

MINERAL MOUNTAIN RESOURCES LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended June 30, 2015

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL REPORT

The accompanying unaudited interim financial report of the Company has been prepared by and is the responsibility of the Company's management. The Company's independent auditor has not performed a review of this financial report.

MINERAL MOUNTAIN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)

	Note	June 30, 2015	March 31, 2015
ASSETS			
Current assets			
Cash and cash equivalents	4	$ 207,775	$ 249,224
Marketable securities	5	280,026	287,335
Receivables	6	5,408	13,150
Prepaid expenses and deposits	7	106,736	134,823
		599,945	684,532
Non-current assets			
Exploration and evaluation assets	9	8,879,896	8,555,019
Property and equipment	8	42,878	51,092
		8,922,774	8,606,111
Total assets		$ 9,522,719	$ 9,290,643
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	10	$ 218,053	$ 335,540
Amounts due to related parties	12	69,825	47,180
Loan payable	11	50,000	-
Total liabilities		337,878	382,720
Equity			
Share capital		35,185,998	34,841,124
Share-based payments reserve		2,388,908	2,374,793
Accumulated other comprehensive loss		(7,309)	-
Deficit		(28,382,756)	(28,307,994)
Total equity		9,184,841	8,907,923
Total liabilities and equity		$ 9,522,719	$ 9,290,643

Commitments (Note 9, 12 & 18)

The financial statements were authorised for issue by the board of directors on August 21, 2015 and were signed on its behalf by:

"Nelson Baker"	Director	*"John Morita"*	Director
Chief Executive Officer		Chief Financial Officer	

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

MINERAL MOUNTAIN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
THREE MONTHS ENDED JUNE 30
(Unaudited – Prepared by Management)

	Note	2015	2014
EXPENSES			
Consulting		$ 54,000	$ 92,780
Depreciation	8	7,871	17,092
Loan interest		-	2,968
Media and news dissemination		2,414	1,201
Office and miscellaneous		10,242	19,325
Professional fees		17,207	20,348
Rent		24,959	24,168
Transfer agent and filing fees		6,710	9,185
Travel and conference		1,705	6,388
Wages and benefits		4,641	49,638
		(129,749)	(243,093)
OTHER ITEMS			
Interest income		389	79
Foreign exchange		5,263	882
Impairment loss on marketable securities		-	(395,807)
		5,652	(394,846)
Net loss for the period		(124,097)	(637,939)
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:			
Fair value gain (loss) on marketable securities		(7,309)	6,250
Comprehensive loss for the period		$ (131,406)	$ (631,689)
Basic and diluted loss per common share	13	$ (0.00)	$ (0.00)

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

MINERAL MOUNTAIN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited – Prepared by Management)

	Note	Number of Shares	Share capital	Share-based payments reserve	Accumulated other comprehensive loss	Deficit	Total equity
Balance, March 31, 2015		182,876,198	$ 34,841,124	$ 2,374,793	$ -	$ (28,307,994)	$ 8,907,923
Comprehensive loss							
Loss for the period		-	-	-	-	(124,097)	(124,097)
Other comprehensive income for the period		-	-	-	(7,309)	-	(7,309)
Comprehensive loss for the period		-	-	-	(7,309)	(124,097)	(131,406)
Transactions with owners							
Acquisition of exploration and evaluation assets	9	2,500,000	112,500	-	-	-	112,500
Private placements	13	6,345,000	253,800	63,450	-	-	317,250
Finders' shares	13	374,150	14,966	-	-	-	14,966
Share issuance costs	13	-	(36,392)	-	-	-	(36,392)
Adjustment on cancellation of stock options		-	-	(49,335)	-	49,335	-
Transactions with owners		9,219,150	344,874	14,115	-	49,335	408,324
Balance, June 30, 2015		192,095,348	$ 35,185,998	$ 2,388,908	$ (7,309)	$ (28,382,756)	$ 9,184,841

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

MINERAL MOUNTAIN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (cont'd…)
(Unaudited – Prepared by Management)

	Note	Number of Shares	Share capital	Share-based payments reserve	Accumulated other comprehensive loss	Deficit	Total equity
Balance, March 31, 2014		143,411,198	$ 33,420,632	$ 2,503,416	$ (8,750)	$ (26,049,307)	$ 9,865,991
Comprehensive loss							
Loss for the period		-	-	-	-	(637,939)	(637,939)
Other comprehensive income for the period		-	-	-	6,250	-	6,250
Comprehensive loss for the period		-	-	-	6,250	(637,939)	(631,689)
Balance, June 30, 2014		143,411,198	$ 33,420,632	$ 2,503,416	$ (2,500)	$ (26,687,246)	$ 9,234,302

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

MINERAL MOUNTAIN RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED JUNE 30
(Unaudited – Prepared by Management)

	Note	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period		$ (124,097)	$ (637,939)
Items not affecting cash:			
Loan interest		-	2,968
Depreciation		7,871	17,092
Impairment loss on marketable securities		-	395,807
Changes in non-cash working capital items:			
Receivables		7,742	5,924
Prepaid expenses and deposits		28,087	11,159
Trade and other payables		11,484	61,391
Amounts due to related parties		22,645	78,638
Net cash used in operating activities		(46,268)	(64,960)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration and evaluation assets		(359,713)	(92,333)
Purchase of equipment		-	(11,542)
Net cash used in investing activities		(359,713)	(103,875)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from related party loans		-	45,000
Proceeds from loans		50,000	125,000
Proceeds from issuance of share capital		317,250	-
Share issuance costs		(2,718)	-
Net cash provided by financing activities		364,532	170,000
Change in cash and cash equivalents during the period		(41,449)	1,165
Cash and cash equivalents, beginning of the period		249,224	21,158
Cash and cash equivalents, end of the period	4	$ 207,775	$ 22,323

Supplemental disclosures with respect to cash flows (Note 15)

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

1. NATURE OF BUSINESS

Mineral Mountain Resources Ltd. (the "Company") was incorporated on September 1, 2006 under the laws of British Columbia, Canada and maintains its head office at Suite 401, 1195 West Broadway, Vancouver, British Columbia, Canada, V6H 3X5. Its registered office is located at Suite 2300, 550 Burrard Street, Vancouver, British Columbia, Canada, V6C 2B5. The Company is engaged in the acquisition, exploration, and development of mineral properties in North America. The Company's common shares are listed on the TSX Venture Exchange (TSX-V) under the symbol "MMV" and on the OTCQX International under the symbol "MNRLF".

2. BASIS OF PREPARATION

These condensed unaudited interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. The condensed unaudited interim financial statements do not include all of the disclosures required for a complete set of annual financial statements and should be read in conjunction with the audited annual consolidated financial statements for the year ended March 31, 2015, which have been prepared in accordance with IFRS as issued by the IASB.

These unaudited interim consolidated financial statements incorporate the financial statements of the Company and its wholly-owned subsidiaries. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Basis of measurement

These unaudited interim consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values. In addition these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Going concern of operations

The Company is an exploration stage company. The Company has a history of losses with no operating revenue. The ability of the Company to recover the costs it has incurred to date on the exploration and evaluation assets is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the assets. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent on its ability to obtain adequate financing on reasonable terms from lenders, shareholders and other investors and/or to commence profitable operations in the future. Although the Company has been successful in raising funds in the past, there is no assurance that it will be able to obtain adequate financing in which case the Company may be unable to meet its obligations. The directors, after reviewing the current cash position and having considered the Company's ability to raise funds in the short term, adopt the going concern basis in preparing its consolidated financial statements.

As at the date of approval of these financial statements, the Company is not in compliance with payment commitments as specified in the option agreement relating to the Company's Holy Terror property which is the Company's primary asset (Note 9). Within the going concern assumption it is presumed that the Company can make the required payment or negotiate a suitable extension, and that the optionor will not terminate the option agreement.

These unaudited interim consolidated financial statements do not include adjustments that would be required if going concern is not an appropriate basis for preparation of the financial statements. These adjustments could be material.

2. BASIS OF PREPARATION (cont'd…)

Functional and presentation currency

These unaudited interim consolidated financial statements are presented in Canadian dollars, which is functional currency of the Company and its subsidiary.

Significant estimates and assumptions

The preparation of these unaudited interim consolidated financial statements requires management to make 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 period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) The determination of the fair value of stock options and agent's warrants using stock pricing models, require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

Significant judgments

The preparation of these unaudited interim consolidated financial statements requires management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

i) Recorded costs of exploration and evaluation assets are not intended to reflect present or future values of these assets. The assessment of indications of impairment loss and the reversal of an impairment loss and the measuring of the recoverable amount when impairment tests have been prepared involve judgment. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

ii) The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements and whether there are events or conditions that may give rise to significant uncertainty.

iii) The classification of financial instruments.

iv) The determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets.

v) The determination of whether a decline in the fair value of a financial asset classified as available-for-sale is prolonged and /or significant and is therefore an impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in the Company's audited annual consolidated financial statements for the year ended March 31, 2015 were consistently applied to all the periods presented unless otherwise noted below.

Comparative information

Certain comparative information in these unaudited interim consolidated financial statements has been reclassified to conform to the presentation of the current period financial statements.

New accounting policies

There were no new standards effective April 1, 2014 that had an impact on the Company's consolidated financial statements.

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2015, or later periods. The Company has not applied these new standards in preparing these consolidated financial statements. The following pronouncement is considered by the Company to be the most significant of several pronouncements that may affect the consolidated financial statements in future periods.

- New standard IFRS 9 *Financial Instruments* ("IFRS 9") has been issued by IASB to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the impact of adopting IFRS 9 on its consolidated financial statements.

4. CASH AND CASH EQUIVALENTS

		June 30, 2015		March 31, 2015
Cash	$	207,775	$	36,224
Guaranteed investment certificates		-		213,000
	$	207,775	$	249,224

5. MARKETABLE SECURITIES

	June 30, 2015	March 31, 2015
Group Ten Metals Inc.	$ 3,750	$ 3,750
Global Resources Investment Trust Plc	276,276	283,585
	$ 280,026	$ 287,335

The 250,000 common shares of Group Ten Metals Inc.(formerly Duncastle Gold Corp) were received pursuant to Duncastle Option Agreement on the Pipestone Project (Note 9). The Group Ten common shares currently trade on the TSX Venture Exchange. The Company acquired 1,121,128 common shares of Global Resources Investment Trust Plc ("GRIT") on February 27, 2014 in exchange for 28,600,000 common shares of the Company (Note 13). There remains a balance of 971,426 GRIT shares. The GRIT shares currently trade on the London Stock Exchange.

Marketable securities are measured at fair value which is determined using quoted closing prices of the shares on the exchange where they are listed, at the end of each reporting period. A change in fair value of the marketable securities is included as a component of other comprehensive income, unless such change represents an impairment, in which case the change is recorded in profit and loss for the period. Refer to Note 17 for further information on the measurement of fair value.

6. RECEIVABLES

	June 30, 2015	March 31, 2015
GST/HST recoverable	$ 5,408	$ 12,850
Other receivable	-	300
	$ 5,408	$ 13,150

7. PREPAID EXPENSES AND DEPOSITS

	June 30, 2015	March 31, 2015
Exploration advances	$ 52,242	$ 75,751
Prepaid expenses	24,044	28,622
Rental deposit	30,450	30,450
	$ 106,736	$ 134,823

8. PROPERTY AND EQUIPMENT

	Computer software	Office furniture & equipment	Field equipment	Total
Cost				
Balance as at March 31, 2015	$ 231,871	$ 83,404	$ 13,717	$ 328,992
Additions	-	-	-	-
Balance as at June 30, 2015	231,871	83,404	13,717	328,992
Accumulated depreciation				
Balance as at March 31, 2015	214,223	61,620	2,057	277,900
Depreciation for the period	3,701	4,170	343	8,214
Balance as at June 30, 2015	217,924	65,790	2,400	286,114
Net value as at June 30, 2015	$ 13,947	$ 17,614	$ 11,317	$ 42,878

	Building	Computer software	Office furniture & equipment	Field equipment	Total
Cost					
Balance as at March 31, 2014	$ 145,285	$ 220,493	$ 83,404	$ 13,717	$ 462,899
Additions	-	11,378	-	-	11,378
Disposal	(145,285)	-	-	-	(145,285)
Balance as at March 31, 2015	-	231,871	83,404	13,717	328,992
Accumulated depreciation					
Balance as at March 31, 2014	47,517	177,104	44,940	685	270,246
Depreciation for the year	3,632	37,119	16,680	1,372	58,803
Adjustment on disposal	(51,149)	-	-	-	(51,149)
Balance as at March 31, 2015	-	214,223	61,620	2,057	277,900
Net value as at March 31, 2015	$ -	$ 17,648	$ 21,784	$ 11,660	$ 51,092

During the three months ended June 30, 2015, the Company expensed $7,871 (2014 - $17,092) in depreciation to the statement of comprehensive loss and capitalized $343 (2014 - $343) to exploration and evaluation assets.

9. EXPLORATION AND EVALUATION ASSETS

	March 31, 2014	Additions/ (Recoveries)	Write-offs	March 31, 2015	Additions/ (Recoveries)	Write-offs	June 30, 2015
Holy Terror Project, South Dakota							
Acquisition costs							
Option payments	$ 3,030,966	$ 424,200	$ -	$ 3,455,166	$ 112,500	$ -	$ 3,567,666
Staking and other property costs	269,056	81,387	-	350,443	45,784	-	396,227
	3,300,022	505,587	-	3,805,609	158,284	-	3,963,893
Exploration costs							
Accommodation/camp	38,784	18,595	-	57,379	1,579	-	58,958
Assays	347,171	-	-	347,171	25,693	-	372,864
Drilling	1,343,412	137,289	-	1,480,701	87,721	-	1,568,422
Equipment rental	33,447	4,202	-	37,649	4,466	-	42,115
Field work	291,695	67,801	-	359,496	17,046	-	376,542
Geological consulting	917,416	222,044	-	1,139,460	15,400	-	1,154,860
Geophysical survey	291,603	-	-	291,603	-	-	291,603
Miscellaneous	101,748	4,702	-	106,450	5,982	-	112,432
State and local taxes	103,278	9,040	-	112,318	2,671	-	114,989
Travel	126,173	16,843	-	143,016	5,645	-	148,661
	3,594,727	480,516	-	4,075,243	166,203	-	4,241,446
	$ 6,894,749	$ 986,103	$ -	$ 7,880,852	$ 324,487	$ -	$ 8,205,339

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9. EXPLORATION AND EVALUATION ASSETS

Continued…	March 31, 2014	Additions/ (Recoveries)	Write-offs	March 31, 2015	Additions/ (Recoveries)	Write-offs	June 30, 2015
Rochford Project, South Dakota							
Acquisition costs							
Staking and other property costs	$ 236,905	$ 49,424	$ -	$ 286,329	$ -	$ -	$ 286,329
Exploration costs							
Assays	674	-	-	674	-	-	674
Equipment rental	2,042	-	-	2,042	-	-	2,042
Field work	1,389	-	-	1,389	-	-	1,389
Geological consulting	88,058	29,600	-	117,658	390	-	118,048
Geophysical survey	224,903	-	-	224,903	-	-	224,903
Miscellaneous	1,857	-	-	1,857	-	-	1,857
State and local taxes	23,368	929	-	24,297	-	-	24,297
Travel	15,018	-	-	15,018	-	-	15,018
	357,309	30,529	-	387,838	390	-	388,228
	$ 594,214	$ 79,953	$ -	$ 674,167	$ 390	$ -	$ 674,557

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

Continued…	March 31, 2014	Additions/ (Recoveries)	Write-offs	March 31, 2015	Additions/ (Recoveries)	Write-offs	June 30, 2015
Pipestone Project, Ontario							
Acquisition costs							
Option payments	$ 356,840	$ -	$ (356,840)	$ -	$ -	$ -	$ -
Staking and other property costs	716	740	(1,456)	-	-	-	-
	357,556	740	(358,296)	-	-	-	-
Shining Tree Project, Ontario							
Acquisition costs							
Option payments	350,000	(50,000)	(300,000)	-	-	-	-
Staking and other property costs	666	544	(1,210)	-	-	-	-
	350,666	(49,456)	(301,210)	-	-	-	-
Kootenay Arc Project, British Columbia							
Acquisition costs							
Option payments	$ 1,000	$ -	$ (1,000)	$ -	$ -	$ -	$ -
	1,000	-	(1,000)	-	-	-	-
Total	$ 8,198,185	$ 1,017,340	$ (660,506)	$ 8,555,019	$ 324,877	$ -	$ 8,879,896

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

Holy Terror Project, South Dakota

The Company's Holy Terror project is located in the Keystone Mining District, Pennington County, South Dakota, USA. At June 30, 2015, the project presently consisted of 19 patented mineral claims and 273 unpatented lode claims. The Holy Terror project includes the following properties:

Holy Terror Property

On May 30, 2012, the Company signed an option agreement ("Holy Terror Agreement") with the Holy Terror Mining Company ("Holy Terror Mining"), whereby Holy Terror Mining granted the Company the exclusive working right and option to acquire up to a 75% interest in certain mineral claims located in the Keystone Mining District, Pennington County, South Dakota. Pursuant to the Holy Terror Agreement and subsequent amendment signed on October 8, 2013, the Company must make cash payments of US$1,000,000, issue 10,000,000 common shares and incur US$7,500,000 in exploration expenditures by May 30, 2022 to earn a 60% interest in the property. The Company has paid US$750,000, issued 10,000,000 common shares (with a fair value of $962,500) and incurred approximately US$5,150,000 of deemed exploration expenditures. The remaining option payments are due as follows:

- pay US$250,000 by May 30, 2015; and
- incur additional US$2,350,000 in exploration expenditures by May 30, 2022.

The Company is currently in negotiations with Holy Terror Mining to extend the due date of the option payment due May 30, 2015.

To exercise its option to acquire an additional 15% interest in the property, for a 75% interest in aggregate, the Company shall incur additional exploration expenditures of US$12,500,000 by May 30, 2022. The property is subject to a 3% net smelter returns royalty ("NSR").

Once the Company has earned its interest in the property (either a 60% interest or a 75% interest), the Company and Holy Terror Mining will form a joint venture (the "Joint Venture"). The Company will then be responsible for the first US$25,000,000 of expenditures on the property and there will be no dilution of the Holy Terror Mining's interest in the Joint Venture. In addition, upon the formation of the Joint Venture, the Company agreed to make a further cash payment of US$250,000 per year to Holy Terror Mining until the US$25,000,000 of exploration expenditures has been incurred on the property.

Bullion Mine Property

On August 15, 2012, the Company and its wholly-owned subsidiary entered into an asset purchase agreement with Energy Fuels Corporation ("Energy Fuels"), whereby Energy Fuels agreed to sell certain mineral claims located in the Keystone Mining District in Pennington County, South Dakota in consideration of 4,000,000 common shares of the Company (issued with a fair value of $1,000,000) and 4,000,000 share purchase warrants (issued with a fair value of $563,657 using the Black-Scholes option pricing model, assuming a risk-free interest rate of 1.25%, an expected life of 3 years, annualized volatility of 102% and a dividend rate of 0%). Of the 4,000,000 share purchase warrants, 2,000,000 warrants are exercisable at a price of $0.35 per share until August 27, 2015 and the remaining 2,000,000 warrants are exercisable at a price of $0.40 per share until August 27, 2015. Because the Bullion Mine property falls within the area of interest defined in the Holy Terror Agreement, a deemed cost of $750,000 for the 4,000,000 issued common shares for the purchase of the Bullion Mine property is considered as part of the exploration expenditure commitment pursuant to the Holy Terror Agreement.

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

Holy Terror Project, South Dakota (cont'd…)

Bismarck Mine Property

On August 27, 2012, Holy Terror Mining acquired an additional 241 mineral claims that fall within the area of interest under the Holy Terror Agreement. The Company, as part of its obligations under the Holy Terror Agreement, has reimbursed Holy Terror Mining the purchase price of $223,359. The purchase price is considered as part of the exploration expenditure commitment pursuant to the Holy Terror Agreement.

Staked Mining Claims

In October 2012, the Company staked an additional 70 unpatented federal lode mining claims for approximately $172,000. The staked claims falls within the area of interest defined in the Holy Terror Agreement and forms part of the terms and conditions of the aforementioned option agreement.

Lease Agreement

On April 15, 2015, The Town of Keystone (the "Town") and the local residents approved a lease agreement signed with the Company to lease a small tract of vacant land owned by the Town as a drill site to drill test the extension of the Bullion deposit. Under the terms of the lease agreement, the Company paid the Town US$30,000 upon execution of the lease and is required to pay a 5% NSR production royalties on the sale of all materials from the leased land. In addition, the Company is required to make a monthly payment of US$2,000 as minimum royalties. All minimum royalties paid will be credited against any future NSR production royalties. The term of the lease ends on December 31, 2015 and the Company has the option to renew the lease till December 31, 2025. In addition, the lease shall remain in effect for so long as materials are produced in paying quantities from the leased land.

Rochford Project, South Dakota

During the year ended March 31, 2013, the Company staked 289 unpatented mineral claims situated in the Rochford Mining District of the Black Hills, South Dakota, approximately 40 kilometers northwest of the Holy Terror Project, at a cost of $191,390.

Pipestone Project, Ontario

The Company held a 100% interest in the Pipestone Project is located in the Kenora Mining District in north western Ontario. At March 31, 2013, the Company wrote down the Pipestone Project to its estimated recoverable value of $400,000.

On October 25, 2012, the Company signed a letter of understanding with Group Ten Metals Inc. (formerly Duncastle Gold Corp.) ("Duncastle"), whereby the Company granted Duncastle an option to acquire up to a 100% interest in the Company's Pipestone Project, subject to a 2% NSR, by making cash payments of $300,000, issuing 2,000,000 common shares of Duncastle (250,000 common shares received) and incurring exploration expenditures of $4,000,000 on the property over five years. During the year ended March 31, 2014, Duncastle decided not to proceed with the option agreement and returned the Pipestone property to the Company.

During the year ended March 31, 2015, the Company decided not to proceed with further exploration of the property and thus wrote off the remaining capitalized balance of $358,296.

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

Shining Tree Project, Ontario

On October 25, 2010, the Company entered into a letter agreement with Benton Resources Corp. ("Benton") to assume all the remaining rights and obligations of the option agreement dated June 1, 2009 ("Underlying Agreement") between Benton and Golden Harp Resources Inc. ("Golden Harp") to earn up to a 70% interest in certain mineral claims located in the Larder Lake Mining District of Ontario. During the year ended March 31, 2012, the Company completed the option terms and earned a 70% interest in the Shining Tree Project.

At March 31, 2013, the Company wrote down the Shining Tree Project to its estimated recoverable value of $350,000. During the year ended March 31, 2015, the Company sold its 70% interest in the Shining Tree Project for $50,000. Accordingly, the Company wrote off the remaining capitalized balance of $301,210.

Kootenay Arc Project, British Columbia

The Company's Kootenay Arc project is located in the Kootenay Land District of British Columbia. During the year ended March 31, 2014, the Company decided not to continue working on the property and allowed most of the mineral claims lapsed. Accordingly, the Company wrote down the acquisition and exploration costs totaling $4,526,854. During the year ended March 31, 2015, the Company relinquished all of its mineral claims and thus wrote off the remaining capitalized balance of $1,000.

10. TRADE AND OTHER PAYABLES

		June 30, 2015		March 31, 2015
Trade payables	$	181,345	$	317,540
Accrued expenses		36,708		18,000
	$	218,053	$	335,540

Trade payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and accrued expenses for operating activities. The usual credit period taken for trade purchases is between 30 to 90 days.

11. LOAN PAYABLE

During the three months ended June 30, 2015, the Company received a loan of $50,000 from a non-related company. The loan bears no interest and is payable on demand.

12. RELATED PARTY TRANSACTIONS

Amounts due to related parties were for services rendered to the Company by the directors and officers or companies controlled by its directors and officers and are unsecured, non-interest bearing, and have no specific terms of repayment.

Key management includes directors (executive and non-executive) and senior officers of the Company. The compensation paid or payable to key management personnel during the three month periods ended June 30 is as follows:

		2015		2014
Consulting fees	$	54,000	$	88,280
Geological consulting fees		-		11,970
Share-based payments		-		-
Total	$	54,000	$	100,250

The Company entered into the following transactions relating to key management personnel and entities over which they have control or significant influence during the three month period ended June 30, 2015:

a) Incurred consulting fees of $39,000 (2014 - $64,500) to three companies controlled separately by three directors of the Company.

b) Incurred consulting fees of $15,000 (2014 - $22,800) to a director of the Company.

c) Incurred consulting fees of $nil (2014 - $980) and geological consulting fees of $nil (2014 - $11,970) to a company controlled by a former director of the Company.

The Company has entered into four consulting agreements with a director and three companies controlled separately by three directors and officers of the Company for management and corporate consulting services for a total monthly fee of $18,000 plus applicable taxes. These agreements are on a month to month basis and may be terminated with a six month notice or a termination payment equal to six months' remuneration.

13. SHARE CAPITAL

Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

Issued share capital

At June 30, 2015, the Company had 192,095,348 common shares outstanding (March 31, 2015 - 182,876,198).

Share issuance

During the three months ended June 30, 2015, the Company:

a) Issued 2,500,000 common shares with a fair value of $112,500 pursuant to the Holy Terror property option agreement.

b) Completed a non-brokered private placement of 6,345,000 units at a price of $0.05 per unit for gross proceeds of $317,250. Each unit is comprised of one common share and one share purchase warrant; each warrant entitles the holder to acquire one additional common share for a period of 24 months at an exercise price of $0.09. $63,450 of the proceeds were allocated to the warrants determined based on the excess of the subscription price of the units over the market price of the Company's share at the time of issue. The Company paid $18,708 and issued 374,150 common shares with a fair value of $14,966 as a finders' fee. The Company also incurred other expenses of $2,718 in connection with the private placement.

During the year ended March 31, 2015, the Company:

c) Issued 2,500,000 common shares with a fair value of $150,000 pursuant to the Holy Terror property option agreement.

d) Completed a brokered private placement of 36,965,000 units at a price of $0.05 per unit for gross proceeds of $1,848,250. Each unit is comprised of one common share and one share purchase warrant; each warrant entitles the holder to acquire one additional common share for a period of 24 months at an exercise price of $0.09. $369,650 of the proceeds were allocated to the warrants determined based on the excess of the subscription price of the units over the market price of the Company's share at the time of issue. The Company paid the agent a cash commission of $42,910 and a work fee of $35,000, reimbursed expenses of $52,561 and issued 858,200 agent's options. Each agent's option is exercisable for a period of 24 months at a price of $0.05, to acquire one common share and one share purchase warrant, each warrant having the same terms as the warrants issued under the private placement. The agent's options were valued at $22,255 using the Black-Scholes option pricing model (assuming a risk-free interest rate of 1.12%, an expected life of 2 year, annualized volatility of 140.95% and a dividend rate of 0%). The Company also incurred filing and other expenses of $55,382 in connection with the private placement.

13. SHARE CAPITAL (Cont'd…)

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three month period ended June 30, 2015 was based on the loss attributable to common shareholders of $124,097 (2014 - $637,939) and a weighted average number of common shares outstanding of 183,706,638 (2014 - 143,411,198).

At June 30, 2015, 3,050,000 stock options (2014 - 5,375,000), 47,310,000 warrants (2014 - 24,339,671), and 858,200 agent's warrants (2014 - 1,310,600) were excluded from the diluted weighted average number of common shares calculation as their effect would have been anti-dilutive.

14. SHARE-BASED PAYMENTS

Stock options

The Company has adopted an incentive rolling stock option plan (the "Plan") under which it is authorized to grant options to directors, officers, employees and consultants enabling them to acquire up to a maximum of 10% of the issued and outstanding common shares of the Company. The options can be granted for a maximum term of 5 years and vest as determined by the board of directors. Options granted to employees or consultants performing investor relations will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period. The exercise price of options granted under the Plan shall not be less than the closing price of the Company's shares on the trading day immediately preceding the date of grant, less the discount permitted under the Exchange's policies.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, March 31, 2014	5,375,000	$ 0.42
Cancelled	(2,075,000)	0.41
Balance, March 31, 2015	3,300,000	$ 0.42
Expired	(250,000)	0.25
Balance, June 30, 2015	3,050,000	$ 0.43
Exercisable at June 30, 2015	3,050,000	$ 0.43
Weighted average fair value of options granted during the period	$ -	(2014 - $nil)

The options outstanding at June 30, 2015 have an exercise price in the range of $0.28 to $0.70 and a weighted average remaining contractual life of 1.61 years.

14. SHARE-BASED PAYMENTS (Cont'd…)

Stock options (Cont'd…)

As at June 30, 2015 the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date
775,000	$ 0.70	January 7, 2016
200,000	0.70	February 23, 2016
150,000	0.50	June 7, 2016
1,625,000	0.28	September 6, 2017
300,000	0.35	October 4, 2017
3,050,000		

Warrants

Warrants are issued as private placement incentives. Value was allocated to the warrants issued with private placement units based on the residual method. Agents' warrants are measured at fair value on the date of the grant as determined using the Black-Scholes option pricing model.

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2014	34,337,921	$ 0.41
Warrants issued	36,965,000	0.09
Agents' warrants issued	858,200	0.05
Warrants expired	(29,027,321)	0.41
Agents' warrants expired	(1,310,600)	0.45
Balance, March 31, 2015	41,823,200	$ 0.11
Warrants issued	6,345,000	0.09
Balance, June 30, 2015	48,168,200	$ 0.11
Exercisable at June 30, 2015	48,168,200	$ 0.11

The warrants outstanding at June 30, 2015 have an exercise price in the range of $0.05 to $0.40 and a weighted average remaining contractual life of 1.22 years.

14. SHARE-BASED PAYMENTS (Cont'd…)

Warrants (Cont'd…)

As at June 30, 2015 the following warrants were outstanding:

	Number of Warrants	Exercise Price	Expiry Date
Warrants			
	2,000,000	$ 0.35	August 27, 2015
	2,000,000	0.40	August 27, 2015
	27,805,000	0.09	October 3, 2016
	9,160,000	0.09	October 6, 2016
	6,345,000	0.09	June 24, 2017
	47,310,000		
Agents' warrants			
	378,000	$ 0.09	October 3, 2016
	480,200	0.09	October 6, 2016
	858,200		
	48,168,200		

15. SUPPLEMENTAL CASH FLOW INFORMATION

	2015	2014
Cash paid for income taxes during the period	$ -	$ -
Cash paid for interest during the period	$ -	$ -

Significant non-cash investing and financing transactions during the three month period ended June 30, 2015 included:

(a) The Company issued 2,500,000 common shares pursuant to the Holy Terror property option agreement with a total value of $112,500.

(b) The Company allocated depreciation of equipment of $343 to exploration and evaluation assets.

(c) Included in trade and other payables are $160,037 related to exploration and evaluation assets.

(d) Included in trade and other payables are $18,708 related to share issuance costs.

Significant non-cash investing and financing transactions during the three month period ended June 30, 2014 included:

(a) The Company allocated depreciation of property and equipment of $343 to exploration and evaluation assets.

(b) Included in trade and other payables are $94,908 related to exploration and evaluation assets.

16. FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows: cash and cash equivalents, and receivables classified as loans and receivables and measured at amortized cost; marketable securities as available-for-sale and measured at fair value; trade and other payables, amounts due to related parties and loan payable as other financial liabilities and measured at amortized cost. The carrying amount of financial assets and liabilities carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, interest rate risk and foreign exchange rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash and cash equivalents, marketable securities and receivables. The credit risk with respect to its cash and marketable securities is minimal as they are held with high-credit quality financial institutions. The Company's receivables mainly consist of goods and services tax due from Canadian governments. Management does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company performs cash flow forecasting for each fiscal year to ensure there is sufficient cash available to fund its projects and operations. As at June 30, 2015, the Company had a cash and cash equivalents balance of $207,775 and current liabilities of $337,878. The Company's financial liabilities include trade and other payables which have contractual maturities of 30 days or are due on demand.

At present, the Company's operations do not generate cash flow. The Company's primary source of funding has been the issuance of equity securities through private placements and the exercise of stock options and warrants. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Interest rate risk

Interest risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company is exposed to interest rate risk to the extent that the cash and cash equivalents maintained at the financial institutions. The interest rate risks on cash and cash equivalents are not considered significant due to their short-term nature and maturity.

Foreign exchange rate risk

Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company funds certain operations, exploration and administrative expenses in the United States by using US dollars converted from its Canadian bank accounts. At June 30, 2015, the Company had financial assets of $190,199 and financial liabilities of $158,205 denominated in United States dollars. The Company does not hedge its foreign exchange risk.

17. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Assets and liabilities measured at fair value on a recurring basis on the statement of financial position are summarized in levels of fair value hierarchy as follows. There have been no changes in these levels and no changes in classifications during the three month period ended June 30, 2015.

	Level 1	Level 2	Level 3	Total
June 30, 2015				
Available-for-sale financial assets				
Marketable securities	$ 280,026	$ -	$ -	$ 280,026
March 31, 2015				
Available-for-sale financial assets				
Marketable securities	$ 287,335	$ -	$ -	$ 287,335

The following valuation techniques and inputs were used to estimate the fair values:

i) Marketable securities

The fair value of marketable securities is determined based on the closing price of each security at the end of each reporting period. The closing price is a quoted market price obtained from the exchange that is the principal active market for the particular security, and therefore marketable securities are classified within Level 1 of the fair value hierarchy.

18. COMMITMENTS

On April 18, 2011, the Company entered into an office lease agreement for its office premises commencing July 1, 2011 and ending June 30, 2014. On April 16, 2014, the Company extended the existing lease for two additional years to June 30, 2016. The minimum lease commitments under the lease for the next two fiscal years are as follows:

2016	$ 40,968
2017	$ 13,656
	$ 54,624

19. SEGMENTED INFORMATION

Operating segments

The Company operates in a single reportable segment – the acquisition, exploration and development of mineral properties.

Geographic segments

The Company's non-current assets are located in Canada the USA as follows:

At June 30, 2015:

		Canada		USA		Total
Property and equipment	$	31,561	$	11,317	$	42,878
Exploration and evaluation assets		-		8,879,896		8,879,896
	$	31,561	$	8,891,213	$	8,922,774

At March 31, 2015:

		Canada		USA		Total
Property and equipment	$	39,432	$	11,660	$	51,092
Exploration and evaluation assets		-		8,555,019		8,555,019
	$	39,432	$	8,566,679	$	8,606,111

20. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, pursue exploration of its mineral property interest and to maintain a flexible capital structure for the benefits of its stakeholders. In the management of capital, the Company includes components of shareholders' equity in the definition of capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets.

Management reviews the capital structure on a regular basis to ensure that the Company's capital management objectives are achieved. There was no change in the Company's approach to capital management from the prior year. The Company's capital is not subject to any external restrictions.