

SUNWARD RESOURCES LTD.

Condensed Consolidated Interim Financial Statements

(Unaudited)

(Expressed in United States dollars)

For the Nine Months Ended December 31, 2014

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

The accompanying unaudited interim financial statements of Sunward Resources Ltd. for the nine months ended December 31, 2014 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

SUNWARD RESOURCES LTD.
Condensed Consolidated Interim Statements of Financial Position (unaudited)
(Expressed in United States Dollars)

As at		**December 31, 2014**		March 31, 2014
ASSETS				
Current assets				
Cash and cash equivalents	**$**	**20,945,394**	$	23,466,266
Accounts receivable		**3,572**		34,321
Advances and deposits (note 3)		**289,995**		160,948
		21,238,961		23,661,535
Non-current assets				
Plant and equipment (note 4)		**534,987**		856,118
Exploration and evaluation properties (note 5)		**1**		23,002,435
		534,988		23,858,553
TOTAL ASSETS	**$**	**21,773,949**	$	47,520,088
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (notes 8(c))	**$**	**116,166**	$	184,297
Equity tax liability (note 6)		**-**		97,041
		116,166		281,338
Non-current liabilities				
Deferred share units liability (note 7(d))		**98,121**		55,460
		98,121		55,460
TOTAL LIABILITIES		**214,287**		336,798
EQUITY				
Capital stock (note 7(b))	**$**	**83,967,981**	$	83,967,981
Reserves		**31,068,286**		30,628,564
Accumulated other comprehensive loss		**(264,154)**		(231,622)
Deficit		**(93,212,451)**		(67,181,633)
TOTAL EQUITY		**21,559,662**		47,183,290
TOTAL EQUITY AND LIABILITIES	**$**	**21,773,949**	$	47,520,088

Nature and continuance of operations (note 1)

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

On behalf of the Board:

/s/ Jay Sujir Director */s/ Terry Palmer Director*

SUNWARD RESOURCES LTD.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)

(Expressed in United States Dollars)

	For the three months ended		For the nine months ended	
	December 31, 2014	December 31, 2013	**December 31, 2014**	December 31, 2013
EXPENSES				
Administrative	**$ 273,797**	$ 488,208	**$ 819,342**	$ 1,558,012
Corporate consulting	**-**	15,377	**-**	93,965
Depreciation	**51,038**	78,481	**174,921**	250,798
Exploration expenses (note 5)	**369,924**	930,421	**1,264,676**	3,170,689
Investor communications	**1,117**	25,380	**21,714**	84,980
Professional fees	**28,615**	3,487	**73,432**	187,275
Share-based compensation (note 7(e))	**137,799**	236,231	**489,326**	575,079
Transfer agent and filing fees	**15,656**	32,339	**60,902**	80,909
Travel	**1,062**	24,575	**35,605**	64,640
	879,008	1,834,499	**2,939,918**	6,066,347
OTHER EXPENSES (INCOME)				
Interest income	**(27,160)**	(30,632)	**(74,891)**	(97,368)
Loss on disposal of plant and equipment	**29,526**	3,731	**81,580**	3,731
Finance costs	**-**	15,136	**2,218**	26,801
Foreign exchange loss (gain)	**71,289**	(449,763)	**79,559**	(610,805)
Impairment on exploration and evaluation properties (note 5)	**23,002,434**	-	**23,002,434**	-
NET LOSS FOR THE PERIOD	**$ 23,955,097**	$ 1,372,971	**$ 26,030,818**	$ 5,388,706
OTHER COMPREHENSIVE LOSS				
Foreign currency translation differences for foreign operations	**32,121**	440,156	**32,532**	618,942
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**$ 23,987,218**	$ 1,813,127	**$ 26,063,350**	$ 6,007,648
Basic and diluted loss per common share	**$ (0.17)**	$ (0.01)	**$ (0.18)**	$ (0.04)
Basic and diluted weighted average number of common shares outstanding	**142,327,338**	142,327,338	**142,327,338**	142,250,429

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

SUNWARD RESOURCES LTD.

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)

(Expressed in United States Dollars)

	Capital stock		Treasury shares					
	Number of shares	Amount	Number of shares	Amount	Reserves	Deficit	Accumulated other comprehensive income (loss)	Total
Balance at March 31, 2013	**143,402,338**	**$ 84,686,982**	**(1,300,000)**	**$ (757,222)**	**$ 30,030,673**	**$ (59,917,105)**	**$ 17,311**	**$ 54,060,639**
Shares issued for cash - stock option exercise	225,000	21,753	-	-	-	-	-	**21,753**
Reclassification of grant-date fair value on exercise of stock options	-	16,468	-	-	(16,468)	-	-	**-**
Cancellation of treasury shares	(1,300,000)	(757,222)	1,300,000	757,222	-	-	-	**-**
Share-based payments	-	-	-	-	575,079	-	-	**575,079**
Translation adjustments	-	-	-	-	-	-	(618,942)	**(618,942)**
Net loss	-	-	-	-	-	(5,388,706)	-	**(5,388,706)**
Balance at December 31, 2013	**142,327,338**	**$ 83,967,981**	**-**	**$ -**	**$ 30,589,284**	**$ (65,305,811)**	**$ (601,631)**	**$ 48,649,823**
Balance at March 31, 2014	**142,327,338**	**$ 83,967,981**	**-**	**$ -**	**$ 30,628,564**	**$ (67,181,633)**	**$ (231,622)**	**$ 47,183,290**
Share-based payments	-	-	-	-	439,722	-	-	**439,722**
Translation adjustments	-	-	-	-	-	-	(32,532)	**(32,532)**
Net loss	-	-	-	-	-	(26,030,818)	-	**(26,030,818)**
Balance at December 31, 2014	**142,327,338**	**$ 83,967,981**	**-**	**$ -**	**$ 31,068,286**	**$ (93,212,451)**	**$ (264,154)**	**$ 21,559,662**

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

SUNWARD RESOURCES LTD.
Condensed Consolidated Interim Statements of Cash Flows (unaudited)
(Expressed in United States Dollars)

	For the nine months ended	
	December 31, 2014	December 31, 2013
Cash flows provided from (used by):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (26,030,818)**	$ (5,388,706)
Adjustments for items not affecting cash:		
Share-based payments	**489,326**	575,079
Depreciation	**174,921**	250,798
Non-cash finance costs	**2,218**	26,801
Loss on disposal of plant and equipment	**81,580**	3,731
Impairment on exploration and evaluation properties	**23,002,434**	-
	(2,280,339)	(4,532,297)
Net changes in non-cash working capital items:		
Decrease in accounts receivable	**30,602**	43,276
Decrease (increase) in advances and deposits	**(133,462)**	94,672
Decrease in accounts payable and accrued liabilities	**(63,989)**	(213,137)
Decrease in equity tax liability	**(99,259)**	(114,249)
Net cash flows used in operating activities	**(2,546,447)**	(4,721,735)
FINANCING ACTIVITIES		
Shares issued on exercise of options	**-**	21,753
Net cash flows from financing activities	**-**	21,753
INVESTING ACTIVITIES		
Purchase of plant and equipment	**(4,864)**	(3,319)
Proceeds on disposal of plant and equipment	**69,494**	14,450
Net cash flows from investing activities	**64,630**	11,131
Effects of exchange rate changes on cash and cash equivalents	**(39,055)**	(595,419)
Net decrease in cash and cash equivalents	**(2,520,872)**	(5,284,270)
Cash and cash equivalents, beginning of period	**23,466,266**	29,841,524
Cash and cash equivalents, end of period	**$ 20,945,394**	$ 24,557,254
Cash and cash equivalents consist of :		
Cash	**20,945,394**	561,251
Bank short term deposits	**-**	23,996,003
	$ 20,945,394	$ 24,557,254
Cash paid during the period for interest	**$ -**	$ -
Cash paid during the period for income taxes	**$ -**	$ -
Supplementary cash flow information		
Fair value of options transferred to capital stock from reserves on exercise of options	**$ -**	$ 16,468
Cancellation of treasury shares	**-**	757,222
	$ -	$ 773,690

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Sunward Resources Ltd. (the "Company" and "Sunward") is a publicly listed company incorporated under the Business Corporations Act (British Columbia) on April 11, 2008. The Company's shares are listed on the Toronto Stock Exchange ("TSX") and trade under the symbol "SWD". The Company's corporate office is located at 1410 – 1090 West Georgia Street, Vancouver, British Columbia, Canada and its registered office is located at 1600 – 609 Granville Street, Vancouver, British Columbia, Canada.

The Company, through its wholly owned subsidiaries, Sunward Investments Ltd. ("SIL") and Sunward Resources Limited. ("Sunward BVI"), is currently engaged in the investment in and exploration of mineral resource properties in Colombia. During the year ended March 31, 2011, SIL acquired a 100% interest in Goldplata Resources Limited and La Muriel Mining Corporation. On December 14, 2011 SIL sold 100% of its interest in La Muriel to Goldplata Mining International Corporation for consideration of 1,300,000 Sunward common shares previously held by Goldplata International. On June 14, 2013, these treasury shares were cancelled.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. The Company's exploration assets are located outside of Canada and are subject to the risk of foreign investment, including political uncertainty, increases in taxes and royalties, renegotiation of contracts and currency exchange fluctuations.

These unaudited condensed consolidated interim financial statements have been 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. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. Based on the Company's planned expenditures over the next twelve months, the Company believes that it has sufficient funds to meet its obligations as they become due. These unaudited condensed consolidated interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by International Financial Reporting Standards ("IFRS") for annual consolidated statements.

These unaudited condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of application as the Company's most recent annual audited consolidated financial statements, with the exception of the following new accounting standard which the Company adopted and is effective for the Company's interim and annual financial statements commencing April 1, 2014. The adoption of the new accounting standard has had no material impact on the financial statements.

- IAS 32 (Amendment): Standard amended to clarify requirements for offsetting financial assets and financial liabilities, effective for annual periods beginning on or after January 1, 2014.

These unaudited condensed consolidated interim financial statements have been approved by the Board of Directors and authorized for issue on February 11, 2015.

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by Management that may result in a material adjustment to the carrying amounts of assets and/or liabilities within the next financial year and are disclosed in Note 3 of the Company's annual audited consolidated financial statements for the year ended March 31, 2014. There have been no changes to the Company's critical accounting estimates and judgments during the nine months ended December 31, 2014.

New accounting standards

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2015. Updates which are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9 Financial Instruments ("IFRS 9") was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. This standard is required to be applied for accounting periods beginning on or after January 1, 2018, with early adoption permitted.

Functional and reporting currency

These condensed consolidated interim financial statements are presented in United States ("US") dollars which is the functional currency of all of the Company's subsidiaries. The functional currency of the Company is the Canadian dollar. References to "CAD" and "COP" are Canadian dollars and Colombian pesos, respectively.

3. ADVANCES AND DEPOSITS

The Company's advances and deposits are broken down as follows:

	December 31, 2014	March 31, 2014
Advances for land access	$ 175,958	$ 67,806
Other advances and deposits	93,306	47,898
Rent deposits for offices	20,731	45,244
	$ 289,995	**$ 160,948**

4. PLANT AND EQUIPMENT

The Company's plant and equipment consists of machinery and equipment, furniture and fixtures, processing equipment, computers, automobiles and buildings used in exploration activities. During the nine months ended December 31, 2014, the Company purchased $4,864 of equipment (December 31, 2013: $3,319).

During the nine months ended December 31, 2014, the Company disposed of equipment with a net book value of $151,074 (December 31, 2013: $18,181) for cash proceeds of $69,494 (December 31, 2013: $14,450).

5. EXPLORATION AND EVALUATION PROPERTIES

The Company, through its wholly owned subsidiaries, SIL and Sunward BVI, is currently engaged in the investment in and exploration of mineral resource properties in Colombia. The Company's current focus is on the Titiribi gold-copper porphyry project (known as the "Titiribi Project"), located southwest of the city of Medellin, in Antioquia Department, Colombia.

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 conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties, and to the best of its knowledge has title to all of them.

The Company's exploration and evaluation properties consist of the following:

	Balance as at March 31, 2014	Impairment	Balance as at December 31, 2014
Titiribi Project, Colombia	$ 23,002,435	$ (23,002,434)	$ 1

During the third quarter, the Company assessed its assets for indicators of impairment in accordance with IFRS 6 and IAS 36. As at December 31, 2014, the Company determined that there were indicators of impairment for its exploration and evaluation properties. The indicators of impairment resulted from the economic uncertainty in general and the downturn in the mining industry in particular, the decline in the Company's market capitalization and the Company's decision to significantly reduce future exploration expenditures until the equity and commodity markets for resource companies improve. As a result, the Company recorded a loss on impairment of $23,002,434 associated with the Titiribi property during the nine months ended December 31, 2014.

5. EXPLORATION AND EVALUATION PROPERTIES (continued)

The Company has incurred the following exploration expenses:

	For the nine months ended		Accumulated exploration expenses
	December 31, 2014	December 31, 2013	**December 31, 2014**
Assaying	**$ 24,103**	$ 71,366	**$ 3,841,632**
Camp costs	**10,097**	365,873	**2,830,620**
Drilling	**-**	133,784	**20,989,771**
Employee costs	**328,889**	1,013,812	**6,921,292**
Fuel and transportation	**8,357**	30,025	**554,148**
General and administrative costs (Medellin office)	**259,567**	179,819	**1,343,664**
Land access	**225,725**	691,406	**3,249,761**
Legal	**10,756**	6,001	**462,313**
Professional and technical services	**242,188**	506,777	**3,764,567**
Reclamation costs	**109,693**	103,741	**1,126,063**
Satellite imagery	**-**	-	**378,073**
Taxes	**48,903**	68,085	**1,724,867**
Recovery	**(3,602)**	-	**(3,602)**
	$ 1,264,676	$ 3,170,689	**$ 47,183,169**

6. EQUITY TAX LIABILITY

In December 2010, the Colombian government passed a law that imposes an equity tax levied on the January 1, 2011 net equity of the Company's Colombian operations. The rate applicable to the Company's Colombian operations is 4.8%. The equity tax is to be paid over a four-year period starting in 2011 through to 2014 in eight semi-annual installments in May and September of each year. The last equity tax instalment payment was made in September 2014.

7. SHARE CAPITAL

a) Authorized share capital

The Company has been authorized to issue an unlimited number of common shares without par value.

b) Issued share capital

At December 31, 2014, the Company had 142,327,338 common shares issued and outstanding with a value of $83,967,981 (March 31, 2014 – 142,327,338 with a value of $83,967,981).

c) Stock options

Under the Company's stock option plan, the board of directors may grant options for the purchase of up to a total of 10% of the total number of issued and outstanding common shares of the Company. Options granted under the plan may vest over a period of time at the discretion of the board of directors.

7. SHARE CAPITAL (continued)

c) Stock options (continued)

Options to purchase common shares have been granted to directors, employees and consultants at exercise prices determined by reference to the market value of the Company's common shares on the date of the grant. The changes in options during the nine months ended December 31, 2014 and 2013 are as follows:

	December 31, 2014		December 31, 2013	
	Number outstanding	**Weighted average exercise price (CAD)**	Number outstanding	Weighted average exercise price (CAD)
Outstanding, beginning of period	**4,993,334**	**$ 0.59**	11,957,671	$ 1.35
Granted	**4,490,000**	**0.16**	2,475,000	0.27
Exercised	**-**	**-**	(225,000)	0.10
Expired	**-**		(2,464,338)	1.35
Forfeited	**(45,000)**	**0.29**	-	-
Cancelled	**(258,334)**	**1.52**	(43,333)	1.49
Outstanding, end of period	**9,180,000**	**$ 0.35**	11,700,000	$ 1.15

During the nine months ended December 31, 2014:

- On June 3, 2014, the Company granted 3,150,000 options with an exercise price of CAD 0.16 to certain directors. The options are exercisable for a period of five years. All the options vest six months from the date of grant.
- On June 3, 2014, the Company granted 1,340,000 stock options with an exercise price of CAD 0.16 to various officers and employees. The options are exercisable for a period of five years. One-third of the options granted vest immediately at the date of the grant. One-third vest twelve months from the date of grant and one-third vest twenty four months from the date of grant.

During the nine months ended December 31, 2013:

- On July 8, 2013, the Company granted 2,100,000 options with an exercise price of CAD 0.26 to certain directors. The options are exercisable for a period of five years. All the options vest six months from the date of grant.
- On September 9, 2013, the Company granted 275,000 stock options with an exercise price of CAD 0.40 to various officers and employees. The options are exercisable for a period of five years. One-third of the options granted vest immediately at the date of the grant. One-third vest twelve months from the date of grant and one-third vest twenty four months from the date of grant.
- On November 29, 2013, the Company granted 100,000 stock options with an exercise price of CAD 0.22 to an officer. The options are exercisable for a period of five years. One-third of the options granted vest immediately at the date of the grant. One-third vest twelve months from the date of grant and one-third vest twenty four months from the date of grant.

7. SHARE CAPITAL (continued)

c) Stock options (continued)

The estimated grant date fair value of the options granted during the nine months ended December 31, 2014 and 2013 was calculated using the Black-Scholes option pricing model with the following assumptions:

	For the nine months ended			
		December 31, 2014		**December 31, 2013**
Forfeitures		**3.00%**		3.00%
Risk-free interest rate		**1.48%**		1.60%
Expected annual volatility		**87.08%**		92.61%
Expected life (in years)		**5.00**		4.15
Expected dividend yield		**0.00%**		0.00%
Weighted average share price	**CAD**	**0.16**	CAD	0.27
Weighted average grant date fair value per option	**CAD**	**0.11**	CAD	0.18

The following summarizes information about stock options outstanding and exercisable at December 31, 2014:

Expiry date	Options outstanding	Options exercisable	Exercise price (CAD)	Estimated grant date fair value	Weighted average remaining contractual life (in years)
March 5, 2015	500,000	500,000	$ 0.35	$ 130,000	0.18
August 13, 2015	55,000	55,000	$ 0.60	$ 20,808	0.62
September 24, 2015	800,000	800,000	$ 0.85	$ 409,732	0.73
July 8, 2016	150,000	150,000	$ 1.50	$ 152,712	1.52
September 27, 2016	35,000	35,000	$ 1.88	$ 43,084	1.74
June 19, 2017	95,000	95,000	$ 1.49	$ 90,566	2.47
March 6, 2018	600,000	400,000	$ 0.74	$ 308,934	3.18
March 27, 2018	100,000	66,667	$ 0.57	$ 37,959	3.24
July 8, 2018	2,100,000	2,100,000	$ 0.26	$ 356,698	3.52
September 9, 2018	175,000	133,333	$ 0.40	$ 51,859	3.69
November 29, 2018	100,000	66,667	$ 0.22	$ 15,438	3.92
June 3, 2019	4,470,000	3,596,667	$ 0.16	$ 487,632	4.42
	9,180,000	**7,998,334**		**$ 2,105,422**	**3.45**

7. SHARE CAPITAL (continued)

d) Deferred share units ("DSU")

During the nine months ended December 31, 2014, the Company issued 758,374 DSUs (December 31, 2013 – nil) to its directors with a weighted-average grant date fair-value of $0.15 per unit.

The Company's DSU liability is summarized as follows:

	Units	Value
Balance, March 31, 2014	**278,766**	**$ 55,460**
Granted	758,374	99,714
Fair value adjustment	-	(50,110)
Exchange difference	-	(6,942)
Balance, December 31, 2014	**1,037,140**	**$ 98,122**

As at December 31, 2014, the Company had 1,037,140 DSUs granted and outstanding with a value of $98,122 (March 31, 2014 – 278,766 DSUs granted and outstanding with a value of $55,460).

e) Share-based payments

Share-based payments for the nine months ended December 31, 2014 and 2013 consists of the following:

	For the nine months ended	
	December 31, 2014	**December 31, 2013**
Stock options	**$ 439,722**	$ 575,079
Deferred share units	**49,604**	-
	$ 489,326	$ 575,079

8. RELATED PARTY TRANSACTIONS

The financial statements include the accounts of Sunward Resources Ltd. and its subsidiaries as listed in the following table:

Name	Country of Incorporation	Equity Ownership as at December 31, 2014	Equity Ownership as at March 31, 2014
Sunward Investments Limited	British Virgin Islands	100%	100%
Sunward Resources Limited	British Virgin Islands	100%	100%
Sunward Resources Sucursal Colombia	Colombia	100%	100%
Sunward Holdings Limited	Canada	100%	100%

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Company and other related parties are as follows:

a) The Company's related parties consist of companies owned directly or indirectly, by directors and key management as follows:

Name	Nature of Transactions
Anfield, Sujir, Kennedy & Durno LLP	Legal fees (professional fees)
Calveston Worldwide Ltd.	Geological (exploration expenses)
Duarte Garcia Abogados S.A.S.	Legal fees (exploration expenses)
Nawati Trading S.A.	Consulting (exploration expenses)
Quantum Advisory Partners LLP	Accounting fees (professional fees)

The Company incurred the following fees and expenses in the normal course of operations in connection with companies owned by directors and key management. Expenses have been measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

The Company's related party expenses are as follows:

	For the nine months ended December 31, 2014	For the nine months ended December 31, 2013
Exploration expenses	**$ 124,036** (2) (3)	$ 93,824 (1) (3)
Professional fees	**132,159** (4) (5)	66,635 (4)
	$ 256,195	$ 160,459

(1) The Company paid $nil (December 31, 2013 - $14,660) consulting services fees to Calveston Worldwide Ltd. whose consultant is one of the Company's directors.

(2) The Company paid $30,000 (December 31, 2013 - $nil) legal fees to Duarte Garcia Abogados S.A.S. whose incorporated partner is one of the Company's directors.

(3) The Company paid $94,036 (December 31, 2013 - $79,164) consulting services fees to Nawati Trading S.A. whose consultant is the Company's country manager.

8. RELATED PARTY TRANSACTIONS (continued)

(4) The Company paid $13,520 (December 31, 2013 - $49,483) legal fees to Anfield, Sujir, Kennedy & Durno LLP whose incorporated partner is one of the Company's directors.

(5) The Company paid $118,639 (December 31, 2013 - $17,152) fees related to accounting services to Quantum Advisory Partners whose incorporate partner is the Company's Chief Financial Officer.

b) Compensation of key management personnel:

The remuneration of directors and other members of key management personnel during the nine months ended December 31, 2014 and 2013 were as follows:

	For the nine months ended	
	December 31, 2014	December 31, 2013
Salaries, fees and directors' fees	**$ 829,390**	$ 838,521
Share-based payments	**476,331**	575,079
	$ 1,305,721	$ 1,413,600

i. Salaries, fees and directors' fees include consulting expenses disclosed in Note 8(a).
ii. Share-based payments are the fair value of options and DSUs granted to key management personnel and directors.

c) Related parties balances:

The balances due to the Company's directors and officers included in accounts payables and accrued liabilities were $29,785 as at December 31, 2014 (March 31, 2014 – $17,988), which were paid subsequent to quarter end. These amounts are unsecured, non-interest bearing and are payable on demand.

9. FINANCIAL INSTRUMENTS

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 or liabilities;

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

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

The fair value of the Company's cash and cash equivalents, accounts payable and accrued liabilities approximate carrying value, which are the amounts recorded on the consolidated statement of financial position.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, interest rate risk, liquidity risk and price risk. The Company does not acquire or issue derivative instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. There have been no significant changes to the Company's credit risk, interest rate risk, liquidity risk or price risk as disclosed in Note 11 of the Company's annual audited consolidated financial statements.

9. FINANCIAL INSTRUMENTS (continued)

Currency risk

The Company's exposure to the Canadian dollar expressed in terms of the United States dollar and denominated in Canadian dollars with respect to its financial instruments are as follows:

	December 31, 2014		March 31, 2014	
	USD	**CAD**	USD	CAD
Cash and cash equivalents	**$ 971,103**	**$ 1,129,102**	$ 1,926,610	$ 2,130,445
Accounts receivable	**3,572**	**4,153**	25,427	28,117
Accounts payable and accrued liabilities	**(81,245)**	**(94,464)**	(107,141)	(118,477)
	$ 893,430	**$ 1,038,791**	$ 1,844,896	$ 2,040,085

Based on these balances as at December 31, 2014, if the Canadian dollar weakened (strengthened) against the United States dollar, by 10%, with all other variables held constant, net loss and accumulated other comprehensive income (loss) would have increased (decreased) by approximately $89,343.

The Company's exposure to the Colombian peso expressed in terms of the United States dollar and denominated in Colombian pesos with respect to its financial instruments are as follows:

	December 31, 2014		March 31, 2014	
	USD	**COP**	USD	COP
Cash and cash equivalents	**$ 99,406**	**$ 233,645,016**	$ 69,132	$ 135,858,013
Accounts payable and accrued liabilities	**(14,430)**	**(33,915,779)**	(44,614)	(87,676,410)
Equity tax liability	**-**	**-**	(97,041)	(190,704,884)
	$ 84,976	**$ 199,729,237**	$ (72,523)	$ (142,523,281)

Based on these balances as at December 31, 2014, if the Colombian peso had weakened (strengthened) against the United States dollar, by 10%, with all other variables held constant, net loss would have increased (decreased) by approximately $8,498.

10. SEGMENTED INFORMATION

The Company has one reportable segment, being the acquisition and exploration of mineral properties. Geographical information is as follows:

	December 31, 2014	March 31, 2014
Non-current assets		
Canada	**$ 29,998**	$ 36,235
Colombia	**504,990**	23,822,318
	$ 534,988	$ 23,858,553