015, and pursuant to eleven partial conversion notices received, the Company issued an aggregate of 197,050,000 shares of common stock of the Company to satisfy $22,222 of the principal and interest due on a Promissory Note dated July 11, 2012 with JMJ Financial.

During 2015, and pursuant to ten conversion notices received, the Company issued an aggregate of 105,141,086 shares of common stock of the Company to satisfy $20,558 of the principal and interest due on a Promissory Note dated February 3, 2014 with LG Capital Funding LLC.

During 2015, and pursuant to a conversion notice received, the Company issued an aggregate of 62,500,000 shares of common stock of the Company to satisfy $7,600 of the principal and interest due on a Promissory Note dated August 7, 2014 with RLS Premiere Financial LLC.

During the three month period ended March 31, 2016, and pursuant to a partial conversion notice received, the Company issued 50,000,000 shares of common stock of the Company to satisfy $4,000 of the principal and interest due on a Promissory Note dated August 7, 2014 with RLS Premiere Financial LLC.

NOTE 14 WARRANTS

A summary of activity related to the Company's warrant activity for the period from December 31, 2014 through March 31, 2016 is presented below:

	Number Outstanding	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (Years)
Outstanding at December 31, 2014	23,550,000	0.045	3.75
Granted	-	-	-
Exercised	-	-	-
Canceled/forfeited/expired	-	-	-
Outstanding at December 31, 2015	23,550,000	0.045	2.75
Granted	-	-	-
Exercised	-	-	-
Canceled/forfeited/expired	(2,500,000)	-	-
Outstanding at March 31, 2016	21,050,000	0.045	2.50

NOTE 15 SUBSEQUENT EVENTS