ALDRIN RESOURCE CORP.

FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

NOVEMBER 30, 2014

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Independent Auditor's Report

To the Shareholders of
Aldrin Resource Corp.

We have audited the accompanying financial statements of Aldrin Resource Corp., which comprise the statements of financial position as at November 30, 2014 and November 30, 2013, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Aldrin Resource Corp. as at November 30, 2014 and November 30, 2013 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter
Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the material uncertainties that may cast significant doubt about the ability of Aldrin Resource Corp. to continue as a going concern.

"Crowe MacKay LLP"

Chartered Accountants
Vancouver, British Columbia
March 30, 2015

ALDRIN RESOURCE CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	November 30, 2014	November 30, 2013
ASSETS		
Current assets		
Cash	$ 5,058	$ -
GST receivable	23,652	56,533
Loan receivable (Note 5)	-	250,000
Prepaid expenses	18,648	203,239
Total current assets	47,358	509,772
Non-current assets		
Exploration and evaluation assets (Note 4)	5,292,532	3,304,996
Furniture and equipment (Note 6)	28,144	17,118
Total non-current assets	5,320,676	3,322,114
Total assets	$ 5,368,034	$ 3,831,886
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 7 and 10)	$ 123,332	$ 158,301
Total current liabilities	123,332	158,301
Equity		
Share capital (Note 8)	16,133,617	13,936,708
Share subscription receivable (Note 8)	(7,050)	(7,050)
Reserves (Note 8)	864,475	449,130
Deficit	(11,746,340)	(10,705,203)
Total equity	5,244,702	3,673,585
Total liabilities and equity	$ 5,368,064	$ 3,831,886

Nature, continuance of operations, and going concern (Note 1)

Approved and authorized on March 30, 2015 on behalf of the Board:

"Johnathan More", Director — Johnathan More

"Rob Dardi", Director — Rob Dardi

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

ALDRIN RESOURCE CORP.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED NOVEMBER 30

	2014	2013
EXPENSES		
Consulting (Note 10)	$ 111,125	$ 224,797
Depreciation (Note 6)	5,029	4,279
Filing fees	53,521	40,384
Investor relation	54,323	94,027
Management fees (Note 10)	262,500	289,809
Marketing	129,041	20,959
Office and miscellaneous (Note 10)	113,010	127,681
Professional fees (Note 10)	144,862	195,873
Promotion and travel	47,913	42,075
Share-based payments (Note 8 and 10)	387,997	423,753
Loss before other items	(1,309,321)	(1,463,637)
OTHER ITEMS		
Interest income	52	3,941
Other income (Note 11)	190,852	-
Total other items	190,904	3,941
Loss and comprehensive loss for the year	$ (1,118,417)	$ (1,459,696)
Basic and diluted loss per common share	$ (0.06)	$ (0.17)
Weighted average number of common shares outstanding	18,370,917	8,545,127

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

ALDRIN RESOURCE CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEAR ENDED NOVEMBER 30

	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	$ (1,118,417)	$ (1,459,696)
Items not affecting cash:		
Depreciation (Note 6)	5,029	4,279
Share-based payments	387,997	423,753
Other income (Note 11)	(190,852)	-
Changes in non-cash working capital items:		
Decrease in GST receivable	32,881	6,888
Decrease (increase) in prepaid expenses	184,591	(200,339)
Increase (decrease) in accounts payable and accrued liabilities	(55,839)	100,929
Net cash used in operating activities	(754,610)	(1,124,186)
CASH FLOW FROM INVESTING ACTIVITIES		
Loan receivable (Note 5)	250,000	(250,000)
Capital assets	(16,055)	-
Exploration and evaluation expenditures	(1,746,666)	(1,410,008)
Net cash used in investing activities	(1,512,721)	(1,660,008)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from share issuance	2,526,429	1,922,880
Share issuance costs	(254,040)	(121,298)
Net cash provided by financing activities	2,272,389	1,801,582
Change in cash for the year	5,058	(982,612)
Cash, beginning of year	-	982,612
Cash, end of year	$ 5,058	$ -
Cash paid (received) during the year for interest	$ (52)	$ -
Cash paid (received) during the year for taxes	$ -	$ -

During the year ended November 30, 2014, significant non-cash activities included:

a) issuance of 442,245 agent's warrants with a fair value of $104,628;
b) $28,370 exploration and evaluation expenditures included in accounts payable;
c) issuance of 666,667 shares with a total fair value of $220,000 for the acquisition of exploration and evaluation assets (Note 4); and
d) Fair value of $77,280 reclassified from reserves to deficit for 166,667 options and 144,779 agent's warrants expired and cancelled.

During the year ended November 30, 2013, significant non-cash activities included:

a) Issuance of 3,092,083 shares with a total fair value of $1,887,488 for acquisition of exploration and evaluation assets (Note 4);
b) $7,500 of exploration and evaluation expenditures included in accounts payable;
c) Issuance of 144,779 agent's warrants with a fair value of $25,377; and
d) Fair value of $227,534 reclassified from reserves to deficit for 203,333 options cancelled.

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

ALDRIN RESOURCE CORP.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Share Capital					
	Common Shares	Amount	Share subscription receivable	Reserves	Deficit	Total Equity
Balance, November 30, 2012	6,766,667	$ 10,265,965	$ -	$ 227,534	$ (9,473,041)	$ 1,020,458
Options cancelled	-	-	-	(227,534)	227,534	-
Share-based payments	-	-	-	423,753	-	423,753
Shares issued in private placement	3,615,666	1,929,930	(7,050)	-	-	1,922,880
Share issuance costs on private placement	-	(121,298)	-	-	-	(121,298)
Shares issued for acquisition of exploration and evaluation assets	3,092,083	1,887,488	-	-	-	1,887,488
Agent's warrants	-	(25,377)	-	25,377	-	-
Loss and comprehensive loss for the year	-	-	-	-	(1,459,696)	(1,459,696)
Balance, November 30, 2013	13,474,416	$ 13,936,708	$ (7,050)	$ 449,130	$ (10,705,203)	$ 3,673,585
Balance, November 30, 2013	13,474,416	$ 13,936,708	$ (7,050)	$ 449,130	$ (10,705,203)	$ 3,673,585
Options cancelled and agent's warrants expired	-	-	-	(77,280)	77,280	-
Share-based payments	-	-	-	387,997	-	387,997
Shares issued in private placements	5,717,484	2,526,429	-	-	-	2,526,429
Flow-through share premium	-	(190,852)	-	-	-	(190,852)
Shares issued for acquisition of exploration and evaluation assets (Note 4)	666,667	220,000	-	-	-	220,000
Share issuance costs on private placements	-	(254,040)	-	-	-	(254,040)
Agent's warrants	-	(104,628)	-	104,628	-	-
Loss and comprehensive loss for the year	-	-	-	-	(1,118,417)	(1,118,417)
Balance, November 30, 2014	19,858,567	$ 16,133,617	$ (7,050)	$ 864,475	$ (11,746,340)	$ 5,244,702

On December 4, 2014, the Company's common shares were consolidated on the basis of one post-consolidation Common Share for every six pre-consolidation Common Shares. The numbers of shares presented in these financial statements have all been adjusted to reflect the impact of this share consolidation.

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

1. NATURE, CONTINUANCE OF OPERATIONS AND GOING CONCERN

Aldrin Resource Corp. ("the Company") is incorporated under the British Columbia Business Corporations Act and its common shares are listed on the TSX Venture Exchange ("the Exchange") under the symbol "ALN". The principal business of the Company is the acquisition, exploration and evaluation of resource properties.

The Company's registered address, head office, principal address and records office is 202 – 837 West Hastings Street, Vancouver, British Columbia, Canada, V6C 3N6.

The Company is considered to be in the exploration stage with respect to its interests in exploration and evaluation assets. The recoverability of the amounts comprising exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their exploration and development and upon future profitable production.

These financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at November 30, 2014, the Company had an accumulated deficit of $11,746,340 (2013 - $10,705,203) and has incurred losses since inception. These material uncertainties may raise substantial doubt about the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of potential business acquisitions, economically recoverable reserves, securing and maintaining title and beneficial interest in the properties and upon future profitable production. Failure to continue as a going concern would require that assets and liabilities be recorded at their liquidation values, which might differ significantly from their carrying values.

2. BASIS OF PRESENTATION

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretation Committee ("IFRIC"). These financial statements have been prepared on the basis of IFRS standards that are effective for the Company's reporting year ended November 30, 2014.

Basis of presentation

The financial statements have been prepared on historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

On December 4, 2014, the Company's common shares were consolidated on the basis of one post-consolidation Common Share for every six pre-consolidation Common Shares. The numbers of shares presented in these financial statements have all been adjusted to reflect the impact of this share consolidation.

Significant accounting judgments and critical accounting estimates

The preparation of these financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported in these financial statements.

2. BASIS OF PRESENTATION (cont'd…)

Significant accounting judgments and critical accounting estimates (cont'd…)

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the determination of categories of financial assets and financial liabilities which has been identified as an accounting policy which involves assessments made by management and the going concern assumption.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) Deferred income taxes - The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

ii) Share-based payment – The fair value of share-based payment is determined using a Black-Scholes Option pricing model. Such option pricing models require the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

iii) Valuation of units issued for exploration and evaluation assets – The Company periodically issues units composed of shares and warrants for the acquisition of exploration and evaluation assets. The Company considers recent private placements as well as market prices to determine the valuation of these units.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets

The Company capitalizes the acquisition costs of mineral claims and mineral rights. Exploration and development costs, subsequent to the determination of the feasibility of mining operations are capitalized. Exploration and development expenses incurred prior to determination of the feasibility of mining operations, periodic option payments and administrative expenditures are expensed as incurred.

Proceeds received on the sale of interests in exploration and evaluation assets are credited to the carrying value of exploration and evaluation assets, with any excess included in operations. Write-downs due to impairment in value are charged to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets (cont'd...)

Management periodically reviews the carrying values of its investments in exploration and evaluation assets and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company and the assessment of future probability of revenues from the property or from the sale of the property. A decision to abandon, reduce or expand activity on a specific property is based upon many factors including general and specific assessments of mineral resources, anticipated future mineral prices, anticipated costs of developing and operating a producing mine, the expiration date of mineral property leases and the availability of financing. The Company does not set a pre-determined holding period for properties with unproven resources. However, properties which have not demonstrated suitable prospects at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and that carrying values are appropriate.

If a mineral property is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against profit or loss in the period of abandonment or determination of impairment of value.

The amounts recorded as mineral claims represent unamortized costs to date and do not necessarily reflect present or future values. The accumulated costs of mineral properties that are developed to the stage of commercial production will be amortized to operations using the unit of production depletion method.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing unless otherwise noted.

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow-though premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in other income. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

As at November 30, 2014 and 2013, the Company has determined that it does not have any decommissioning obligations.

Financial instruments

Financial assets

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

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

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd...)

Financial assets (cont'd...)

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

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

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

Transaction costs associated with fair value through profit or loss assets are expensed as incurred while transaction costs associated with all other financial assets are included in the initial carrying amount of the assets.

Financial liabilities

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

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category includes all other liabilities, all of which are recognized at amortized cost. The Company has classified its cash and receivables (excluding GST receivables) as *loans and receivables*.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is expensed over the vesting terms. The expected price volatility is based on the historical volatility. All equity-settled share-based payments are reflected in reserves until exercised. Consideration paid for the shares on the exercise of stock options is credited to capital stock. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred from reserves to accumulated losses (deficit).

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement ("Agreement"), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are valued using residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date of the financing. The market value is then applied to the common share, and any residual amount is assigned to the warrants. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and are recognized in equity. When warrants are forfeited or are not exercised at the expiry date the amount previously recognized in equity is transferred from share capital to reserves.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate Exchange on the date of the agreement to issue shares as determined by the Board of Directors.

Loss per share

The Company recognizes the dilutive effect on loss per share based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive. Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

Share issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against the related share capital.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes (cont'd...)

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

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Furniture and equipment

Furniture and equipment is recorded at cost and is being amortized using the declining balance method at 20% per year.

Comparative figures

Certain comparative figures have been reclassified in order to conform to the current year's financial statements presentation.

New accounting standards and amendments to existing standards

<u>New and amended standards adopted by the Company</u>

The company adopted the following standards and amendments effective December 1, 2013.

The application of these amendments and standards had no material impact on current and prior year disclosures but may affect disclosures for future transactions.

- Amendments to IFRS 7, Financial Instruments: Disclosures, to require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation. This standard is effective for years beginning on or after January 1, 2013.

- New standard IFRS 10, Consolidated Financial Statements, replaces the guidance on control and consolidation in IAS 27, Consolidated and Separate Financial statements, and SIC-12, Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control under IFRS so that the same criteria are applied to all entities to determine control. This standard is effective for years beginning on or after January 1, 2013.

- New standard IFRS 11, Joint arrangements, requires a venture 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 joint operations, the venturer will recognize its share of assets, liabilities, revenue and expenses of the joint operations. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31 – Interest in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non-monetary Contributions by Venturers. This standard is effective for years beginning on or after January 1, 2013.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New accounting standards and amendments to existing standards (cont'd…)

New and amended standards adopted by the Company (cont'd...)

- New standard IFRS 12, Disclosure of Interests in Other Entities, provides the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and consolidated structured entities. This standard is effective for years beginning on or after January 1, 2013.

- New standard IFRS 13, Fair Value Measurement, defines fair value and sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. The standard does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions). This standard is effective for years beginning on or after January 1, 2013.

- Reissued IAS 27, Separate Financial Statements, requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments. This standard is effective for years beginning on or after January 1, 2013.

- Reissued IAS 28, Investment in Associates and Joint Ventures, supersedes IAS 28 Investments in Associates and defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. This standard is effective for years beginning on or after January 1, 2013.

New or revised standards and amendments to existing standards not yet effective

The Company has not applied the following new, revised and amended standards that have been issued but are not yet effective for the November 30, 2014 reporting period:

- New standard IFRS 9, Financial Instruments, classification and measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit and loss. This standard is effective for years beginning on or after January 1, 2018.

- Amendments to IAS 32 - Financial Instruments: Presentation amendment provides clarification on the application of offsetting rules. This standard becomes effective for annual periods beginning on or after January 1, 2014.

- Amendments to IAS 36 – Impairment of Assets, clarifies the recoverable amount disclosures for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted except an entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New accounting standards and amendments to existing standards (cont'd…)

New or revised standards and amendments to existing standards not yet effective (cont'd...)

- Amendments to IAS 24- The amendments to IAS 24 clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its financial statements.

- The IASB issued IFRIC 21 – Levies ("IFRIC 21"), an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("Obligating Event"). IFRIC 21 clarifies that the Obligating Event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its financial statements.

- Amendments to IFRS 2- *Share based payment*. The amendment clarifies vesting conditions by separately defining a performance condition and a service condition, both of which were previously incorporated within the definition of a vesting condition. The amendment is effective for share based payment transactions for which the grant date is on or after July 1, 2014. The Corporation is in the process of determining the impact of the amendment of IFRS 2 on its financial statements.

The Company is currently assessing the impact that these standards will have on the Company's financial statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

4. EXPLORATION AND EVALUATION ASSETS

During the year ended November 30, 2014, the following exploration expenses were incurred on the exploration and evaluation assets:

	Triple M Uranium Property	Virgin Uranium Property	Total
Acquisition costs			
Balance, November 30, 2013	$ 2,287,488	$ 675,000	$ 2,962,488
Cash paid	280,000	-	280,000
Shares issued	220,000	-	220,000
Balance, November 30, 2014	2,787,488	675,000	3,462,488
Exploration costs			
Balance, November 30, 2013	342,508	-	342,508
Assaying	12,003	-	12,003
Camp costs	21,473	-	21,473
Drilling (Note 10)	705,502	-	705,502
Drilling camp costs (Note 10)	485,432	-	485,432
Drilling field work	74,653	-	74,653
Geological consulting (Note 10)	146,890	-	146,890
Surveys: Geochemistry	11,533	-	11,533
Surveys: Ground geophysics	30,050	-	30,050
Balance, November 30, 2014	1,830,044	-	1,830,044
Total balance, November 30, 2014	$ 4,617,532	$ 675,000	$ 5,292,532

During the year ended November 30, 2013, the following exploration expenses were incurred on the exploration and evaluation assets:

	Triple M Uranium Property	Virgin Uranium Property	Total
Acquisition costs			
Balance, November 30, 2012	$ -	$ -	$ -
Cash paid	1,000,000	75,000	1,075,000
Shares issued	1,287,488	600,000	1,887,488
Balance, November 30, 2013	2,287,488	675,000	2,962,488
Exploration costs			
Balance, November 30, 2012	-	-	-
Field costs (Note 10)	25,571	-	25,571
Geological consulting (Note 10)	75,190	-	75,190
Surveys: Airborne geophysics	128,286	-	128,286
Surveys: Geochemistry	65,561	-	65,561
Surveys: Ground geophysics	47,900	-	47,900
Balance, November 30, 2013	342,508	-	342,508
Total balance, November 30, 2013	$ 2,629,996	$ 675,000	$ 3,304,996

4. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Triple M Uranium Property

During the year ended November 30, 2013, the Company entered into an option agreement to acquire an undivided 70% interest in the Triple M Uranium Property, Patterson Lake Area, Saskatchewan, upon the completion of the following:

i) a total payment of $1,000,000 due on various dates during the year ended November 30, 2013 (paid);

ii) payment of $500,000 on or before March 18, 2014 (during the year ended November 30, 2014, $280,000 was paid in cash and $220,000 was paid through issuance of 666,667 units of the Company (Note 8));

iii) issuance of 208,333 common shares of the Company on July 17, 2013 (issued);

iv) issuance of 175,417 common shares as a finder's fee in connection with the acquisition of the property (issued); and

v) incurring an aggregate of $4,000,000 of property expenditures after July 17, 2013 over the next four years, as follows:

   a) $250,000 by March 18, 2014;
   b) $500,000 by March 18, 2015*;
   c) $1,500,000 by March 18, 2016; and
   d) $1,750,000 by March 18, 2017.

   * As at November 30, 2014, the Company had incurred $1,830,044 of property expenditures.

The optionors will retain a 3% Net Smelter Royalty respecting the sale of ore concentrate from the property and a 3% Gross Overriding Royalty respecting any diamonds found on the property. The Company may elect at any time to repurchase 1% of the Net Smelter Royalty for $2,000,000. In addition, the optionors shall retain a 30% free carried interest in the property.

Virgin Uranium Property

During the year ended November 30, 2013, the Company entered into an agreement to purchase 100% interest in the Virgin Uranium. Pursuant to the agreement, the Company is required to complete the following:

i) payment of $75,000 upon signing of the option agreement (paid); and

ii) issuance of 833,333 common shares of the Company on October 23, 2013 (issued).

The property owners retain a 3% Net Smelter Return on all production from the property, or a 3% Gross Overriding Royalty in regards to diamonds.

5. LOAN RECEIVABLE

In October 2013, the Company advanced an interest free loan of $250,000 to Guardian Helicopters, a related party (Note 10). During the year ended November 30, 2014, the loan was fully repaid to the Company.

6. FURNITURE AND EQUIPMENT

		Furniture and equipment
Cost		
Balance, November 30, 2012 and 2013	$	32,070
Additions		16,055
Balance, November 30, 2014	$	48,125
Accumulated depreciation		
Balance, November 30, 2012	$	10,673
Depreciation		4,279
Balance, November 30, 2013		14,952
Depreciation		5,029
Balance, November 30, 2014	$	19,981
Carrying amounts		
As at November 30, 2013	$	17,118
As at November 30, 2014	$	28,144

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are as follows:

		November 30, 2014		November 30, 2013
Trade payables	$	9,946	$	59,713
Accrued liabilities		17,000		14,000
Due to related parties (Note 10)		96,386		82,551
Bank indebtedness		-		2,037
Total	$	123,332	$	158,301

8. SHARE CAPITAL AND RESERVES

a) Authorized share capital as at November 30, 2014:

Unlimited number of voting common shares without par value
Unlimited number of preferred shares with no par value

b) Issued share capital

During the year ended November 30, 2014, the Company:

I. Completed a private placement financing of 1,625,314 units at a price of $0.57 per unit raising total gross proceeds of $926,429. Each unit is comprised of one flow-through common share and one half warrant. The flow-through common shares were valued at $0.51 per share for a total value of $828,910 and the residual value of $97,519 was allocated to deferred premium on flow-through shares (Note 11). Each whole warrant is exercisable into one common share at $0.96 per share, expiring on June 24, 2015. In relation to the private placement, the Company:

8. SHARE CAPITAL AND RESERVES (cont'd…)

b) Issued share capital (cont'd…)

i) Paid $104,186 of share issuance costs; and

ii) Issued 130,023 agent's warrants exercisable at $0.96 per share, expiring on June 24, 2015. The fair value of the agent's warrants was estimated to be $19,931 using the Black-Scholes option pricing model assuming an expected life of 1.5 years, a risk-free interest rate of 0.75%, a forfeiture rate of 0% and an expected volatility of 107.57%.

II. Completed a private placement financing of 777,777 units at a price of $0.45 per unit raising total gross proceeds of $350,000. Each unit is comprised of one flow-through common share and one half warrant. The flow-through common shares were valued at $0.33 per share for a total value of $256,667 and $93,333 residual value was allocated to deferred premium on the flow-through shares. Each whole warrant is exercisable into one common share at $0.84 per share, expiring on March 12, 2016. In relation to the private placement, the Company:

i) Paid $40,689 of share issuance costs; and

ii) Issued 62,221 agent's warrants exercisable at $0.84 per share, expiring on March 12, 2016. The fair value of the agent's warrants was estimated to be $10,700 using the Black-Scholes option pricing model assuming an expected life of 2 years, risk-free interest rate of 0.51%, a forfeiture rate of 0% and an expected volatility of 94.44%.

III. Completed a private placement financing of 2,272,726 units at a price of $0.33 per unit raising total gross proceeds of $750,000. Each unit is comprised of one common share and one half warrant. Each whole warrant is exercisable into one common share at $0.60 per share, expiring on March 12, 2016. In relation to the private placement, the Company:

i) Paid $69,165 of share issuance costs; and

ii) Issued 166,665 agent's warrants exercisable at $0.60 per share, expiring on March 12, 2016. The fair value of the agent's warrants was estimated to be $35,355 using the Black-Scholes option pricing model assuming an expected life of 2 years, a risk-free interest rate of 0.51%, a forfeiture rate of 0% and an expected volatility of 94.44%.

IV. Completed a private placement financing of 1,041,667 units at a price of $0.48 per unit raising total gross proceeds of $500,000. Each unit is comprised of one common share and one warrant. Each whole warrant is exercisable into one common share at $0.72 per share, expiring on March 26, 2016. In relation to the private placement, the Company:

i) Paid $40,000 of share issuance costs; and

ii) Issued 83,333 agent's warrants exercisable at $0.72 per share, expiring on March 26, 2016. The fair value of the agent's warrants was estimated to be $38,642 using the Black-Scholes option pricing model assuming an expected life of 2 years, a risk-free interest rate of 0.53%, a forfeiture rate of 0% and an expected volatility of 98.12%.

8. SHARE CAPITAL AND RESERVES (cont'd…)

b) Issued share capital (cont'd…)

V. Issuance of 666,667 units with a total fair value of $220,000 at $0.33 per share for acquisition of exploration and evaluation assets (Note 4). Each unit is comprised of one common share and one-half warrant. Each warrant is exercisable into one common share at $0.60 per share, expiring on March 18, 2016.

During the year ended November 30, 2013, the Company:

i) completed a private placement financing of 1,995,583 units at a price of $0.48 per unit for gross proceeds of $957,880. Each unit is comprised of one common share and one half warrant. Each whole warrant is exercisable into one common share at $1.08 per share, expiring on July 17, 2014. In relation to the private placement the Company:

   a) paid $73,534 of shares issuance costs; and

   b) issued 98,113 agent's warrants exercisable at $1.08 per share, expiring on July 17, 2014. The fair value of the agent's warrants was estimated to be $14,706 using the Black-Scholes option pricing model assuming an expected life of 1 year, a risk-free interest rate of 0.55% and expected volatility of 108.14%.

ii) issued 2,258,750 shares with a total fair value of $1,287,488 at $0.57 per share for acquisition of exploration and evaluation assets (Note 4).

iii) issuance of 833,333 shares with a total fair value of $600,000 at $0.72 per share for acquisition of exploration and evaluation assets (Note 4).

iv) Completed a private placement financing of 1,620,083 units at a price of $0.60 per unit for gross proceeds of $972,050 ($7,050 of the proceeds have not been collected as at November 30, 2014). Each unit is comprised of one common share and one warrant. Each warrant is exercisable into one common share at $1.20 per share, expiring on November 6, 2014. In relation to the private placement the Company:

   a) paid $47,764 of shares issuance costs; and

   b) issued 46,666 agent's warrants exercisable at $1.20 per share, expired on November 6, 2014. The fair value of the agent's warrants was estimated to be $10,671 using the Black-Scholes option pricing model assuming an expected life of 1 year, a risk-free interest of 0.56%, a forfeiture rate of 0%, and an expected volatility of 98.33%.

c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest as determined by the board of directors.

8. SHARE CAPITAL AND RESERVES (cont'd…)

c) Stock options (cont'd…)

During the year ended November 30, 2014, the Company granted 1,052,516 (2013 – 1,008,326) stock options with fair value calculated using the Black-Scholes option-pricing model of $319,688 (2013 – $487,781). Share-based payments expense for the year ended November 30, 2014 consisted of the fair value of stock options vested during the year for $387,997 (2013 - $423,753). This amount was also recorded as reserves on the statements of financial position.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the period:

	2014	2013
Risk-free interest rate	1.76%	1.52%
Expected life of options	5 years	4.77 years
Annualized volatility	99%	112.25%
Dividend rate	0.00%	0.00%
Forfeiture rate	0.00%	0.00%
Fair value of options granted	$0.05	$0.07
Average stock price at date of grant	$0.07	$0.10

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

	Number of Options	Weighted Average Exercise Price
Balance, November 30, 2012	203,333	$ 1.32
Granted	1,008,326	0.62
Cancelled	(203,333)	(1.32)
Balance, November 30, 2013	1,008,326	0.62
Granted	1,052,516	0.49
Cancelled	(166,665)	0.66
Balance, November 30, 2014	1,894,177	$ 0.55
Number of options currently exercisable	1,894,177	$ 0.55
Weighted average remaining life of options outstanding	3.96 years	

As at November 30, 2014, the following stock options were outstanding:

Number of options	Exercise Price	Expiry Date
916,660	$ 0.60	July 21, 2018
483,330	$ 0.51	January 7, 2019
281,688	$ 0.51	March 12, 2019
133,332	$ 0.48	May 1, 2019
79,167	$ 0.36	October 29, 2019
1,894,177		

8. SHARE CAPITAL AND RESERVES (cont'd…)

c) Warrants

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

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2012	-	$ -
Granted	2,617,857	1.15
Balance, November 30, 2013	2,617,857	1.15
Granted	3,712,896	0.74
Expired	(2,617,857)	1.15
Balance, November 30, 2014	3,712,896	$ 0.74

As at November 30, 2014, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
812,655	$ 0.96	June 24, 2015
388,887	$ 0.84	March 12, 2016
1,136,355	$ 0.60	March 12, 2016
333,333	$ 0.60	March 18, 2016
1,041,666	$ 0.72	March 26, 2016
3,712,886		

d) Agent's warrants

Agent's warrants transactions are summarized as follows:

	Number of Agent's Warrants	Weighted Average Exercise Price
Balance, November 30, 2012	-	$ -
Granted	144,779	1.15
Balance, November 30, 2013	144,779	1.15
Granted	442,242	0.74
Expired	(144,779)	1.15
Balance, November 30, 2014	442,242	$ 0.74

8. SHARE CAPITAL AND RESERVES (cont'd…)

d) Agent's warrants (cont'd...)

As at November 30, 2014, the following agent's warrants were outstanding:

Number of Agent's Warrants	Exercise Price	Expiry Date
130,023	$ 0.96	June 24, 2015
62,221	$ 0.84	March 12, 2016
166,665	$ 0.60	March 12, 2016
83,333	$ 0.72	March 26, 2016
442,242		

9. FINANCIAL INSTRUMENTS AND RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liabilities either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The Company's primary financial instruments are classified as follows:

Financial instruments	Classifications
Cash	LAR
Loan receivable	LAR
Accounts payable and accrued liabilities	OFL

The fair value of these assets and liabilities approximates their respective carrying amounts due to their short term nature. The Company does not currently hold any financial instruments that would be included in the classification of available-for-sale.

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

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. As at November 30, 2014, the Company had GST receivable of $23,652 (November 30, 2013 – $56,533) from government authorities in Canada and $Nil (November 30, 2013 - $250,000) in loan receivable from a related party (Note 10). The Company believes it has no significant credit risk.

9. FINANCIAL INSTRUMENTS AND RISK (cont'd…)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2014, the Company had a cash balance of $5,058 (November 30, 2013 – $Nil) to settle current liabilities of $123,332 (November 30, 2013 – $158,301). The Company will require financing from lenders, shareholders and other investors to generate sufficient capital its meet its short term business requirements. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

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

a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company is satisfied with the credit ratings of its banks. As of November 30, 2014, the Company did not hold any investments. The Company believes it has no significant interest rate risk.

b) Foreign currency risk

As at November 30, 2014, the Company has a minimal balance of cash in US dollars and does not believe that the foreign currency risk related to the balance is significant.

c) Price risk

The Company has no contractual commodity price risk. The recoverability of the Company's deferred exploration costs is indirectly related to the market price of precious and base metals. The Company's ability to continue with its exploration program is also indirectly subject to commodity prices. Commodity price risk is significant to the Company. Much of this is out of the control of management and will be dealt with based on circumstances at any given time.

10. RELATED PARTY BALANCES AND TRANSACTIONS

Transactions with related parties and key management personnel are as follows:

	Nature of transactions	November 30, 2014	November 30, 2013
Key management personnel:			
CEO and Director	Management	$ 175,000	$ 180,000
Former President and Director	Management	-	19,809
A company controlled by CFO and Director	Management	87,500	90,000
Director and Chairman	Consulting	17,500	50,000
Directors and Officers of the Company	Share-based payments	268,327	214,379
A company controlled by former Director	Drilling [i)]	1,089,952	-
A company controlled by VP Exploration and Development	Geological and field costs [i)]	132,522	90,175
Total		$ 1,770,801	$ 644,363
Other related parties:			
Spouse of the CEO and Director	Consulting	$ 26,125	$ 28,500
A firm of which the CFO and Director is a partner	Professional	104,000	131,100
A company controlled by CEO and Director	Rent and office	31,465	89,509
Total		$ 161,590	$ 249,109

i) Capitalized in exploration and evaluation assets.

The amounts due to other related parties and key management personnel included in accounts payable and accrued liabilities are as follows:

	November 30, 2014	November 30, 2013
Due to a firm of which the CFO and Director is a partner	$ 55,515	$ 67,300
Due to a company controlled by the CEO and Director	-	6,801
Due to a company controlled by VP Exploration and Development	13,788	7,500
Due to a Director and Chairman	13,125	-
Due to a company controlled by former Director	13,008	-
Due to spouse of the CEO and Director	950	950
	$ 96,386	$ 82,551

As at November 30, 2014, the Company had a loan receivable of $Nil (November 30, 2013 - $250,000) from a company controlled by a former director.

11. COMMITMENT

In connection with the issuance of flow-through common shares in December 2013 and in March 2014, the Company had a commitment to incur $1,276,429 of qualifying flow-through expenditures. As at November 30, 2014, the Company incurred the full required qualifying flow-through expenditures of $1,276,429.

The following is a continuity schedule of the deferred premium on flow-through shares issuance:

	Issued on December 24, 2013 & March 12, 2014
Balance at November 30, 2013 and 2012	$ -
Initial recognition of deferred premium on flow-through shares	190,852
Settlement of flow-through share liability on incurring expenditures	(190,852)
Balance at November 30, 2014	$ -

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

In the management of capital, the Company monitors its adjusted capital which comprises all components of equity (i.e. share capital, reserves and deficit).

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the year ended November 30, 2014.

13. SEGMENTED INFORMATION

As at November 30, 2014, all of the Company's assets are held in Canada.

14. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

		2014		2013
Loss for the year	$	(1,118,417)	$	(1,459,696)
Canadian statutory rates		26.00%		25.67%
Income tax recovery at statutory rates	$	(290,788)	$	(374,655)
Effect of change in tax rates		-		(103,021)
Non-deductible items		54,175		111,087
Tax benefit not recognized		236,613		366,589
Total income taxes	$	-	$	-

The significant components of the Company's unrecorded deferred tax assets are as follows:

		November 30, 2014		November 30, 2013
Non-capital losses	$	1,464,400	$	1,177,600
Other		71,800		57,300
Exploration and evaluation assets		1,408,500		1,649,300
Equipment		5,200		3,900
		2,949,900		2,888,100
Unrecognized deferred tax assets		(2,949,900)		(2,888,100)
Net deferred tax assets	$	-	$	-

The Company has available for deduction against future years' taxable income non-capital losses of approximately \$5,632,000. Subject to certain restrictions, the Company also has resource expenditures of approximately \$10,710,000 available to reduce taxable income in future years. Non-capital losses expire as follows:

2026	$	16,600
2027		103,000
2028		175,800
2029		246,100
2030		926,600
2031		959,700
2032		929,200
2033		1,172,000
2034		1,103,000
	$	5,632,000

Future tax benefits, which may arise as a result of these losses, have not been recognized in these financial statements as it is not probable that the Company will generate future taxable income against which to utilize the temporary differences.

15. SUBSEQUENT EVENTS

On December 23, 2014, the Company announced that it has closed the first tranche of its non-brokered private placement financing by raising $62,400 through the sale of 346,667 units at a price of $0.18 per unit (the "Financing"). Each unit is comprised of one common share and one warrant exercisable into one common share at $0.33 per share for a period of 24 months from closing. All shares and warrants pursuant to the Financing are subject to a four month hold period expiring on April 23, 2015. A finder's fee of 8% cash ($4,992) is being paid to Industrial Alliance Securities Inc.

On February 6, 2015, the Company announced that it has signed a property option agreement with Fission 3.0 Corp. whereby the Company can earn up to a 50% interest in Fission 3.0's Key Lake Property in the southeastern Athabasca Basin region, Saskatchewan Lake, by incurring $6,900,000 of staged exploration expenditures on or before May 1, 2019. The Company is required to make a payment of $100,000 within 10 days of regulatory approval. To maintain the option agreement in good standing, the Company is required to make semi-annual payments of $100,000 commencing July 1, 2015.

On March 5, 2015, the Company announced that it has secured working capital debt financing of $150,000 from non-arm's length parties. The loan will be for a term of one year and bears interest at the rate of 12% per annum. As an inducement to grant the loan, the Company will issue the lender 122,448 common shares of the Company.