

Condensed Interim Financial Statements

Six Months Ended June 30, 2015

(Unaudited - Expressed in Canadian Dollars)

Lakeland Resources Inc.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

		June 30, 2015		December 31, 2014
Assets				
Current				
Cash	$	**2,273,563**	$	3,754,652
Taxes receivable		**69,188**		24,157
Other receivables		**1,226**		3,275
Marketable securities (Note 11)		**104,821**		28,500
Prepaid expenses		**38,125**		74,377
Total Current Assets		**2,486,923**		3,884,961
Exploration and evaluation assets (Note 3)		**4,029,190**		2,899,370
Total Assets	$	**6,516,113**	$	6,784,331
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**132,282**	$	111,915
Liability for flow-through shares (Note 9)		**241,133**		467,827
Total Current Liabilities		**373,415**		579,742
Equity				
Capital stock (Note 4)		**8,273,803**		8,196,153
Reserves (Note 5)		**797,464**		797,464
Deficit		**(2,928,569)**		(2,789,028)
Total Equity		**6,142,698**		6,204,589
Total Liabilities and Equity	$	**6,516,113**	$	6,784,331

Going concern of operations (Note 2)
Commitments (Note 8)
Events after the reporting period (Note 12)

Approval on behalf of the Board of Directors:

"Jonathan Armes"
Director

"David Hodge"
Director

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

Lakeland Resources Inc.
Condensed Interim Statements of Comprehensive Loss
For the three and six months ended June 30, 2015 and 2014
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	**2015**	2014
Expenses				
Accounting and audit fees	$ **22,500**	$ 17,619	$ **22,500**	$ 17,619
Administrative fees	**37,500**	37,500	**75,000**	75,000
Advertising and promotion	**10,550**	67,339	**58,706**	122,353
Consulting fees	**61,907**	106,737	**123,302**	158,051
Investor relations	**7,500**	20,000	**27,500**	54,145
Legal fees	**3,895**	31,029	**9,713**	31,029
Office and general expenses	**5,547**	3,444	**15,001**	6,051
Property investigation costs	**-**	-	**-**	27,643
Transfer agent and filing fees	**12,065**	15,150	**26,384**	25,446
Share based payments	**-**	10,937	**-**	79,563
Travel expenses	**13,130**	5,359	**28,506**	19,348
Operating Expenses	**174,594**	315,114	**386,612**	616,248
Other income (expenses)				
Interest income	**1,744**	234	**4,056**	234
Penalties	**-**	-	**-**	(273)
Unrealized gain (loss) on marketable securities	**(14,750)**	(70,000)	**16,321**	(91,500)
Loss before income taxes	**187,600**	384,880	**366,235**	707,787
Deferred tax recovery	**36,048**	9,724	**226,694**	9,724
Net Loss and Comprehensive Loss for the Period	**151,552**	375,156	**139,541**	698,063
Basic and Diluted Loss Per Share	$ **0.002**	$ 0.008	$ **0.002**	$ 0.020
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	**75,050,682**	49,257,641	**74,615,757**	35,681,837

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

Lakeland Resources Inc.
Condensed Interim Statements of Changes in Equity
For the six months ended June 30, 2015 and 2014
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Reserves	Share Subscription Receivable	Deficit	Total
Balance, January 1, 2014	**33,127,162**	**$ 3,172,286**	**$ 424,685**	**$ (10,000)**	**$ (1,544,169)**	**$ 2,042,802**
Issuance of shares for cash	12,357,795	2,830,537	-	10,000	-	2,840,537
Exercise of warrants for cash	2,828,728	424,309	-	-	-	424,309
Exercise of options for cash	650,000	146,693	(76,693)	-	-	70,000
Liability for flow-through shares	-	(235,400)	-	-	-	(235,400)
Issuance of shares for exploration and evaluation interests	850,000	114,500	-	-	-	114,500
Share issuance costs	-	(389,649)	105,869	-	-	(283,780)
Share-based payments	-	-	79,563	-	-	79,563
Net loss for the period	-	-	-	-	(698,063)	(698,063)
Balance, June 30, 2014	**49,813,685**	**$ 6,063,276**	**$ 533,424**	**$ -**	**$ (2,242,232)**	**$ 4,354,468**

	Number of Shares	Capital Stock	Reserves	Share Subscription Receivable	Deficit	Total
Balance, January 1, 2015	**74,125,585**	**$ 8,196,153**	**$ 797,464**	**$ -**	**$ (2,789,028)**	**$ 6,204,589**
Issuance of shares for exploration and evaluation asset interests	1,848,174	77,650	-	-	-	77,650
Net loss for the period	-	-	-	-	(139,541)	(139,541)
Balance, June 30, 2015	**75,973,759**	**$ 8,273,803**	**$ 797,464**	**$ -**	**$ (2,928,569)**	**$ 6,142,698**

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

Lakeland Resources Inc.
Statements of Cash Flows
For the six months ended June 30, 2015 and 2014
(Unaudited - Expressed in Canadian Dollars)

		2015		2014
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:				
Net (loss) for the period:	$	**(139,541)**	$	(698,063)
Items not involving cash:				
Deferred income tax recovery		**(226,694)**		(9,724)
Share-based payments		**-**		79,563
Unrealized (gain) loss on marketable securities		**(16,321)**		91,500
Changes in non-cash operating working capital:				
Taxes and other receivables		**(42,982)**		18,750
Prepaid expenses		**36,252**		(45,167)
Accounts payable and accrued liabilities		**(493)**		(28,228)
Net cash flows (used in) operating activities		**(389,779)**		(591,369)
CASH FLOWS (USED IN) INVESTING ACTIVITIES:				
Proceeds from sale of resource property		**-**		100,000
Exploration and evaluation asset expenditures		**(1,091,310)**		(210,818)
Net cash flows (used in) investing activities		**(1,091,310)**		(110,818)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:				
Issuance of shares for cash		**-**		3,324,846
Share issue costs		**-**		(283,780)
Share subscription receivable		**-**		10,000
Net cash flows provided from financing activities		**-**		3,051,066
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(1,481,089)**		2,348,879
Cash, beginning of period		**3,754,652**		103,292
Cash, end of period	$	**2,273,563**	$	2,452,171

Supplemental disclosure with respect to cash flows (Note 10)

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

1. NATURE OF OPERATIONS

Lakeland Resources Inc. ("Lakeland" or the "Company") is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia. The shares of the Company are listed on the Toronto Venture Exchange ("TSX-V") under the symbol 'LK', on the Frankfurt Stock Exchange ("FSE") under the symbol "6LL", and in the United States of America on the OTCQX under the symbol "LRESF". The Company is principally engaged in the acquisition, exploration, and development of mineral properties.

The head office, principal address and registered and records office of the Company are located at 1450 – 789 West Pender, Vancouver, BC, Canada, V6C 1H2.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting. The policies applied in these condensed interim consolidated financial statements are consistent with policies disclosed in Note 3 of the financial statements for the year ended December 31, 2014. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2014.

Basis of measurement

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as available-for-sale ("AFS") and fair value through profit or loss ("FVTPL"). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Going concern of operations

These financial statements were prepared on a going concern basis, under the historical cost convention. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The ability of the Company to continue as a going concern for the next fiscal year; and
- Assessment as to whether any impairment exists in the valuation of its assets;

Approval of the financial statements

The financial statements of Lakeland Resources Inc. for the six months ended June 30, 2015 were approved and authorized for issue by the Board of Directors on August 6, 2015.

3. EXPLORATION AND EVALUATION ASSETS

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 its mineral properties, and, to the best of its knowledge, except as described below, they are properly registered and in good standing.

	Staked Properties	Optioned Properties	Other Properties	Total
Balance, January 1, 2014	$ 605,611	$ 197,289	$ 1,204,945	$ 2,007,845
Additions during the year –				
Property acquisition costs				
Cash	-	186,019	-	186,019
Shares	-	570,500	24,000	594,500
Staking and recording	34,715	9,513	12,450	56,678
Property exploration costs				
Assays	1,017	23,942	1,000	25,959
Field supplies and rentals	-	5,356	-	5,356
Geological and field personnel	39,736	243,192	-	282,928
Reports	-	-	5,960	5,960
Travel	-	89,125	-	89,125
Total additions during the year	75,468	1,127,647	43,410	1,246,525
Proceeds received	(340,000)	(15,000)	-	(355,000)
Balance, December 31, 2014	$ 341,079	$ 1,309,936	$ 1,248,355	$ 2,899,370
Additions during the period –				
Property acquisition costs				
Cash	-	79,258	-	79,258
Shares for property	-	77,650	-	77,650
Staking and recording	17,989	14,128	-	32,117
Property exploration costs				
Assays	35,935	19,598	-	55,533
Drilling	337,008	-	-	337,008
Field supplies and rentals	116,150	-	-	116,150
Geological and field personnel	266,156	58,545	43,397	368,098
Reports	21,130	35,106	-	56,236
Travel and accommodation	67,770	-	-	67,770
Total additions during the period	862,138	284,285	43,397	1,189,820
Proceeds received	-	-	(60,000)	(60,000)
Balance, June 30, 2015	$ 1,203,217	$ 1,594,221	$ 1,231,752	$ 4,029,190

3. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – Staked

	Uranium properties - staked			
	Gibbon's Creek	**Otherside / Riou Lake**	**Other Uranium Claims**	**Total**
Note	(i)	(ii)	(iii)	
Balance, January 1, 2014	$ 368,742	$ 186,432	$ 50,437	$ 605,611
Additions during the period –				
Property acquisition costs				
Cash	-	-	-	-
Shares	-	-	-	-
Staking and recording	-	2,779	31,936	34,715
Property exploration costs				
Assays	-	1,017	-	1,017
Geological and field personnel	33,088	703	5,945	39,736
Reports	-	-	-	-
Total additions during the year	33,088	4,499	37,881	75,468
Proceeds received	(340,000)	-	-	(340,000)
Balance, December 31, 2014	$ 61,830	$ 190,931	$ 88,318	$ 341,079
Additions during the period –				
Property acquisition costs				
Cash	-	-	-	-
Shares for property	-	-	-	-
Staking and recording	-	-	17,989	17,989
Property exploration costs				
Assays	35,935	-	-	35,935
Drilling	337,008	-	-	337,008
Field supplies and rentals	116,150	-	-	116,150
Geological and field personnel	260,704	-	5,452	266,156
Reports	-	-	21,130	21,130
Travel and accommodation	66,198	-	1,572	67,770
Total additions during the period	815,995	-	46,143	862,138
Proceeds received	-	-	-	-
Balance, June 30, 2015	$ 877,825	$ 190,931	$ 134,461	$1,203,217

i) Gibbon's Creek Project

In 2013, the Company acquired, by staking, five claims known as the Gibbon's Creek Property. On December 4, 2013, the Company signed a joint venture agreement with Declan Resources Inc. ("Declan") whereby Declan can earn up to a 70% interest in the Gibbon's Creek Property by incurring $6,500,000 of staged exploration expenditures, paying $1,500,000 in cash ($100,000 received) and issuing 11,000,000 shares (2,000,000 received and fair valued at $240,000) in staged payments prior to December 31, 2017. On September 19, 2014, the Company terminated the option agreement with Declan.

ii) Riou Lake/Otherside Property

On April 2, 2013, the Company announced that it had acquired, by staking, two uranium projects located in the Athabasca Basin region of Northern Saskatchewan. The Otherside Property is comprised of two mineral claims. The Riou Lake Property is comprised of 11 mineral claims.

3. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – Staked - continued

iii) Other Uranium Properties

On April 11, 2013, the Company announced that it had acquired five uranium properties, by staking, in the Athabasca Basin region, Saskatchewan. The Lazy Edward Bay Property is comprised of ten mineral claims. The Karen Lake Property is comprised of three mineral claims. The Black Lake Property is comprised of two mineral claims. The Hidden Lake Property is comprised of three mineral claims. The Fedun Lake Property is comprised of two mineral claims.

On April 25, 2013, the Company announced that it had acquired three uranium properties, by staking, in the northern and northeastern part of the Athabasca Basin. The Small Lake Property is comprised of six mineral claims. The Hawkrock Rapids Property is comprised of three mineral claims. The Circle Lake Property is comprised of two mineral claims.

On June 5, 2013, the Company announced that it had acquired two uranium properties, the Richmond Lake Property and Jasper Lake Property, by staking, located within the eastern margin of the Athasbasca Basin.

In August 2014, the Company acquired four uranium properties, by staking, in the Athabasca Basin region, Saskatchewan, totalling 17,954 hectares. The Carter Lake Property is comprised of four mineral claims. The Cable Bay Property is comprised of five mineral claims. The Highrock Property is comprised of three mineral claims. The Wright River Property is comprised of eleven mineral claims.

During the six months ended June 30, 2015, the Company acquired the following claims, by staking:

i. the North Pine Claims in the Athabasca Basin region, Saskatchewan, which includes 14 mineral claims
ii. the Key Lake Claims in the Athabasca Basin region, Saskatchewan, which includes 15 mineral claims
iii. additional Lazy Edward Claims in the Athabasca Basin region, Saskatchewan, which includes 26 mineral claims
iv. the Gunnar Claims in the Athabasca Basin region, Saskatchewan, which includes 3 mineral claims

3. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – Optioned

	Uranium properties - optioned									
	South Pine/Perch Properties	Star Property Option	Lazy Edward Option	Fond du Lac Option	Newnham Lake Property	Hatchet Lake Property	Black Birch Property	Athabasca Group of Properties	Carter Lake Option	Total
Note	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)	
Balance, January 1, 2014	$ 108,105	$ 82,000	$ 7,184	$ -	$ -	$ -	$ -	$ -	$ -	$197,289
Additions during the period – Property acquisition costs										
Cash	30,019	20,000	5,000	-	117,500	13,500	-	-	-	186,019
Shares	48,000	26,000	42,500	24,000	375,000	55,000	-	-	-	570,500
Staking and recording	-	-	9,513	-	-	-	-	-	-	9,513
Property exploration costs										
Assays	-	13,015	10,927	-	-	-	-	-	-	23,942
Field supplies and rentals	-	5,356	-	-	-	-	-	-	-	5,356
Geological and field personnel	25,179	31,114	142,468	19,136	25,295	-	-	-	-	243,192
Travel	-	12,021	49,341	27,763	-	-	-	-	-	89,125
Total additions during the year	103,198	107,506	259,749	70,899	517,795	68,500	-	-	-	1,127,647
Proceeds received	-	-	-	(15,000)	-	-	-	-	-	(15,000)
Balance, December 31, 2014	$ 211,303	$ 189,506	$ 266,933	$ 55,899	$ 517,795	$ 68,500	$ -	$ -	$ -	$1,309,936
Additions during the period – Property acquisition costs										
Cash	10,000	-	-	-	-	-	8,818	20,440	40,000	79,258
Shares for property	14,000	-	-	-	-	-	4,850	30,800	28,000	77,650
Staking and recording	-	-	3,406	-	-	-	-	-	10,722	14,128
Property exploration costs										
Assays	-	19,598	-	-	-	-	-	-	-	19,598
Field supplies and rentals	-	-	-	-	-	-	-	-	-	-
Geological and field personnel	-	3,728	11,396	17,362	21,040	-	-	-	5,019	58,545
Reports	-	-	-	35,106	-	-	-	-	-	35,106
Travel and accommodation	-	-	-	-	-	-	-	-	-	-
Total additions during the period	24,000	23,326	14,802	52,468	21,040	-	13,668	51,240	83,741	284,285
Proceeds received	-	-	-	-	-	-	-	-	-	-
Balance, June 30, 2015	$ 235,303	$ 212,832	$ 281,735	$ 108,367	$ 538,835	$ 68,500	$ 13,668	$ 51,240	$ 83,741	$1,594,221

3. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – Optioned - continued

iv) South Pine Project/Perch Property

On June 4, 2013, the Company signed an agreement with Basin Minerals Ltd. ("Basin") where the Company has the right to earn a 100% interest in the South Pine and Perch Lake Properties by making cash payments totalling $70,000 ($20,000 paid as at December 31, 2013, $30,000 paid during the year ended December 31, 2014, and $10,000 paid during the six months ended June 30, 2015) and issuing 1,500,000 common shares (300,000 shares issued with a fair value of $28,500 during the year ended December 31, 2013, 400,000 shares issued with a fair value of $48,000 during the year ended December 31, 2014, and 400,000 shares issued with a fair value of $14,000 during the six months ended June 30, 2015) over a 36 month period. Basin will retain a 2% Net Smelter Royalty ("NSR") on the Properties, 1% of which can be purchased by the Company for $1 million. Basin will also be entitled to annual advanced royalty payments of $10,000 which will commence after the Company has earned its interest. The transaction was accepted by the TSX-V on June 11, 2013.

v) Star Minerals Property Option

On November 27, 2013, the Company announced that it signed a Joint Venture Agreement (the "JV Agreement") with Star Minerals Group Ltd. ("Star Minerals") granting Lakeland an option to acquire a 100% interest in two claims located in the Athabasca Basin, Saskatchewan. Under the terms of the joint venture agreement, Lakeland has the right to earn a 100% interest in the two claims by making cash payments totaling $60,000 (paid) and issuing 600,000 common shares (issued) over a 12 month period. Star Minerals will retain the option of a 25% buyback for 4 times the exploration monies spent by the Company to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90 day period following the completion and publication of a NI 43-101 compliant resource estimate. The transaction was approved by the TSX-V on November 28, 2013. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

vi) Lazy Edward Bay Property Option

On April 24, 2014, the Company announced that it entered into a purchase agreement to acquire a 100% interest in three claims, formerly known as the Arbour Property, located adjacent to its previously staked Lazy Edward Bay Uranium Property in the southern Athabasca Basin, Saskatchewan. Under the terms of the agreement, the Company has the right to earn a 100% interest in the claims by making a cash payment totaling $5,000 (paid) and issue 250,000 common shares (issued with a fair value of $42,500). The transaction was approved by the TSX-V on April 28, 2014. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

vii) Fond du Lac Property Option

On June 25, 2014, the Company announced that it entered into an option agreement to acquire a 100% interest in one claim located in the northern Athabasca Basin region, Saskatchewan. Under the terms of the agreement, the Company has the right to earn a 100% interest in the claims by issuing 200,000 common shares (issued with a fair value of $24,000). The transaction was approved by the TSX-V on June 27, 2014. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

On December 29, 2014, the Company announced it had entered into an option agreement with Takara Resources Inc. ("Takara") where Takara can acquire a 50% interest in the Fond du Lac Property by issuing 1,750,000 common shares (1,500,000 shares issued with a fair value of $15,000) and spending $100,000 on exploration of the property by June 1, 2015. The property is subject to a 1.5% NSR to the original vendor. The transaction was approved by the TSX-V on December 31, 2014.

3. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – Optioned – continued

viii) Newnham Lake Property

On July 21, 2014, the Company announced that it entered into a purchase agreement to acquire a 100% interest in the Newnham Lake Property. The property is contiguous to the south of the Company's Karen Lake Property (Note 4(iii)). Under the terms of the agreement, the Company has the right to earn a 100% interest in the property by making cash payments totaling $100,000 ($37,500 paid) and issuing 2,500,000 common shares (issued July 22, 2014 with a fair value of $275,000). The transaction was approved by the TSX-V on July 22, 2014.

On August 21, 2014, the Company entered into a purchase agreement with Kalt Industries Ltd. and DG Resource Management Ltd., for the acquisition of the 1333 Property, located near the Company's Newnham Lake Property, for total consideration of up to $50,000 cash ($40,000 paid) and the issuance of up to 750,000 common shares (500,000 shares issued August 28, 2014 with a fair value of $50,000) of the Company. The Company commits to expend not less than $1 million dollars in exploration expenditures on or before August 28, 2019, of which $50,000 must be spent in year one. The property is subject to a 3% GORR, to which Lakeland may purchase up to a 1% for $1 million dollars up to August 28, 2019. The transaction was approved by the TSX-V on August 28, 2014.

On August 21, 2014, the Company entered into an option agreement to acquire three mineral claims from Anstag Mining Inc., for total consideration of up to $50,000 cash ($40,000 paid) and 1,000,000 common shares (500,000 shares issued August 28, 2014 with a fair value of $50,000). In addition, the Company commits to incur $1.5 million dollars in exploration expenditures on or before 5 years from the Exchange approval date. The property is subject to a 1% gross overriding royalty ("GORR"), to which Lakeland may purchase ½% of the GORR for $1 million dollars at any time. The transaction was approved by the TSX-V on August 28, 2014.

The Newnham Lake Property is now approximately 24,500 hectares.

ix) Hatchet Lake Property

On July 21, 2014, the Company announced that it entered into a purchase agreement to acquire a 100% interest in the Hatchet Lake Property. The property is located east of the Company's recently purchased Fond du Lac Property. Under the terms of the agreement, the Company has the right to earn a 100% interest in the property by making a cash payment totaling $13,500 (paid) and issuing 500,000 common shares (issued July 22, 2014 with a fair value of $55,000). The transaction was approved by the TSX-V on July 22, 2014. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

x) Black Birch Claims

On January 28, 2015, and amended on March 12, 2015, the Company entered into an agreement with 877384 Alberta Ltd. and Zimtu Capital Corp. ("Zimtu"), whereby the Company can acquire a 100% interest in the Black Birch Claims located in the Athabasca Basin Region of Saskatchewan. Under the terms of the agreement, total consideration of $8,818 cash ($4,409 paid) and 88,174 common shares (44,087 common shares issued with a fair value of $2,425) of the Company will be paid to each vendor. The agreement was approved by the TSX-V on March 17, 2015. The remaining cash and shares will be paid on or before September 17, 2015.

xi) Athabasca Group of Properties

On January 28, 2015, the Company entered into an agreement with DG Resource Management Ltd., whereby the Company can acquire a 100% interest in a certain group of mineral claims known as the Athabasca Group of Properties, located in the Athabasca Basin Region of Saskatchewan. Under the terms of the agreement, total consideration of $40,880 cash ($20,440 paid) and 1,120,000 common shares (560,000 common shares issued with a fair value of $30,800) of the Company will be paid. The agreement was approved by the TSX-V on March 10, 2015, and the remaining payments will be made on or before September 10, 2015. The property is subject to a 2% NSR, with Lakeland having the right to purchase 1% any time for $2,000,000.

3. EXPLORATION AND EVALUATION ASSETS – continued

Uranium Properties – Optioned – continued

xii) Carter Lake Property

On May 27, 2015, the Company entered into an option agreement to acquire twenty eight mineral claims from Eagle Plains Resources Limited ("EPL") for total consideration of $40,000 cash (paid) and 800,000 common shares (issued with a fair value of $28,000 during the six months ending June 30, 2015). The Company acquired, by staking, ten mineral claims which, when added to the original four claims that were staked, bring the total number of claims at Carter Lake to 38 claims. All thirty eight claims are subject to a 2% Net Smelter Royalty ("NSR") payable to EPL. The Company may, at any time, purchase 1% of the NSR for $1,000,000. The transaction was approved by the TSX-V on June 8, 2015.

Other Properties

	Other properties				
	Camlaren Property	**Midas Gold Property**	**Ballard Lake Property**	**Kamichisitit Claims**	**Total**
Note	(xii)	(xiv)	(xv)	(xiii)	
Balance, January 1, 2014	$308,315	$728,743	$ 54,968	$112,919	$1,204,945
Additions during the year – Property acquisition costs					
Cash	-	-	-	-	-
Shares	-	-	24,000	-	24,000
Staking and recording	-	-	900	11,550	12,450
Property exploration costs					
Assays	-	-	-	1,000	1,000
Geological and field personnel	-	-	-	-	-
Reports	-	-	5,000	960	5,960
Total additions during the year	-	-	29,900	13,510	43,410
Balance, December 31, 2014	$308,315	$728,743	$ 84,868	$126,429	$1,248,355
Additions during the period – Property exploration costs					
Geological and field personnel	397	-	43,000	-	43,397
Total additions during the period	397	-	43,000	-	43,397
Proceeds received	-	-	(60,000)	-	(60,000)
Balance, June 30, 2015	$308,712	$728,743	$ 67,868	$126,429	$1,231,752

xiii) Camlaren Property, Northwest Territories

On August 12, 2010, the Company completed the acquisition of the Camlaren Property, located in the Northwest Territories, from Pasinex Resources Corp. (formerly Triple Dragon Resources Inc.) ("Pasinex"), a CNSX listed company. Pursuant to the terms of the Acquisition Agreement, the Company acquired a 100% interest in and to the Camlaren Property in consideration for the issuance of 3,000,000 common shares (issued). The common shares were held in escrow with an initial 10% released on August 19, 2010 and the remaining shares being released in 15% increments every 6 months. The last release from escrow occurred on August 19, 2013. The acquisition of the Camlaren Property constituted the Company's Qualifying Transaction, as that term is defined in the TSX-V policies.

xiv) Kamichisitit Claims

In June 2012, the Company acquired, by staking, 2 claims located in Kamichisitit Township, situated approximately 40 kilometres north of Iron Bridge, Ontario. In June 2014, the Company staked additional claims in the surrounding area.

3. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties - continued

xv) Midas Gold Property

On December 22, 2010, the Company entered into an option to purchase a 100% interest in and to the Midas Gold Property, Ontario. The agreement was accepted by the TSX-V on April 8, 2011.

The Company paid the vendors total cash consideration of $95,000 and issued 450,000 common shares.

The Company incurred a total of $125,000 in exploration expenditures on the Property in the first twelve months following TSX-V acceptance of the agreement. The Vendors will retain a 2% Net Smelter Returns Royalty ("NSR") on the Property; 1% of which can be purchased by the Company for $1 million. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

On September 3, 2013, the Company entered into an option agreement with New Dimension Resources Ltd. ("New Dimension" whereby the Company has granted New Dimension the option to acquire a 70% interest in the Midas Gold Property by spending $1.2 million in exploration (including a firm commitment of $300,000 no later than December 31, 2013), issuing 1,500,000 shares (300,000 received on October 15, 2013) and paying $100,000 on or before December 31, 2016. The property is subject to a 2% NSR to the underlying optionors, a portion of which can be purchased.

xvi) Ballard Lake Property

On February 27, 2012, the Company entered into an option to purchase a 100% interest in and to the Ballard Lake Property, located in Ontario, Canada. The agreement was accepted by the TSX-V on May 23, 2012.

The Company will pay the vendors cash considerations as follows:

i) $5,000 on signing of the agreement (paid);
ii) $10,000 on May 23, 2013 (paid) ; and
iii) $15,000 on May 23, 2014 (see below).

The Company will issue common shares to the vendors as follows:

i) 100,000 common shares on TSX-V acceptance of the agreement (issued);
ii) 100,000 common shares on May 23, 2013 (issued); and
iii) 100,000 common shares on May 23, 2014 (issued).

The Vendors will retain a 2% NSR on the Property; of which 1% can be purchased by the Company for $1 million.

On July 8, 2014, the Company received approval to amend the Ballard Lake Property Acquisition Agreement dated March 25, 2012 between the Company and Mike and Mathieu Tremblay (the "Vendors") whereby in lieu of the final payment of $15,000, the Company will issue 100,000 common shares (issued). On July 8, 2014, the Company issued 200,000 common shares (issued with a fair value of $24,000) to complete the required payments on the Ballard Lake Property. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

On February 6, 2015, the Company entered into an option agreement with RT Minerals Corp. ("RT Minerals") whereby the Company has granted RT Minerals the option to acquire a 100% interest in the Ballard Lake Property by issuing 4,000,000 common shares (received and fair valued at $60,000 during the six months ended June 30, 2015) to the Company. The agreement was accepted by the TSX-V on April 28, 2015.

4. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without nominal or par value.

b) Issued:

The total issued and outstanding shares of the Company at June 30, 2015 is 75,973,759 (December 31, 2014: 74,125,585).

During the six months ended June 30, 2015:

i) On March 24, 2015, the Company issued 88,174 common shares at a price of $0.055 per share in accordance with the acquisition agreement on the Black Birch Property Agreement.

ii) On March 24, 2015, the Company issued 560,000 common shares at a price of $0.055 per share in accordance with the acquisition agreement on the Athabasca Group of Properties Agreement.

iii) On June 8, 2015, the Company issued 800,000 common shares at a price of $0.035 per share in accordance with the acquisition agreement on the Carter Lake Property Agreement.

iv) On June 11, 2015, the Company issued 400,000 common shares at a price of $0.035 per share in accordance with the acquisition agreement on the South Pine Property Agreement

During the year ended December 31, 2014:

i) On March 20, 2014 the Company closed a private placement for total gross proceeds of $2,686,037. Secutor Capital Management Corporation (the "Agent") was lead agent in connection with the brokered private placement of 5,580,000 Flow-Through Units ("FT Units") and 6,147,795 ordinary Units ("Units"). In addition, the Company closed a non-brokered private placement of 305,000 FT Units and 325,000 Units for gross proceeds of $144,500. Each FT Unit consists of one flow-through common share and one half of one non flow-through common share purchase warrant in the capital of the Company. Each whole share purchase warrant (a "Warrant") is exercisable until March 20, 2015 into one common share of the Company at a price of $0.30 per common share. Each Unit consists of one common share and one Warrant.

The Company has paid to finder's cash commissions totalling $274,118 and issued 491,824 compensation options in respect of the FT Units at $0.25 per share and 491,140 compensation options in respect of the Units exercisable at $0.21 per share until March 20, 2015.

ii) On April 28, 2014, the Company issued 250,000 common shares at a price of $0.17 per share in accordance with the acquisition agreement on the Lazy Edward Bay Property Agreement.

iii) On June 04, 2014, the Company issued 400,000 common shares at a price of $0.12 per share in accordance with the acquisition agreement on the South Pine Property Agreement.

iv) On June 27, 2014, the Company issued 200,000 common shares at a price of $0.12 per share in accordance with the acquisition agreement on the Fond du Lac Property Agreement.

v) On July 8, 2014, the Company issued 200,000 common shares at a price of $0.12 per share in accordance with the acquisition agreement on the Ballard Lake Property Agreement.

vi) On July 22, 2014, the Company issued 500,000 common shares at a price of $0.11 per share in accordance with the acquisition agreement on the Hatchet Lake Property Agreement.

vii) On July 22, 2014, the Company issued 2,500,000 common shares at a price of $0.11 per share in accordance with the acquisition agreement on the Newnham Lake Property Agreement.

4. SHARE CAPITAL - continued

During the year ended December 31, 2014: - continued

viii) On August 28, 2014, the Company issued 1,000,000 common shares at a price of $0.10 per share in accordance with the acquisition agreement on the Newnham Lake Property Agreement.

ix) On November 28, 2014, the Company issued 200,000 common shares at a price of $0.13 per share in accordance with the Star Minerals Property Option.

x) On December 8, 2014 the Company closed a private placement for total gross proceeds of $1,885,008. Secutor Capital Management Corporation (the "Agent") was lead agent in connection with the brokered private placement of 13,833,400 Flow-Through Units ("FT Units") at $0.12 per FT Unit and 2,250,000 ordinary Units ("Units") at $0.10 per Unit. Each FT Unit consists of one flow-through common share and one half of one non flow-through common share purchase warrant in the capital of the Company. Each whole share purchase warrant (a "Warrant") is exercisable until December 8, 2016 into one common share of the Company at a price of $0.15 per common share. Each Unit consists of one common share and one Warrant.

The Company has paid to finder's cash commissions totalling $187,281 and issued 1,106,672 compensation options in respect of the FT Units at $0.10 per share and 180,000 compensation options in respect of the Units exercisable at $0.12 per share until December 8, 2016.

xi) On December 22, 2014 the Company closed a non-brokered private placement of 1,842,000 Flow-Through Units ("FT Units") at $0.12 per FT Unit and 1,936,500 ordinary Units ("Units") at $0.10 per Unit for total gross proceeds of $414,690. Each FT Unit consists of one flow-through common share and one half of one non flow-through common share purchase warrant in the capital of the Company. Each whole share purchase warrant (a "Warrant") is exercisable until December 22, 2016 into one common share of the Company at a price of $0.15 per common share. Each Unit consists of one common share and one Warrant.

The Company has paid to finder's cash commissions totalling $29,975 and issued 270,280 finders Warrants at $0.15 per warrant shares exercisable until December 22, 2016.

d) Warrants:

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

	June 30, 2015		December 31, 2014	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	23,979,411	$ 0.21	10,504,284	$ 0.15
Exercised	-	-	(2,828,728)	0.15
Expired	(982,964)	0.23	(7,675,556)	0.15
Issued	-	-	23,979,411	0.21
Balance, end of period	22,996,447	$ 0.21	23,979,411	$ 0.21

4. SHARE CAPITAL - continued

d) Warrants: - continued

The following warrants were outstanding as at June 30, 2015:

Expiry Date	Exercise Price	Number of Shares	Remaining Contractual Life (Years)
March 20, 2016*	$ 0.30	9,415,295	0.72
December 8, 2016	$ 0.15	9,166,700	1.44
December 8, 2016	$ 0.10	1,106,672	1.44
December 8, 2016	$ 0.12	180,000	1.44
December 22, 2016	$ 0.15	3,127,780	1.48
Total		22,996,447	
Weighted average remaining life of stock options outstanding			1.15

*On February 24, 2015, the TSX-V approved the extension of 9,415,295 warrants. The original expiry date was March 20, 2015 and the new expiry date will be March 20, 2016. The price of the warrants remains $0.30.

The Company applies the fair value method in accounting for its agent's options using the Black-Scholes pricing model. During the six months ended June 30 2015, the Company issued a total of nil (June 30, 2014 – 982,964) agents warrants. During the six months ended June 30, 2015, the agent's warrants granted resulted in share issue costs of $nil (June 30, 2014 - $105,869).

	June 30, 2015	**December 31, 2014**
Expected life	N/A	5 years
Risk-free interest rate	N/A	1.54-1.86%
Annualized volatility	N/A	129-141%
Dividend rate	N/A	N/A
Fair value of shares at grant date	N/A	$0.06-$0.11

5. SHARE-BASED PAYMENTS

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option should be for a maximum term of five years.

Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately. Options granted to investor relations and consultants vest in stages over 12 months with one quarter of the options vesting in any three month period. The following are the stock option grants during the six months ended June 30, 2015 and the year ended December 31, 2014:

- On January 30, 2014, the Company granted 275,000 incentive stock options exercisable at $0.25 per share and expiring on January 30, 2019 to a consultant and an officer of the Company.

- On August 27, 2014, the Company issued 2,050,000 incentive stock options exercisable at $0.10 per share and expiring on August 25, 2019 of which 1,325,000 options have been issued to directors, officers and insiders of the Company.

5. SHARE-BASED PAYMENTS – continued

The following is a summary of option transactions under the Company's stock option plan for the six months ended June 30, 2015 and the year ended December 31, 2014:

	June 30, 2015		December 31, 2014	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	4,920,000	$ 0.11	3,295,000	$ 0.10
Exercised	-	-	(700,000)	$ 0.11
Granted	-	-	2,325,000	$ 0.12
Balance, end of period	4,920,000	$ 0.11	4,920,000	$ 0.11

The following stock options were outstanding and exercisable as at June 30, 2015:

Expiry Date	Exercise Price	Number of Shares	Remaining Contractual Life (Years)
August 19, 2015	$ 0.10	675,000	0.14
April 20, 2016	$ 0.15	150,000	0.81
February 28, 2017	$ 0.10	150,000	1.67
May 2, 2018	$ 0.10	200,000	2.84
July 2, 2018	$ 0.10	550,000	3.01
October 17, 2018	$ 0.10	820,000	3.30
December 20, 2018	$ 0.12	100,000	3.48
January 30, 2019	$ 0.25	275,000	3.59
August 25, 2019	$ 0.10	2,000,000	4.16
Total		4,920,000	
Weighted average remaining life of stock options outstanding			3.06

The weighted average remaining life of total stock option outstanding as at June 30, 2015 is 3.06 years (December 31, 2014 – 3.55 years). The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the six months ended June 30, 2015, the Company issued a total of nil (June 30, 2014 – 275,000) incentive stock options to directors and consultants of the Company. During the six months ended June 30, 2015, the options issued and vested resulted in share-based payments of $nil (June 30, 2014 - $79,563).

	June 30, 2015	December 31, 2014
Expected life	N/A	5 years
Risk-free interest rate	N/A	1.54-1.86%
Annualized volatility	N/A	129-141%
Dividend rate	N/A	N/A
Fair value of shares at grant date	N/A	$0.06-$0.11

6. RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations during the six months ended June 30, 2015 and 2014.

Key Management Compensation	Six Months ended June 30, 2015 $	2014 $
Administrative fees	75,000	75,000
Advertising expenses	22,582	7,500
Consulting fees	87,168	68,333
Exploration and evaluation costs	516,227	-
Share-based payments	-	35,799
Totals	700,977	186,632

Related party amounts are unsecured, non-interest bearing and due on demand. As at June 30, 2015, $90,451 (December 31, 2014- $24,677) is due to related parties of the Company and is included in accounts payable and accrued liabilities. See also Note 8.

7. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(c) Foreign exchange risk

The Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

7. FINANCIAL RISK MANAGEMENT– continued

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

There were no changes in the Company's approach to capital management during the six months ended June 30, 2015 and the year ended December 31, 2014. The Company is not subject to any externally imposed capital requirements.

(f) Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

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 following is an analysis of the Company's financial assets measured at fair value as at June 30, 2015 and December 31, 2014:

	As at June 30, 2015		
	Level 1	**Level 2**	**Level 3**
Cash	$ 2,273,563	$ -	$ -
Marketable securities	$ 104,821	$ -	$ -
	$ 2,378,384	$ -	$ -

	As at December 31, 2014		
	Level 1	**Level 2**	**Level 3**
Cash	$ 3,754,652	$ -	$ -
Marketable securities	$ 28,500	$ -	$ -
	$ 3,783,152	$ -	$ -

8. COMMITMENTS

On December 1, 2014, the Company entered into a management services agreement with Zimtu Capital Corp. ("Zimtu") for the provision of administrative and managerial services to the Company at a rate of $12,500 per month plus applicable taxes commencing December 1, 2014 for a term of 12 months.

9. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

	Issued on March 20, 2014	Issued on December 8, 2014	Issued on December 22, 2014	Total
Balance, January 1, 2014	$ -	$ -	$ -	$ -
Liability incurred on flow-through shares issued	353,100	138,334	73,680	565,114
Settlement of flow-through share liability on incurring expenses	(97,287)	-	-	(97,287)
Balance, December 31, 2014	$ 255,813	$ 138,334	$ 73,680	$ 467,827
Liability incurred on flow-through shares issued	-	-	-	-
Settlement of flow-through share liability on incurring expenses	(226,694)	-	-	(226,694)
Balance, June 30, 2015	$ 29,119	$ 138,334	$ 73,680	$ 241,133

On March 20, 2014, the Company issued 5,885,000 units on a flow-through basis at $0.25 per share (see Note 4 (b)) for gross proceeds of $1,471,250 and recognized a liability for flow-through shares of $353,100.

On December 8, 2014, the Company issued 13,833,400 units on a flow-through basis at $0.12 per share (see Note 4 (b)) for gross proceeds of $1,660,008 and recognized a liability for flow-through shares of $138,334.

On December 22, 2014, the Company issued 1,842,000 units on a flow-through basis at $0.12 per share (see Note 4 (b)) for gross proceeds of $221,040 and recognized a liability for flow-through shares of $73,680.

During the six months ended June 30, 2015, the Company has incurred $944,560 (December 31, 2014 - $405,363) of qualified expenditures resulting in the reversal of the liability for flow-through shares and recorded the related net deferred tax effect of $226,694 (December 31, 2014 - $97,287). At June 30, 2015, the amount of flow-through proceeds remaining to be expended is $2,002,375 (December 31, 2014 - $2,946,935) and the balance of the liability for flow-through shares related to this private placement is $241,133 (December 31, 2014 - $467,827).

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	June 30, 2015	**June 30, 2014**
Interest paid	$ -	$ -
Income tax paid	$ -	$ -
Exploration and evaluation expenditures in accounts payable	$ 88,905	$ 17,466
Shares received for property option payment	$ 60,000	$ 240,000
Shares issued for property option payment	$ 77,650	$ 114,500

11. MARKETABLE SECURITIES

	June 30, 2015		December 31, 2014	
	Cost	Fair Market Value	Cost	Fair Market Value
	$	$	$	$
New Dimension Resources	7,500	2,571	7,500	1,500
Declan Resources	27,000	2,250	27,000	4,500
Takara Resources	15,000	60,000	15,000	22,500
RT Minerals	60,000	40,000	-	-
Total	109,500	104,821	49,500	28,500

On October 15, 2013, the Company received 300,000 common shares of New Dimension Resources Ltd. ("New Dimension") pursuant to the option to acquire a 70% interest in the Midas Gold Project (see note 3). The 300,000 common shares were valued at $0.025 per share, the closing price of the shares on October 15, 2013. On February 20, 2015, the shares were consolidated 1:7. The market value of the remaining 42,857 common shares is measured using the closing market price of $0.06 as at June 30, 2015.

On January 8, 2014, the Company received 2,000,000 common shares of Declan Resources Inc. ("Declan") pursuant to the option to acquire a 70% interest in the Gibbons Creek Project (see note 3). The 2,000,000 common shares were valued at $0.12 per share, the closing price of the shares on January 8, 2014. During the year ended December 31, 2014, 1,775,000 shares of Declan were sold for proceeds of $51,355. The market value of the remaining 225,000 common shares is measured using the closing market price of $0.01 as at June 30, 2015.

On December 30, 2014, the Company received 1,500,000 common shares of Takara Resources Inc. ("Takara") pursuant to the option to acquire a 50% interest in the Fond du Lac Property (see note 3). The 1,500,000 common shares were valued at $0.01 per share, the closing price of the shares on December 30, 2014. The market value of 1,500,000 common shares is measured using the closing market price of $0.04 as at June 30, 2015.

On April 28, 2015, the Company received 4,000,000 common shares of RT Minerals Corp. ("RT Minerals") pursuant to the option to acquire a 100% interest in the Ballard Lake Property (see note 3). The 4,000,000 common shares were valued at $0.015 per share, the closing price of the shares on April 28, 2015. The market value of 4,000,000 common shares is measured using the closing market price of $0.01 as at June 30, 2015.

12. EVENTS AFTER THE REPORTING PERIOD

a) On January 28, 2015, the Company entered into an agreement with 877384 Alberta Ltd. and Zimtu Capital Corp. to acquire a 100% interest in and to the Brassy Rapid Claims. Under the terms of the agreement, total consideration of $3,750 cash and 37,500 common shares of the Company will be paid on the TSX Approval date and on the six month anniversary of the Approval date to each of the vendors. The property is subject to a 2% NSR, with the Company having the right to purchase 1% any time for $2,000,000 for each claim. This agreement is subject to TSX-V approval.

b) On July 22, 2015, the Company announced the terms of a proposed transaction (the "Transaction") whereby the Company and Alpha Exploration Inc. ("Alpha") will merge to form a consolidated, well financed uranium exploration company ("CombineCo"). The Company and Alpha have executed a binding definitive agreement (the "Agreement") for the Transaction, which was unanimously approved by the directors of both companies. Further, the directors and executive officers for both companies have executed lock-up agreements in support of the Transaction. Both companies anticipate holding a meeting of their respective shareholders to obtain the required shareholder approvals in early September.

The Agreement contemplates that the Transaction will be comprised of the following steps: (i) the common shares of Lakeland will be consolidated on the basis of three (3) old shares for one (1) new share; and (ii) Lakeland will acquire all of the issued and outstanding shares of Alpha pursuant to a plan of arrangement or other similar business combination transaction, based on an anticipated exchange ratio of one (1) share of Lakeland for every two (2) shares of Alpha. The result is shareholders of Lakeland owning approximately 60% of CombineCo, with approximately 40% owned by former shareholders of Alpha.

Upon completion of the proposed Transaction, CombineCo will have approximately 41 million common shares issued and a treasury of approximately C$3 million. The focus of CombineCo is shareholder value-creation through discovery on high priority drill targets. Drilling is anticipated for the upcoming fall/winter 2015 season on at least one and possible two priority properties in the merged portfolio. In addition to the synergies developed from the combined Carter-Hook Lake Property along the PLS trend, southwest Athabasca Basin, CombineCo will own a 100 per cent undivided interest in several other highly prospective exploration projects. Of these projects, Gibbons Creek, Kelic Lake, Lazy Edward Bay and Newnham Lake are active, with considerable historic and recent exploration and we believe are prospective for unconformity-style uranium.

As well, upon completion of the proposed Transaction, the directors and officers of CombineCo will be reconstituted to consist of six (6) directors, of which three (3) nominees shall be made by each of Lakeland and Alpha. Jonathan Armes, currently CEO of Lakeland, will serve as President and CEO and a director of CombineCo, Dr. Michael Gunning, the current CEO of Alpha, will be Executive Chairman and a director of CombineCo, and Sierd Eriks, the current VP Exploration for Alpha will be VP Exploration of CombineCo. Certain former directors of Alpha are anticipated to continue to serve as technical advisors to the board of directors of CombineCo.

The Transaction is subject to TSX Venture Exchange acceptance for both Lakeland and Alpha, receipt of required third party consents, approval by respective Alpha and Lakeland shareholders, and BC Supreme Court approval.

Alpha's board of directors, as part of the process, engaged Primary Capital Inc. ("Primary") as its independent financial advisor. The Alpha board of directors received a verbal fairness opinion from Primary, that the consideration payable to Alpha's shareholders is fair, from a financial point of view, to the shareholders of Alpha, other than Lakeland.