Consolidated Financial Statements
30 April 2015
(An Exploration Stage Company)
(Expressed in Canadian dollars)

JAMES STAFFORD

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Pacific North West Capital Corp.

We have audited the accompanying consolidated financial statements of Pacific North West Capital Corp., which comprise the consolidated statements of financial position as at 30 April 2015 and 2014 and the consolidated statements of loss and comprehensive loss, changes in cash flows and equity (deficiency) for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Pacific North West Capital Corp. as at 30 April 2015 and 2014, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1.1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the ability of Pacific North West Capital Corp. to continue as a going concern.



Chartered Professional Accountants
Vancouver, Canada

27 August 2015

Pacific North West Capital Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at 30 April 2015	As at 30 April 2014
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	**18,890**	**378,080**
Amounts receivable	6	**232,497**	**265,563**
Short term investments	7	**94,100**	**685,067**
Prepaid expenses		**833**	**39,715**
		346,320	**1,368,425**
Long-term prepaid expenses	21	**-**	**158,356**
Investment in associate	8	**-**	**142,985**
Exploration and evaluation properties	9	**-**	**7,824,048**
Property and equipment	10	**10,000**	**150,052**
Total assets		**356,320**	**9,643,866**
EQUITY (DEFICIENCY) AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	11	**38,415**	**54,693**
Due to related parties	17	**31,329**	**-**
		69,744	**54,693**
Lease provision	21	**1,729,380**	**-**
Total liabilities		**1,799,124**	**54,693**
Equity (deficiency)			
Share capital	12	**34,997,236**	**34,919,269**
Reserves	12	**6,410,517**	**6,341,775**
Deficit		**(42,850,557)**	**(31,671,871)**
Total equity (deficiency)		**(1,442,804)**	**9,589,173**
Total equity (deficiency) and liabilities		**356,320**	**9,643,866**

APPROVED BY THE BOARD:

"Harry Barr" Director

"John Londry" Director

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

Pacific North West Capital Corp.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

		Year ended 30 April	
	Notes	**2015**	2014
		$	$
Expenses			
Accounting and audit		**17,647**	21,455
Bank charges and interest		**2,995**	3,457
Consulting fees	17	**159,895**	383,177
Corporate development		**-**	2,552
Depreciation	10	**31,186**	44,746
Insurance, licenses and fees		**21,599**	43,783
Investor and shareholder relations		**67,786**	93,414
Legal fees		**213**	5,190
Management fees	17	**37,800**	130,038
Office and miscellaneous		**46,491**	36,839
Rent	21	**214,937**	86,785
Salaries and benefits	17	**24,996**	138,419
Share-based payments	13, 17	**98,463**	45,388
Telephone and utilities		**6,557**	17,193
Transfer agent and regulatory fees		**35,739**	93,023
Travel, lodging and food		**17,964**	41,514
Loss before other items		**(784,268)**	(1,186,973)
Other items			
Foreign exchange gain (loss)		**(1,220)**	10,702
Gain (loss) on sale of short term investments	7	**(122,586)**	87,032
Interest and other income		**15**	1,484
Write-down of exploration and evaluation properties	9	**(7,965,950)**	(18,438)
Write-down of property and equipment	10	**(108,866)**	-
Recovery of written down exploration and evaluation properties	9	**-**	5,250
Gain (loss) on revaluation of share purchase warrants	7	**(324,730)**	252,002
Write-down of amounts receivable	6	**(21,006)**	-
Flow-through share income		**22,290**	12,710
Net loss from associate	8	**(142,985)**	(63,736)
Lease provision	21	**(1,729,380)**	-
Net loss for the year		**(11,178,686)**	(899,967)
Other comprehensive loss			
Unrealized loss on short term investments	7	**(57,111)**	(201,664)
Net comprehensive loss		**(11,235,797)**	(1,101,631)
Loss per share			
Basic	14	**(0.236)**	(0.024)
Diluted	14	**(0.236)**	(0.024)

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

Pacific North West Capital Corp.

Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Notes	Year ended 30 April 2015	2014
		$	$
OPERATING ACTIVITIES			
Loss before tax		**(11,178,686)**	(899,967)
Adjustments for:			
Depreciation	10	**31,186**	44,746
Share-based payments	13	**103,820**	45,388
(Gain) loss on sale of short-term investment	7	**122,586**	(87,032)
Write-down of amounts receivable	6	**21,006**	-
Write-down of property and equipment	10	**108,866**	-
Write-down of exploration and evaluation properties	9	**7,965,950**	18,438
Recovery of written down exploration and evaluation properties	9	**-**	(5,250)
Lease provision	21	**1,729,380**	-
Loss on revaluation of share purchase warrants	7	**324,730**	(252,002)
Flow-through share income		**(22,290)**	(12,710)
Rent deposit forfeited	21	**158,356**	-
Net loss from associate	8	**142,985**	63,736
Operating cash flows before movements in working capital			
Increase in amounts receivable		**(127,940)**	(58,732)
Decrease in prepaid expenses		**38,882**	42,059
Increase (decrease) in current liabilities		**25,841**	(42,952)
Cash used in operating activities		**(555,328)**	(1,144,278)
INVESTING ACTIVITIES			
Cash spent on exploration and evaluation properties	9	**(130,402)**	(106,554)
Purchase of property and equipment		**-**	(9,148)
Purchase of short term investments	7	**-**	(120,420)
Proceeds from sale of short term investments	7	**226,540**	152,777
Cash from (used in) investing activities		**96,138**	(83,345)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares	12	**100,000**	775,000
Share issue costs		**-**	(18,250)
Cash from financing activities		**100,000**	756,750
Decrease in cash and cash equivalents		**(359,190)**	(470,873)
Cash and cash equivalents, beginning of year		**378,080**	848,953
Cash and cash equivalents, end of year		**18,890**	378,080

Supplemental cash flow information (Note 18)

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

Pacific North West Capital Corp.

Consolidated Statements of Changes in Equity (Deficiency)

(Expressed in Canadian dollars)

	Number of shares	Share capital	Share-based payment reserve	Warrant reserve	Investment revaluation reserve	Deficit	Total
		$	$	$	$	$	$
Balances, 30 April 2013	34,682,405	34,558,392	3,350,017	3,664,115	(876,954)	(30,771,904)	9,923,666
Shares issued for							
Cash	11,833,333	775,000	-	-	-	-	775,000
Flow-through shares premium liability	-	(35,000)	-	-	-	-	(35,000)
Agent warrants	-	(5,268)	-	5,268	-	-	-
Value assigned to warrants	-	(355,605)	-	355,605	-	-	-
Share-based payments	-	-	45,388	-	-	-	45,388
Share issue cost	-	(18,250)	-	-	-	-	(18,250)
Reclassification of loss on investments	-	-	-	-	(201,664)	-	(201,664)
Net loss for the year	-	-	-	-	-	(899,967)	(899,967)
Balances, 30 April 2014	**46,515,738**	**34,919,269**	**3,395,405**	**4,024,988**	**(1,078,618)**	**(31,671,871)**	**9,589,173**
Shares issued for							
Cash	2,000,000	100,000	-	-	-	-	100,000
Share-based payments	-	-	103,820	-	-	-	103,820
Value assigned to warrants	-	(22,033)	-	22,033	-	-	-
Reclassification of loss on investments	-	-	-	-	(57,111)	-	(57,111)
Net loss for the year	-	-	-	-	-	(11,178,686)	(11,178,686)
Balances, 30 April 2015	**48,515,738**	**34,997,236**	**3,499,225**	**4,047,021**	**(1,135,729)**	**(42,850,557)**	**(1,442,804)**

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

1. CORPORATE INFORMATION

The Company was incorporated under the Business Corporations Act (Alberta) on 29 May 1996 and on 13 July 2004, the Company continued out of the Province of Alberta and into the Province of British Columbia. The Company is a reporting issuer in British Columbia, Alberta and Ontario, on the TSX Venture Exchange ("TSXV") under the trading symbol "PFN", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "P7JF" and on the OTC Pink (United States) under the symbol "PAWEF". The Company was listed on the TSX until 13 January 2014, when the Company voluntarily delisted its shares from trading on the TSX. Effective on the same day, the Company became listed on the TSXV. The Company is in the process of acquiring, exploring and developing Platinum Group Metals ("PGMs"), precious and base metals mineral properties. The Company will attempt to bring the properties to production, structure joint ventures with others, option or lease properties to third parties, or sell the properties outright. The Company has not yet determined whether these properties contain ore reserves which are economically recoverable and the Company is considered to be in the exploration stage.

On 14 January 2014, the Company consolidated its share capital on a one (1) new common share for every three (3) existing common shares. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 12).

The Company's head office, principal address and records office are located at Suite 101 - 2148 West 38th Avenue, Vancouver, British Columbia, V6M 1R9.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned no revenues and has experienced negative cash flows from operating activities. As at 30 April 2015, the Company had cash and cash equivalents of $18,890. Existing funds on hand at 30 April 2015 will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations during the coming year. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future.

Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations.

These financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control is obtained to the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation.

An associate is an entity in which the Company or any of its subsidiaries has significant influence, and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies and is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. Investments in associates are accounting for by using the equity method.

The subsidiaries and associate of the Company as at 30 April 2015 and 2014 are described below:

		% equity interest as at 30 April	
Name	**Country of incorporation**	**2015**	2014
Subsidiaries			
Pacific North West Capital Corp. USA[(1)]	United States	**100%**	100%
Pacific North West Capital de México, S.A. de C.V. [(1)]	Mexico	**100%**	100%
Associate			
Next Gen Metals Inc. (Note 8)	Canada	**22.98%**	22.16%

[(1)] Inactive entities.

2.2 Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 16, and are presented in Canadian dollars, except where otherwise indicated.

2.3 Statement of compliance

The consolidated financial statements of the Company and its subsidiaries, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with IFRS and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 Adoption of new and revised standards and interpretations

At the date of authorization of these consolidated financial statements, the IASB and IFRIC have issued the following new and revised standards, amendments and interpretations which are not yet effective during the year ended 30 April 2015:

- IFRS 7 *'Financial Instruments: disclosures*', clarifies the definition for continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

    - Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
    - Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
    - All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
    - The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.

- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 '*Consolidated financial statements'*, clarifies the conditions for a parent to present consolidated financial statements and for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 *'Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 *'Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 16 *'Property, plant and equipment'* is an amendment to clarify acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 28 *'Investments in associates and joint ventures*' is an amendment that clarifies that an entity need not apply the equity method to its investment in an associate or joint venture the parent is the ultimate parent of the entity in which subsidiaries are consolidated or are measured at fair value through profit or loss. The amendment is effective for annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and 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.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit. The Company uses the binomial valuation model to determine the fair value of warrants issued.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short term money market instruments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

3.3 Investment in associate

The Company's investment in its associate is accounted for using the equity method of accounting. Under the equity method, the Company's investment in an associate is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of earnings and losses of the associate and for impairment losses after the initial recognition date. The Company's share of an associate's losses that are in excess of its investment in the associate are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. The Company's share of earnings and losses of associates are recognized in profit or loss during the period.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on the Company's investment in its associates. The Company determines at each reporting date whether there is any objective evidence that the investment in associate is impaired. If there is objective evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in profit or loss. When a group entity transacts with an associate of the Company, profit and losses are eliminated to the extent of the Company's interest in the relevant associate.

3.4 Foreign currencies

The Company's reporting currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which it operates.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

3.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance method using the following rates or the straight-line method over the following expected useful lives:

- Automotive 30%
- Office equipment 20%
- Software 100%
- Leasehold improvements 10 years

3.6 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time, they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation asset is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.7 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.8 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payments reserve.

The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.9 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents and share purchase warrants held in other companies are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.10 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables and due to related parties are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.11 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.12 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.13 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.14 Flow-through shares

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through share premium liability will be reversed. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a deferred tax recovery.

3.15 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.16 Changes in accounting policies

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 May 2014:

- IFRS 2 *'Share-based payment'* is an amendment to clarify the definition of "vesting conditions", and separately define a "performance condition" and a "service condition". A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

- IAS 36 *'Impairment of assets'* are amendments issued in May 2013, that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces consolidation requirements in IAS 27 (as amended in 2008) and Standing Interpretations Committee ("SIC") -12. New amendments include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's consolidated financial statements.

4. SEGMENTED INFORMATION

The Company conducts its business as a single operating segment being the mining business in Canada. All resource properties and equipment are situated in Canada.

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

As at 30 April	**2015**	2014
	$	$
Denominated in Canadian dollars	**16,510**	313,947
Denominated in U.S. dollars	**2,380**	64,133
Total cash and cash equivalents	**18,890**	378,080

During the year ended 30 April 2015, the Company issued a total of Nil flow-through shares (2014 - 3,376,667) for a total of $Nil (2014 - $285,500) (Notes 11 and 12). As at 30 April 2015, the Company has $21,786 (2014 - $111,450) remaining to be spent on qualifying Canadian exploration expenditures under the terms of the flow-through share agreements (Note 20).

6. AMOUNTS RECEIVABLE

The Company's amounts receivable are as follows:

As at 30 April	**2015**	2014
	$	$
GST/HST receivable	**6,696**	12,761
Advances receivable (Note 17)	**-**	2,000
Shared office costs receivable (Note 17)	**225,801**	250,802
Total amounts receivable	**232,497**	265,563

During the year ended 30 April 2015, the Company recorded a write-down of amounts receivable of $21,006 (2014 - $Nil) from related parties (Notes 17 and 18).

During the year ended 30 April 2015, the Company received 2,000,000 shares (2014 - Nil) valued at $140,000 related to settlement of amounts receivable from a related party (2014 - $Nil) (Notes 7, 17 and 18).

Included in amounts receivable of the Company are amounts due from related parties which are disclosed in Note 17. The amounts are unsecured, interest-free and repayable upon written notice given from the Company.

7. SHORT-TERM INVESTMENTS

The Company's available-for-sale investments and share purchase warrants are as follows:

	2015		2014	
As at 30 April	**Cost**	**Fair Value**	Cost	Fair Value
	$	**$**	$	$
El Niño Ventures Inc. 4,852,925 shares (2014 - 2,852,925 shares)	**938,916**	**72,794**	836,317	171,233
Next Gen Metals Inc. 2,456,667 warrants expiring on 26 September 2015 (2014 - 2,456,667 warrants).	**206,074**	**8,206**	206,074	332,879
Gensource Capital Corp. (formerly Augen Capital Corp.) Nil shares (2014 - 2,257,000 shares).	**-**	**-**	166,664	56,425
Benton Capital Corp. 150,000 shares (2014 - 150,000 shares).	**67,270**	**2,250**	67,270	21,000
Benton Resources Inc. CM Nil shares (2014 - 300,000 shares).	**-**	**-**	67,270	18,000
Calais Resources Inc. 2,083,000 shares (2014 - 2,083,000 shares).	**125,000**	**-**	125,000	-
Goldtrain Resources Inc. 976,000 shares (2014 - 976,000 shares).	**29,280**	**4,880**	29,280	4,880
Others	**52,860**	**5,970**	168,051	80,650
Total short term investments	**1,419,400**	**94,100**	1,665,926	685,067

El Niño Ventures Inc. ("El Niño") and Next Gen Metals Inc. ("Next Gen") are companies with certain directors in common (Note 17).

During the year ended 30 April 2015, the Company sold a total of Nil shares (2014 - 201,500) of Next Gen for total proceeds of $Nil (2014 - $121,279), resulting in a gain of $Nil (2014 - $82,767). The Company purchased Nil shares (2014 - 225,000) of Next Gen for total cost of $Nil (2014 - $87,423).

During the year ended 30 April 2015, the Company received 2,000,000 shares (2014 - Nil) of El Niño valued at $140,000 related to settlement of amounts receivable from El Nino (2014 - $Nil) (Notes 6, 17 and 18).

During the year ended 30 April 2015, the Company sold a total of 753,116 shares (2014 - 355,000) in other marketable securities for total proceeds of $109,486 (2014 - $31,498), resulting in a loss of $5,705 (2014 - $4,265).

8. INVESTMENT IN ASSOCIATE

The Company's investment in its associate is as follows:

	2015		2014	
As at 30 April	**Net Book Value**	**Fair Value**	Net Book Value	Fair Value
	$	**$**	$	$
Next Gen	**-**	**58,019**	142,985	812,268

The Company accounts for its investment in Next Gen under the equity method of accounting.

As at 30 April 2015	Number of shares	Number of potential voting rights	Company's interest with potential voting rights	Quoted market price/share
Next Gen	3,867,944	2,456,667	22.98%	$0.015

The Company acquired the investment in Next Gen through a combination of cash transactions and as part of the agreement related to the sale of Destiny Gold Project (Note 9).

	Date acquired	Number of shares	Acquisition value	Company's interest
			$	
Next Gen	3 August 2010	811,111	140,830	3.73%
	26 September 2011	2,831,833	552,988	13.03%
	27 March 2014	15,000	7,622	0.07%
	24 April 2014	210,000	43,050	0.97%
		3,867,944	**744,490**	**17.80%**

Movements on equity investments for the years ended 30 April 2015 and 2014 are as follows:

	Next Gen
	$
Balance, 30 April 2013	194,561
Additions	12,160
Company's share of net loss	(63,736)
Balance, 30 April 2014	142,985
Additions	-
Company's share of net loss	(142,985)
Balance, 30 April 2015	**-**

Summary of financial information as at and for period ended 30 April 2015 for the equity accounted investment, not adjusted for percentage of ownership held by the Company, is as follows:

	Current Assets	Non-current Assets	Total Assets	Total Liabilities	Net Loss
	$	$	$	$	$
Next Gen	**60,358**	**4,981**	**65,339**	**44,599**	**(1,253,595)**

9. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended 30 April 2015 are as follows:

	River Valley	**Total**
	$	$
ACQUISITION COSTS		
Balance, 30 April 2014	3,372,951	3,372,951
Additions	42,960	42,960
Impairment	(3,415,911)	(3,415,911)
Balance, 30 April 2015	**-**	**-**
EXPLORATION AND EVALUATION COSTS		
Balance, 30 April 2014	4,451,097	4,451,097
Drilling	44,170	44,170
Engineering and consulting	38,560	38,560
Field expenses	7,867	7,867
Metallurgical study	8,345	8,345
Impairment	(4,550,039)	(4,550,039)
Balance, 30 April 2015	-	-
Total costs	**-**	**-**

The Company's exploration and evaluation properties expenditures for the year ended 30 April 2014 are as follows:

	River Valley	Other properties	Total
	$	$	$
ACQUISITION COSTS			
Balance, 30 April 2013	3,372,042	-	3,372,042
Additions	909	17,744	18,653
Impairment	-	(17,744)	(17,744)
Balance, 30 April 2014	3,372,951	-	3,372,951
EXPLORATION AND EVALUATION COSTS			
Balance, 30 April 2013	4,363,890	-	4,363,890
Engineering and consulting	73,229	694	73,923
Field expenses	13,261	-	13,261
Metallurgical study	717	-	717
Cost recovery	-	(5,250)	(5,250)
Impairment	-	4,556	4,556
Balance, 30 April 2014	4,451,097	-	4,451,097
Total costs	7,824,048	-	7,824,048

Project Overview:

River Valley, Ontario

By agreement dated 14 July 1999, the Company granted to Kaymin Resources Limited ("Kaymin"), a wholly-owned subsidiary of Anglo Platinum Limited, an option to earn up to a 65% interest in the Company's portion of certain properties, including the River Valley property, the Goldwright property, the Frontier property (these claims were allowed to lapse on 12 December 2006), the Washagami property (these claims were allowed to lapse on 10 December 2008), the Razor property and the Western Front property, in the Sudbury Region of Ontario. During a prior year, Kaymin elected to vest its option obtaining a 50% interest in the properties, upon having paid the Company $300,000 (received in a prior year) and advanced and spent in excess of $4,000,000 for exploration on the properties.

By way of a Mineral Interest Assignment Agreement dated for reference 13 December 2010, as amended on 6 April 2011 (the "Assignment Agreement"), the Company completed the purchase of Kaymin's 50% interest in the River Valley claims, providing the Company with an undivided 100% interest in the River Valley Platinum Group Metals (PGM) Project. Under the terms of the Assignment Agreement, Kaymin exchanged its 50% interest in the joint venture, for a 12% interest in the Company, based on the issued and outstanding common shares of the Company as of 30 November 2010 (22,514,336 common shares). The aggregate purchase price for the 50% interest in the River Valley PGM project was:

- 2,705,720 fully paid and non-assessable common shares of the Company (issued); and
- Three-year warrants exercisable to purchase 1,000,000 common shares of the Company at a price of $0.90 per common share (issued).

Included in the River Valley PGM Project are the following:

(i) River Valley Property, Ontario

By agreement dated 15 January 1999 and amended 11 March 1999, the Company acquired a 100% interest in 226 claim units, known as the River Valley Property, located in the Dana and Pardo Townships, Sudbury Mining District, Ontario. As consideration, the Company paid $265,000 and issued 200,000 common shares to the optionors. In addition, minimum annual exploration expenditures of $100,000 were completed. The property is subject to a 3% Net Smelter Return ("NSR"). The Company, at its option, can purchase up to 2% of the NSR from the vendors for $2,000,000.

(ii) Goldwright Property, Ontario

By agreement dated 30 June 1998 and subsequently amended, the Company earned a 25% interest in certain mineral claims known as the Janes property, located in the Janes Township, Sudbury Mining District, Ontario. Certain claims are subject to a 2% NSR.

(iii) Razor Property, Ontario

The Company acquired a 100% interest in certain mineral claims located in the Dana Township, Sudbury Mining District, Ontario for consideration of $30,000.

The property is subject to a 2% NSR.

(iv) Western Front Property, Ontario

By agreement dated 16 November 2001, the Company earned a 70% interest in certain mineral claims known as the Western Front property from a company (the "Optionor") with certain directors in common, for consideration of $55,000 and issuance of 6,667 shares. In addition, an exploration expenditure of $50,000 was incurred.

The Company has the right to purchase an additional 30% interest in the property by paying $750,000 to the Optionor.

The property is subject to a 3% NSR, the first 1% of which the Company can purchase for $1,000,000; the second 1% can be purchased for $2,000,000. The Company and the Optionor will share the NSR buyout privileges in proportion to their respective interests.

As at 30 April 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration programs, the Company recorded an impairment write-down of $7,965,950 (2014 - $Nil) with respect to the River Valley Project (Note 18).

Heaven Lake PGM Gold Project, Ontario

On 13 December 2010, the Company staked various claims in Thunder Bay, Ontario. In June 2013, the Heaven Lake property claims expired.

River Valley East and West PGM Project, Ontario

On 15 September 2011, the Company staked various mining claims in the Sudbury area of Ontario.

Other Properties

(i) Glitter Lake Property, Québec

By agreement dated 15 August 2003, as amended on 30 April 2006, the Company could acquire, from CanAlaska Uranium Ltd. ("CanAlaska"), a company that previously had certain directors in common, a 50% interest in certain mineral claims known as the Glitter Lake property, located in the province of Québec. As consideration, the Company, at its option, could issue shares, make payments and incur exploration expenditures (the expenditure commitments for 2008 and 2009 have been extended to 2009 and 2010 as agreed to in an amendment dated 1 April 2008).

On 30 January 2009, the Company and CanAlaska signed an amendment to the option agreement whereby CanAlaska assigned 100% interest in the Glitter Lake property to the Company. CanAlaska retains a 0.5% NSR interest in the property. The original option agreement has thus been terminated.

On 24 April 2012, the Company entered into an agreement to provide El Condor Minerals Inc. ("LCO") an option to earn a 100% interest in the Glitter Lake Property, subject to a two-week due diligence period. In order to exercise the option, LCO shall make the cash payments and issue shares as set forth below:

	Payment	**Shares**
	$	
On directors and regulatory approvals *(received)*	50,000	350,000
On 24 April 2013	50,000	350,000
On or before 24 April 2014	50,000	300,000
Total	**150,000**	**1,000,000**

Upon completion of the option, the Company will retain 2% NSR. A 1% NSR can be purchased from the Company for $1,000,000.

During the year ended 30 April 2013, the Company recorded a recovery of write-down of $76,630 related to cash and share payments received by the Company related to the Glitter Lake property.

During the year ended 30 April 2014, the Company recorded a cost recovery of $5,250 related to the Glitter Lake property.

10. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the year ended 30 April 2015 are as follows:

	Automotive	Office equipment	Software	Leasehold improvements	Total
	$	$	$	$	$
COST					
As at 30 April 2014	122,947	289,522	82,013	76,871	571,353
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 30 April 2015	**122,947**	**289,522**	**82,013**	**76,871**	**571,353**
DEPRECIATION					
As at 30 April 2014	103,421	222,705	77,439	17,736	421,301
Depreciation	5,856	13,364	4,574	7,392	31,186
Write-down	13,670	43,453	-	51,743	108,866
As at 30 April 2015	**122,947**	**279,522**	**82,013**	**76,871**	**561,353**
NET BOOK VALUE					
As at 30 April 2014	19,526	66,817	4,574	59,135	150,052
As at 30 April 2015	**-**	**10,000**	**-**	**-**	**10,000**

During the year ended 30 April 2015, the Company recorded a write-down of $108,866 (2014 - $Nil) related to the abandonment of its leasehold improvements and automotive (Note 18).

The changes in the Company's property and equipment for the year ended 30 April 2014 are as follows:

	Automotive	Office equipment	Software	Leasehold improvements	Total
	$	$	$	$	$
COST					
As at 30 April 2013	122,947	289,522	72,865	76,871	562,205
Additions	-	-	9,148	-	9,148
Disposals	-	-	-	-	-
As at 30 April 2014	122,947	289,522	82,013	76,871	571,353
DEPRECIATION					
As at 30 April 2013	95,053	206,002	66,212	9,288	376,555
Depreciation	8,368	16,703	11,227	8,448	44,746
As at 30 April 2014	103,421	222,705	77,439	17,736	421,301
NET BOOK VALUE					
As at 30 April 2013	27,894	83,520	6,653	67,583	185,650
As at 30 April 2014	19,526	66,817	4,574	59,135	150,052

11. TRADE PAYABLES AND ACCRUED LIABILITIES

The Company's trade and other payables are broken down as follows:

As at 30 April	**2015**	2014
	$	$
Trade payables	**26,415**	17,403
Accrued liabilities	**12,000**	15,000
Flow-through premium liabilities	**-**	22,290
Total trade payables and accrued liabilities	**38,415**	54,693

During the year ended 30 April 2015, the Company issued Nil flow-through shares (2014 - 3,376,667) for total proceeds of $Nil (2014 - $285,500). This issuance of flow-through shares resulted in a flow-through premium liability of $Nil (2014 - $22,290) (Notes 5 and 12).

During the year ended 30 April 2015, the Company incurred approximately $201,951 (2014 - $63,549) in qualifying Canadian exploration expenditures resulting in a flow-through share income of $22,290 (2014 - $12,710), with a corresponding decrease in the flow-through share premium liability.

12. SHARE CAPITAL

12.1 Authorized share capital

The Company is authorized to an issue unlimited common shares without par value. As at 30 April 2015, there were 48,515,738 common shares issued and outstanding (2014 - 46,515,738).

12.2 Share issuances

During the years ended 30 April 2015 and 2014, the Company issued common shares as follows:

On 10 November 2014, the Company issued 2,000,000 non flow-through units at $0.05 per unit for gross proceeds of $100,000 through non-brokered private placement. Each non flow-through unit consists of one common share and one-half of one non-transferrable share purchase warrant. Each full warrant entitles the holder to purchase one common share of the Company at a price of $0.10 per share during the first year and $0.20 per share during the second year.

On 25 March 2014, the Company issued 7,790,000 non flow-through units at $0.05 per unit for gross proceeds of $389,500 through non-brokered private placement. Each non flow-through unit consisting of one fully paid and non-assessable common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 during the second year and $0.30 during the third year. The Company paid a share issuance cost of $750 in cash.

On 25 March 2014, the Company issued 2,210,000 flow-through units at $0.05 per unit for gross proceeds of $110,500 through non-brokered private placement. Each flow-through unit consists of one fully paid and non-assessable flow-through common share in the capital of the Company and one-half of one non-transferable non-flow through share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 36 months from the closing date at a price of $0.10 per share during the first year, $0.20 during the second year and $0.30 during the third year. No premium was associated with the flow-through shares as the Company's quoted market price was greater than $0.05 at the time of issuance. The Company paid finder's fee of $5,250 in cash. During the year ended 30 April 2015, 400,000 flow-through units valued at $20,000 were retracted by a related party and re-issued as 400,000 non flow-through units with the same value (Note 11).

On 14 January 2014, the Company consolidated its share capital on one (1) new common share without par value for every three (3) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 1).

On 20 September 2013, the Company issued 666,666 non flow-through units at $0.15 per unit for gross proceeds of $100,000 through non-brokered private placement. Each non flow-through unit consisting of one fully paid and non-assessable common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 12 months at an exercise price of $0.30. The Company paid finder's fee of $12,250 in cash.

On 19 August 2013, the Company issued 166,667 flow-through units at $0.15 per unit for a gross proceeds of $25,000 through a non-brokered private placement, with each unit consisting of one fully paid and non-assessable flow-through common share in the capital of the Company and one-half of one non-transferable non-flow through share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 12 months at an exercise price of $0.30. The issuance of flow-through shares resulted in a flow-through share premium liability of $5,000 at the date of issuance (Notes 5 and 11). The Company issued 11,666 non-flow through finder warrants, each warrants entitling the holder thereof to purchase one non-flow through common share of the Company for a period of 12 months at an exercise price of $0.30.

On 25 July 2013, the Company issued 1,000,000 flow-through units at $0.15 per unit for a gross proceeds of $150,000 through a non-brokered private placement, with each unit consisting of one fully paid and non-assessable flow-through common share in the capital of the Company and one-half of one non-transferable non-flow through share purchase warrant, each whole warrant entitling the holder thereof to purchase one additional common share of the Company for a period of 12 months at an exercise price of $0.30. The issuance of flow-through shares resulted in a flow-through share premium liability of $30,000 at the date of issuance (Notes 5 and 11). The Company issued 90,000 non-flow through finder warrants, each warrant entitling the holder thereof to purchase one non-flow through common share of the Company for a period of 12 months at an exercise price of $0.30.

12.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 30 April 2015 and 2014:

	30 April 2015		30 April 2014	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning	**6,018,333**	**0.22**	1,267,250	0.92
Granted	**1,000,000**	**0.15**	6,018,333	0.22
Exercised	**-**	**-**	-	-
Expired	**(1,018,333)**	**0.30**	(1,267,250)	0.92
Outstanding, end of year	**6,000,000**	**0.19**	6,018,333	0.22

The following table summarizes information regarding share purchase warrants outstanding as at 30 April 2015 (Note 21):

Number of warrants	**Exercise price**	**Expiry date**
5,000,000	$0.10/$0.20/$0.30	25 March 2017
1,000,000	$0.10/$0.20	10 November 2016
6,000,000		

During the year ended 30 April 2015, in conjunction with the non-brokered private placement, the Company issued a total of 1,000,000 (2014 - 5,916,667) share purchase warrants and Nil (2014 - 101,666) agent compensation warrants.

The weighted average fair value of the 1,000,000 warrants granted during the year ended 30 April 2015 was estimated at $22,033 (2014 - $309,250 for 5,000,000 warrants) at the grant date using the Binomial Model. The weighted average assumptions used for the calculation were:

	30 April 2015	30 April 2014
Risk free interest rate	**1.01%**	1.24%
Expected life	**2 years**	3 years
Expected volatility	**191.33%**	156.61%
Expected dividend per share	**-**	-

The weighted average fair value of the warrants granted during the year ended 30 April 2015 was estimated at $Nil (2014 - $46,355 for 1,018,333 warrants) at the grant date using the Black-Scholes Pricing Model. The weighted average assumptions used for the calculation were:

	30 April 2015	30 April 2014
Risk free interest rate	**-**	1.09%
Expected life	**-**	1 year
Expected volatility	**-**	171.13%
Expected dividend per share	**-**	-

12.4 Performance shares

A total of Nil performance shares are reserved for issuance. At the discretion of the Board, these shares may be issued to such arm's length parties as the Board considers desirable to attract consultants to the Company.

	30 April 2015		30 April 2014	
	Number of performance shares	**Weighted-average exercise price**	Number of performance shares	Weighted-average exercise price
		$		$
Outstanding, beginning	**-**	**-**	899,300	0.03
Granted	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Cancelled	**-**	**-**	(899,300)	0.03
Outstanding, end of year	**-**	**-**	-	-

On 14 January 2014, all performance shares were cancelled.

12.5 Stock options

The Company has adopted a stock option plan whereby the Company may grant stock options to employees, directors and/or consultants of the Company. The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but is subject to the Discounted Market Price policies of the TSXV. The aggregate number of common shares issuable pursuant to options granted under the plan cannot be more than 10% of the Company's issued common shares under the plan. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

The following is a summary of the changes in the Company's stock option plan for the years ended 30 April 2015 and 2014:

	30 April 2015		30 April 2014	
	Number of options	**Weighted-average exercise price**	Number of options	Weighted-average exercise price
		$		$
Outstanding, beginning	**3,034,333**	**0.48**	1,806,000	0.84
Granted	**-**	**-**	1,515,000	0.12
Exercised	**-**	**-**	-	-
Expired	**(322,666)**	**0.84**	(245,000)	0.75
Forfeited	**(508,333)**	**0.31**	(41,667)	0.90
Outstanding, end of year	**2,203,334**	**0.47**	3,034,333	0.48

The weighted average fair value of the options granted during the year ended 30 April 2015 was estimated at $Nil (2014 - $102,869) at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	30 April 2015	30 April 2014
Risk free interest rate	**-**	1.71%
Expected life	**-**	5 years
Expected volatility	**-**	143.79%
Expected dividend per share	**-**	-

The weighted average fair value of the options related to services was estimated at $0.0345 (2014 - $Nil) per option at the date services were provided using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	30 April 2015	30 April 2014
Risk free interest rate	**1.18%**	-
Expected life	**4.38 years**	-
Expected volatility	**157.71%**	-
Expected dividend per share	**-**	-

The following table summarizes information regarding stock options outstanding and exercisable as at 30 April 2015:

Exercise price	**Number of options outstanding and exercisable**	**Weighted-average remaining contractual life (years)**	**Weighted-average exercise price**
Options outstanding and exercisable			
$0.10 - $0.75	1,455,001	3.40	$0.26
$0.76 - $0.90	748,333	0.97	$0.88
Total options outstanding and exercisable	**2,203,334**	**2.57**	**$0.47**

13. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $103,820 was recognized in the year ended 30 April 2015 (2014 - $45,388):

Grant date of stock options	Fair value of options granted	**Amount vested for year ended 30 April 2015**	Amount vested for year ended 30 April 2014
	$	**$**	$
5 January 2010	71,056	**-**	-
24 February 2011	667,912	**-**	-
15 March 2011	22,705	**-**	-
7 September 2011	117,339	**4,734**	20,616
19 March 2014	109,997	**85,225**	24,772
7 April 2014	6,060	**6,060**	-
28 April 2014	2,444	**2,444**	-
Total share-based payments		**98,463**	45,388
Consulting fees	5,357	**5,357**	-
		103,820	45,388

14. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 30 April	**2015**	2014
Net loss for the year	**$ (11,178,686)**	$ (899,967)
Weighted average number of shares – basic and diluted	**47,452,724**	36,954,554
Loss per share, basic and diluted	**$ (0.236)**	$ (0.024)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, performance shares and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options, performance shares and the share purchase warrants were anti-dilutive for the years ended 30 April 2015 and 2014.

15. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its exploration and evaluation properties.

The Company is dependent upon external financing to fund its activities. In order to carry out the planned exploration and to pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

16. FINANCIAL INSTRUMENTS

16.1 Categories of financial instruments

As at 30 April	**2015**	2014
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	**18,890**	378,080
Short term investments – warrants	**8,206**	332,936
Loans and receivables, at amortized cost		
Amounts receivable	**225,801**	252,802
Available-for-sale, at fair value		
Short term investments – shares	**85,894**	352,131
Total financial assets	**338,791**	1,315,949
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**26,415**	39,693
Due to related parties	**31,329**	-
Total financial liabilities	**57,744**	39,693

16.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 30 April 2015, the Company does not have any Level 3 financial instruments.

As at 30 April 2015	**Level 1**	**Level 2**	**Total**
	$	$	$
Financial assets at fair value			
Cash and cash equivalents	18,890	-	18,890
Short term investments – Shares	85,894	-	85,894
Short term investments – Warrants	-	8,206	8,206
Total financial assets at fair value	**104,784**	**8,206**	**112,990**

As at 30 April 2014	**Level 1**	**Level 2**	**Total**
	$	$	$
Financial assets at fair value			
Cash and cash equivalents	378,080	-	378,080
Short term investments – Shares	352,131	-	352,131
Short term investments – Warrants	-	332,936	332,936
Total financial assets at fair value	730,211	332,936	1,063,147

There were no transfers between Level 1 and 2 in the years ended 30 April 2015 and 2014.

16.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments 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 an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents and amounts receivable. The Company manages its credit risk relating to cash and cash equivalents by dealing with only with highly-rated financial institutions. As at 30 April 2015, amounts receivable was mainly comprised of Goods and Services Tax/Harmonized Sales Tax receivable and amounts receivable from related entities for shared office and administrative costs (Notes 6 and 17).

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 April 2015, the Company had working capital of $276,576 (2014 - $1,313,732).

Currency risk

For the years ended 30 April 2015 and 2014, the Company's operations were mainly in Canada (Note 4). The Company considers its currency risk to be insignificant.

Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate risk and commodity price risk arising from financial instruments.

17. RELATED PARTY TRANSACTIONS

For the year ended 30 April 2015, the Company had related party transactions with the following companies related by way of directors or shareholders in common:

- Next Gen, a company with management and certain directors in common with the Company. Next Gen pays shared office costs to the Company on a month-to-month basis.

- El Niño, a company with management and certain directors in common with the Company. El Niño pays shared office costs to the Company on a month-to-month basis.

- Southern Sun Minerals Inc. ("Southern"), a company with management and certain directors in common with the Company. Southern pays shared office costs to the Company on a month-to-month basis.

- Canadian Gravity Recovery Inc. ("CGR"), a company owned by the Chief Executive Officer of the Company. CGR provides management services on a month-to-month basis.

- Onestar Consulting Inc. ("Onestar"), a company owned by the Senior Vice President of Business and Corporate Development. Onestar provides consulting services on a month–to-month basis.

17.1 Related party expenses

Related party expenses are summarized as follows:

Year ended 30 April	**2015**	2014
	$	$
Shared office recoveries from Next Gen	**(159,520)**	(107,762)
Shared office recoveries from El Niño	**(115,661)**	(112,652)
Shared office recoveries from Southern Sun	**(49,414)**	(60,654)
Consulting and office fees to the Chief Executive Officer ("CEO")	**-**	33,377
Rent expense to the CEO	**7,385**	7,322
Consulting and office fees to a former Chief Operating Officer ("COO")	**5,720**	41,735
Consulting fees to a company controlled by the former COO	**54,400**	-
Consulting and office expenses to the VP of Corporate Development	**22,125**	4,232
Consulting fees to OneStar	**25,833**	83,333
Accounting fees to the Chief Financial Officer ("CFO")	**32,000**	75,878
Director fees	**-**	13,024
Consulting fees to the former Corporate Secretary	**-**	47,244
Consulting fees to former VP of Exploration	**-**	37,421
Consulting and professional fees to CGR	**62,499**	102,707
Consulting fees to a company controlled by a former Director	**-**	2,500
Consulting fees to the Corporate Secretary	**30,000**	-
Consulting fees to a company controlled by the Corporate Secretary	**6,000**	-
Total related party expenses (recovery)	**(78,633)**	167,705

17.2 Due from/to related parties

The assets and liabilities of the Company include the following amounts due from/to related parties:

As at 30 April	**2015**	2014
	$	$
Next Gen	**16,221**	8,087
El Niño	**185,149**	238,705
Southern	**4,311**	4,010
CEO	**20,120**	-
VP Corporate Development	**-**	2,000
Total amount due from related parties (Note 6)	**225,801**	252,802
CGR	**10,937**	-
OneStar	**5,250**	-
CFO	**5,600**	-
Corporate Secretary	**6,300**	-
Former COO	**417**	-
Company controlled by the former COO	**2,825**	-
Total amount due to related parties	**31,329**	-

During the year ended 30 April 2015, the Company recorded a write-down of amounts receivable of $21,006 (2014 - $Nil) from related parties (Note 6).

During the year ended 30 April 2015, the Company received 2,000,000 shares (2014 - Nil) of El Niño valued at $140,000 related to settlement of amounts receivable from El Nino (2014 - $Nil) (Notes 6, 7 and 18).

17.3 Key management personnel compensation

The remuneration of directors and other members of key management for the year ended 30 April 2015 and 2014 were as follows:

Year ended 30 April	**2015**	2014
	$	$
Short-term benefits - management and consulting fees	**238,578**	393,949
Share-based payments	**60,454**	17,695
Total key management personnel compensation	**299,032**	411,644

18. SUPPLEMENTAL CASH FLOW INFORMATION

18.1 Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Year ended 30 April	**2015**	2014
	$	$
Interest paid	**-**	-
Taxes paid	**-**	-
Total cash payments	**-**	-

18.2 Non-cash financing and investing activities

The Company incurred the following non-cash investing and financing transactions:

Year ended 30 April	**2015**	2014
	$	$
Common shares received for properties	**-**	5,250
Total non-cash financing and investing activities	**-**	5,250

During the year ended 30 April 2015, the Company recorded a write-down of amounts receivable of $21,006 (2014 - $Nil) from related parties (Notes 6 and 17).

During the year ended 30 April 2015, the Company recorded an impairment write-down of $7,965,950 (2014 - $Nil) with respect to the River Valley Project (Note 9).

During the year ended 30 April 2015, the Company recorded a write-down of $108,866 (2014 - $Nil) related to the abandonment of its leasehold improvements and automotive (Note 10).

During the year ended 30 April 2015, the Company received 2,000,000 shares (2014 - Nil) valued at $140,000 related to settlement of amounts receivable from a related party (2014 - $Nil) (Notes 6, 7 and 17).

19. TAXES

19.1 Provision for income taxes

Year ended 30 April	**2015**	2014
	$	$
Loss before tax	**11,178,686**	899,967
Statutory tax rate	**26.00%**	26.00%
Expected tax recovery	**2,906,458**	233,991
Non-deductible items	**(790,835)**	57,885
Change in future tax rates	**-**	(9,152)
Change in estimates to actual	**(222,363)**	-
Change in valuation allowance	**(1,893,260)**	(282,724)
Tax recovery for the year	**-**	-

19.2 Deferred tax balances

The tax effects of temporary differences that give rise to deferred tax assets are as follows:

As at 30 April	**2015**	2014
	$	$
Tax loss carry-forwards	**3,614,515**	3,475,879
Property and equipment	**20,450**	108,820
Exploration and evaluation properties	**1,882,608**	28,643
Share issue costs	**11,845**	22,816
	5,529,418	3,636,158
Valuation allowance	**(5,529,418)**	(3,636,158)
Deferred tax assets	**-**	-

19.3 Expiry dates

The Company's recognized and unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

As at 30 April	2015
	$
Non-capital losses	
2015	**684,375**
2026	**851,782**
2027	**1,271,389**
2028	**1,336,195**
2029	**1,530,437**
2030	**267,302**
2031	**1,445,791**
2032	**2,392,285**
2033	**1,725,235**
2034	**1,133,146**
2035	**1,264,045**
Total non-capital losses	**13,901,982**
Total resource-related deduction, no expiry	**7,240,800**

20. COMMITMENTS

As at 30 April 2015, the Company had the following commitments:

	< 1 year	2-5 years	> 5 years	Total
	$	$	$	$
Management fees	282,347	-	-	282,347
Total commitments	**282,347**	**-**	**-**	**282,347**

The Company has a management agreement with CGR, a company owned by the Chief Executive Officer of the Company, effective 1 April 2012.

As at 30 April 2015, the Company has $21,786 (2014 - $111,450) remaining to be spent on qualifying Canadian exploration expenditures under the terms of the flow-through share agreements (Note 5).

21. CONTINGENCIES

The Company had a lease agreement dated 1 April 2012 for leasing an office premise. On 12 February 2015, the Company was served with a notice of termination by the landlord due to default on rental payments for the months of January and February 2015.

Upon the notice of termination, all rent payable under the lease agreement became due and the prepaid rent deposit in the amount of $158,356 was forfeited to the landlord. The lease agreement and the termination notice reserves the right of the landlord to proceed against the Company for all outstanding amounts, costs and damages, as well as all prospective losses and damages, arising from the unexpired portion of the lease term, and other losses arising from the landlord's failure to carry on business. The Company is also liable to the landlord for expenses of the landlord in connection with the terminating, re-entering, re-letting or collection of sums due or payable by the Company on demand. Unpaid amounts bear interest from the due date to the date of payment at the rate of the greater of 18% per annum or the prime rate, plus 5% per annum calculated on a daily basis and compounded monthly.

The Company has recorded a provision of $1,729,380 (2014 - $Nil) related to the termination of the lease agreement. The Company is in the process of negotiating the terms of the obligation with the landlord.

Year ended 30 April	**2015**
	$
Beginning balance	**-**
Additions	**1,729,380**
Ending balance	**1,729,380**

As at 30 April 2015, the Company owns various exploration and evaluation properties (Note 9). Management does not consider that any amounts related to decommissioning liabilities are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these obligations in the future.

22. SUBSEQUENT EVENTS

There were no reportable subsequent events.

23. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the year ended 30 April 2015 were approved and authorized for issue by the Board of Directors on 26 August 2015.