Canadian Mining Company Inc.

Consolidated Financial Statements

(Expressed in Canadian Dollars)

For the years ending June 30, 2014 and 2013

Crowe MacKay LLP
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Independent Auditors' Report

To the Shareholders of
Canadian Mining Company Inc.

We have audited the accompanying consolidated financial statements of Canadian Mining Company Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at June 30, 2014 and 2013, and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the years ended June 30, 2014 and 2013 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 audits 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 Canadian Mining Company Inc. and its subsidiaries as at June 30, 2014 and 2013, and its financial performance and its cash flows for the years ended June 30, 2014 and 2013 in accordance with International Financial Reporting Standards.

Emphasis of matter
Without modifying our opinion, we draw attention to Note 1 to the consolidated financial statements which describe the material uncertainty that may cast significant doubt about the ability of Canadian Mining Company Inc. and its subsidiaries to continue as a going concern.

Crowe MacKay LLP

Calgary, Canada
October 27, 2014

Chartered Accountants

Canadian Mining Company Inc.

Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)

		Year ended June 30, 2014		Year ended June 30, 2013
Expenses (income)				
Administrative (note 7)	**$**	**99,116**	$	121,048
Management fees (note 7)		**108,000**		108,000
Share-based compensation (note 7)		**4,800**		-
Consulting fees		**-**		31,400
Interest (note 7)		**42,686**		40,000
Exploration and evaluation assets written off (note 5)		**529,625**		572,367
Bad debt provision (recovery) (note 6)		**9,139**		(10,347)
Net loss and comprehensive loss	**$**	**793,366**	$	862,468
Loss per share - basic and diluted	**$**	**0.01**	$	0.01
Weighted average number of common shares outstanding		**70,995,530**		70,956,735

Canadian Mining Company Inc.

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

		June 30, 2014		June 30, 2013
Assets				
Current				
Cash and cash equivalents	**$**	**4,577**	$	4,464
Receivables		**724**		1,731
Prepaid expenses		**1,321**		1,321
		6,622		7,516
Non-current				
Exploration and evaluation assets (note 5)		**248,422**		785,945
Reclamation and other deposits (note 6)		**17,040**		20,196
	$	**272,084**	$	813,657
Liabilities				
Current				
Accounts payable and accrued liabilities	**$**	**456,147**	$	292,660
Related party advances (note 7)		**561,350**		477,844
		1,017,497		770,504
Equity				
Share capital (note 8(ii))		**10,166,694**		10,161,894
Contributed surplus		**939,813**		939,813
Deficit		**(11,851,920)**		(11,058,554)
		(745,413)		43,153
	$	**272,084**	$	813,657

Nature of operations and going concern (note 1)
Commitments (note 10)
Subsequent events (note 11)

These consolidated financial statements were authorized for issue by the Board of Directors on October 27, 2014. They are signed on behalf of the Board of Directors by:

(Signed) "*Ray Paquette*", Director

(Signed) "*Ed Skoda*", Director

Canadian Mining Company Inc.

Consolidated Statements of Cash Flows
For the year ended
(Expressed in Canadian Dollars)

		June 30, 2014		June 30, 2013
Cash provided by (used for):				
Operating activities				
Net loss	**$**	**(793,366)**	$	(862,468)
Add items not affecting cash:				
Share-based compensation		**4,800**		-
Exploration and evaluation assets written off		**529,625**		572,367
Accrued interest expense		**42,426**		40,000
Accrued interest income		**(9,139)**		(10,653)
Provision for doubtful accounts		**9,139**		(10,347)
		(216,515)		(271,101)
Changes in non-cash working capital items				
Receivables		**1,007**		10,941
Accounts payable and accrued liabilities		**121,061**		206,378
		(94,447)		(53,782)
Financing activities				
Related party advances		**83,506**		24,119
Investing activities				
Exploration and evaluation expenditures paid		**(15,816)**		(184,092)
Exploration and evaluation expenditures received		**13,714**		7,305
Option payments received		**10,000**		50,000
Reclamation deposits received		**3,156**		21,000
		11,054		(105,787)
Increase (decrease) in cash and cash equivalents		**113**		(135,450)
Cash and cash equivalents, beginning of year		**4,464**		139,914
Cash and cash equivalents, end of year	**$**	**4,577**	$	4,464
Cash and cash equivalents consists of the following:				
Cash in banks	**$**	**4,577**	$	2,698
Unrestricted cash held in lawyer's trust account		**-**		1,766
	$	**4,577**	$	4,464

Supplemental cash flow information (note 12)

Canadian Mining Company Inc.

Consolidated Statements of Changes in Equity
For the years ended June 30, 2014 and 2013
(Expressed in Canadian Dollars)

	Shares number	Share capital $	Contributed surplus $	Warrants $	Deficit $	Total $
Balance July 1, 2012	70,956,735	10,161,894	884,341	55,472	(10,196,086)	905,621
Fair value transferred on expiry of warrants	-	-	55,472	(55,472)	-	-
Loss for the year	-	-	-	-	(862,468)	(862,468)
Balance June 30, 2013	**70,956,735**	**10,161,894**	**939,813**	**-**	**(11,058,554)**	**43,153**
Balance July 1, 2013	70,956,735	10,161,894	939,813	-	(11,058,554)	43,153
Share-based compensation	240,000	4,800	-	-	-	4,800
Loss for the year	-	-	-	-	(793,366)	(793,366)
Balance June 30, 2014	**71,196,735**	**10,166,694**	**939,813**	**-**	**(11,851,920)**	**(745,413)**

1. Nature of operations and going concern

Canadian Mining Company Inc. (the "Company" or "Canadian Mining") is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol CNG. The Company is an exploration stage public company whose principal business activities are the acquisition, exploration and evaluation of mineral properties.

The head office of the Company is located at Suite 2300, 1066 West Hastings Street, Vancouver, British Columbia, Canada V6E 3X2. The registered and records office is located at 2600 Manulife Place, 10180-101 St., Edmonton, Alberta, T5J 3Y2.

The consolidated financial statements of the Company have been prepared based on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Several adverse conditions cast significant doubt on the validity of the going concern assumption. The Company has not generated revenue from operations. The Company incurred a net loss of $793,366 during the year ending June 30, 2014 and, as of that date the Company's deficit was $11,851,920. At June 30, 2014, the Company has cash resources of $4,577 to settle its current liabilities of $1,017,497 representing a shortfall of $1,012,920. These circumstances lend substantial doubt as to the ability of the Company to meet its ongoing obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company's ability to continue as a going concern is dependent upon raising additional capital to meet its present and future commitments, the continued support of certain shareholders and trade creditors and on achieving profitable commercial operations.

The recoverability of the amounts reported for exploration and evaluation assets is dependent upon the quantity of economically recoverable resources, the ability of the Company to obtain financing to complete exploration and development of the properties, the timing of legislative or regulatory developments relating to environmental protection and achieving future profitable operations or receiving favourable proceeds from the disposition thereon.

The consolidated financial statements do not reflect adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to continue as a going concern and achieve profitable mining operations or obtain adequate financing and support from its shareholders and trade creditors.

If the going concern assumption was not appropriate for these consolidated financial statements, adjustments would be necessary to the carrying values of assets and liabilities, net loss and comprehensive loss, and statements of financial position classifications used.

2. Basis of presentation

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Approval of consolidated financial statements

The consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on October 27, 2014.

Basis of consolidation

These consolidated financial statements include the accounts of the Canadian Mining Company Inc. and its wholly-owned inactive subsidiaries, Canadian Mining Company of Arizona Inc. and Canmin Mexico S.A. de C.V. All significant inter-company transactions and balances have been eliminated upon consolidation.

Basis of measurement

The accounting policies applied in these consolidated financial statements are presented in note 3 and are based on IFRS issued and outstanding as of October 27, 2014. These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable. These consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

Significant accounting estimates and judgments

The preparation of financial statements in compliance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

3. Significant accounting policies

Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in net earnings. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax. Financial assets "held-to-maturity", "loans and receivables", and "other financial liabilities" are subsequently measured at amortized cost using the effective interest method.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

(i) Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

(ii) Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

(iii) Level 3 – Applies to assets or liabilities for which there are unobservable market data.

Cash and cash equivalents have been measured at fair value using Level 1 inputs.

The Company has classified its cash and cash equivalents as at FVTPL. Receivables (excluding GST and HST receivable) and reclamation and other deposits are classified as loans and receivables and accounts payable and accrued liabilities, and due to related parties are classified as other financial liabilities, all of which are measured at amortized cost.

The Company's financial instruments at June 30, 2014 are as follows:

	Loans and receivables	Available for sale	Fair value through profit or loss	Other financial liabilities
Financial assets				
Cash and cash equivalents	**$ -**	**$ -**	**$ 4,577**	**$ -**
Receivables	**-**	**-**	**-**	**-**
Reclamation and other deposits	**17,040**	**-**	**-**	**-**
Financial liabilities				
Accounts payable and accrued liabilities	**$ -**	**$ -**	**$ -**	**$ 456,147**
Related party advances	**-**	**-**	**-**	**561,350**

Unless otherwise disclosed their carrying values approximate their fair values due to the short-term nature of these instruments.

3. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Exploration and evaluation assets

Pre-exploration Costs
Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation assets and expenditures
Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs and share based payments to employees and consultants, are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of operations and comprehensive loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Mineral exploration and evaluation expenditures are classified as intangible assets.

Impairment
An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3. Significant accounting policies (continued)

Impairment (continued)
An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Reclamation Deposits
Cash which is subject to contractual restrictions on use is classified separately as reclamation deposits. Reclamation deposits are classified as loans and receivables.

Provisions
Rehabilitation provision
The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The rehabilitation activities include restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks. Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

Other provisions
Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Flow-through shares
The Company from time to time, may issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately as flow-through share proceeds.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

3. Significant accounting policies (continued)

Income Taxes
Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Loss per share
Loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per common share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

Comprehensive loss
Comprehensive loss consists of net loss and other comprehensive income (loss) and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. For the periods presented, the Company did not have any transactions or events from sources other than the Company's shareholders.

Foreign currency transactions
Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, unsettled monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at the year-end date and the related translation differences are recognized in net income.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined and the related translation differences are recognized in net income or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

3. Significant accounting policies (continued)

Share capital
Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share-based payments
Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3. Significant accounting policies (continued)

Standards and interpretations issued but not yet effective

At the date of authorization of these consolidated financial statements, the following Standards were issued but not yet effective:

Standards	Description of Changes	Effective Date
IFRS 9	*Financial Instruments* – New Standards that is part of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement.	Effective for annual periods beginning on or after January 1, 2015.
IAS 32	*Presentation of financial instrument* – Amendment to clarify requirements for offsetting financial assets and financial liabilities.	Effective for annual periods beginning on or after January 1, 2014.

The impact of the initial application of the Standards listed above is not known or reasonably estimable at the time of authorization of these consolidated financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amount of expenses during the reporting period.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Critical judgments

The preparation of our consolidated financial statements requires us to make judgments regarding the going concern of the Company as discussed in Note 1.

Key sources of estimation uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting our consolidated financial statements include:

4. Significant accounting judgments, estimates and assumptions (continued)

Key sources of estimation uncertainty (continued)

Share-based payments
We measure our share-based payment expense by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumption about them. The value of the share-based payment expense for the year along with the assumptions and model used for estimating fair value for share based compensation transactions are disclosed in note 8.

Financial Instruments
The fair values of financial instruments are estimated based upon market and third party inputs. These estimates are subject to change with fluctuations in commodity prices, interest rates, foreign currency exchange rates and estimates of non-performance risk.

Deferred Tax Assets and Liabilities
The measurement of deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities.

Exploration and Evaluation Expenditure
The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Title to Mineral Property Interests
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

5. Exploration and evaluation assets

The Company has interests in two mineral properties located in British Columbia as at June 30, 2014. These are Sun Group and Bromley Creek. Also, the Company has a precious metal property located in the Arizona Bullard Pass area.

A summary of the capitalized acquisition and exploration expenditures on the Company's exploration and evaluation assets for the years ending June 30, 2014 and 2013 are as follows:

	(US) Bullard Pass ($)	(CAN) Bromley Creek ($)	(CAN) Sun Group ($)	Total ($)
Acquisition costs				
Balance at July 1, 2013 and June 30, 2014	3,058	58,712	-	**61,770**
Exploration costs				
Balance at July 1, 2013	526,376	34,990	162,809	**724,175**
Additions during the year:				
Claim fees	3,249	12,567	-	**15,816**
Less: costs recouped	-	(13,714)	-	**(13,714)**
Less: option granted	-	-	(10,000)	**(10,000)**
Total additions during the period	3,249	(1,147)	(10,000)	**(7,898)**
Exploration costs written off during the year	(529,625)	-	-	**(529,625)**
Balance at June 30, 2014	-	33,843	152,809	**186,652**
Total as at June 30, 2014	3,058	92,555	152,809	**248,422**

5. Exploration and evaluation assets (continued)

	(US) Bullard Pass ($)	(MEX) San Bernardo ($)	(CAN) Bromley Creek ($)	(CAN) Sun Group ($)	Total ($)
Acquisition costs					
Balance at July 1, 2012	31,014	176,835	58,712	-	**266,561**
Less: option payment received	-	(50,000)	-	-	**(50,000)**
Less: property cost written- off	(27,956)	(126,835)	-	-	**(154,791)**
Balance at June 30, 2013	3,058	-	58,712	-	**61,770**
Exploration costs					
Balance at July 1, 2012	671,585	230,650	29,799	32,930	**964,964**
Additions during the year:					
Drilling	-	-	-	64,640	**64,640**
Geological and consulting	1,200	-	-	38,920	**40,120**
Assays	-	-	-	8,927	**8,927**
Claim fees	15,641	24,723	12,496	8,704	**61,564**
Site expenses	153	-	-	8,688	**8,841**
Less: costs recouped	-	-	(7,305)	-	**(7,305)**
Total additions during the year	16,994	24,723	5,191	129,879	**176,787**
Exploration costs written-off during the year	(162,203)	(255,373)	-	-	**(417,576)**
Balance at June 30, 2013	526,376	-	34,990	162,809	**724,175**
Total as at June 30, 2013	529,434	-	93,702	162,809	**785,945**

Bromley Creek, British Columbia, Canada

The Company has a Zeolite project in the Bromley Creek area located near Princeton, British Columbia. The Zeolite claims are subject to a $1.50 per tonne royalty payable to an unrelated third party and a $0.15 per tonne royalty payable to the government of British Columbia.

In June 2006, the Company entered into an option agreement with Heemskirk Canada Ltd. ("HCL") on its Bromley Creek (Princeton) mine effective July 1, 2006. As part of the option agreement, Canadian Mining Company Inc. granted HCL the option to acquire from the Company its undivided right, title and interest in and to the Bromley Creek property. The option agreement allows HCL unlimited access to and exclusive possession of the Princeton mine for the purposes of operating the Princeton mine over the next four years.

The total purchase price for Bromley Creek is $1,450,000, which is to be settled through a down payment of $100,000 payable on execution of the option agreement and a royalty payment of $7.50 per tonne of product mined and removed from Bromley Creek during the option period, with both the deposit and royalty payments made applied towards the total purchase price. The Company received this option payment from HCL in 2007. The option expires June 30, 2015.

HCL is a wholly-owned subsidiary of Heemskirk Consolidated Ltd., a publicly traded company on the Australian Stock Exchange. HCL mines, processes and markets industrial minerals to a variety of markets in North America including the oil and gas sector.

5. Exploration and evaluation assets (continued)

Bromley Creek, British Columbia, Canada (continued)

Under the agreement, operations of the mine are managed by HCL, whereby its employees, agents and independent contractors will have unlimited access and exclusive possession of the Bromley Creek zeolite mine for the purpose of exploration and commercial production. Under the terms of the contract, HCL purchased all existing inventory at the mine site in year one, and is subject to a minimum royalty payment in years two, three and four of the contract. In addition, HCL has agreed to meet the costs of maintaining the mineral claims on the property. Inventory for the first year of the contract was stockpiled at the staging area in Princeton for transport to HCL's processing facility in Lethbridge, Alberta. This inventory was delivered and sold to HCL during 2007.

Subsequent to the year ended June 30, 2014, the option agreement with HCL was terminated (note 11).

The mineral property claims have been leased from the British Columbia government and have expiration dates through to March 2015, all of which may be renewed for varying amounts. A thirty year mining lease for two of the zeolite claims was granted in 2000 and a quarry permit was issued in 2001.

Sun Group, British Columbia, Canada

On September 26, 2007, the Company acquired a contiguous claim, number 305975, located in the Similkameen Mining District of British Columbia, in consideration of the issuance of 50,000 common shares in the capital of the Company at a fair value of $0.095 per share. The total claim area is 948.935 hectares.

During the period ending June 30, 2013, the Company completed a 2-phase drill program. Data obtained from this exercise will be used in the preparation of the 43-101 resource report and will confirm the size and grade of the Zeolite deposit.

On April 16, 2014, the Company entered into a memorandum of understanding with Thelon Capital Ltd. ("Thelon") in terms of which Thelon has been granted an option to earn up to a fifty percent interest in the Company's Sun Group Zeolite Project near Princeton, BC.

At June 30, 2013 and June 30, 2014, the Company's Sun Group claims consist of the following:

Tenure No.	Claim Name	Owner	Map No:	Expiry Date:	Area (Hectares)
544975	ZEO-TECH 1	142965 (100%)	092H	2020/Jan/31	21.087
563611	SUNDAY CREEK 1	142965 (100%)	092H	2020/Jan/31	84.349
563612	SUNDAY CREEK 2	142965 (100%)	092H	2020/Jan/31	189.758
563613	SUNDAY CREEK 3	142965 (100%)	092H	2020/Jan/31	126.505
563614	SUNDAY CREEK 4	142965 (100%)	092H	2020/Jan/31	126.525
1012692	SUNDAY CREEK 5	142965 (100%)	092H	2020/Jan/31	84.379
601475	SUNDAY CREEK 6	142965 (100%)	092H	2020/Jan/31	42.180
602468	SUNDAY	142965 (100%)	092H	2020/Jan/31	21.089
733004	ZEO-TECH 2	142965 (100%)	092H	2020/Jan/31	21.090
733005	ZEO-MAR 3	142965 (100%)	092H	2020/Jan/31	231.973
			TOTAL:		**948.935**

5. Exploration and evaluation assets (continued)

Bullard Pass Gold Property, Arizona, United States

In 2007, the Company staked the DB 1 to 176 mineral claims totaling 3,420 acres and acquired 476.52 acres of Arizona State land under mineral exploration permit #08-111861, for total land holdings of 3,896.52 acres located in the vicinity of the Harcuvar and Harquahala Mountains, Yavapai County, Arizona (the "Bullard Pass Property"). The mineral exploration permit #08-111861 referenced above was for a term of one year from July 26, 2007 renewable annually by the Company until July 25, 2012. On September 21, 2012, the mineral exploration permit was extended, under permit #08-116531, for a five year term, renewable annually until September 20, 2017.

During the year ending June 30, 2010, the Company completed phase 1 of a drilling program. Following the results of the drill program, the Company has reduced its area of interest to 101 claims or some 2,500 acres in extent. The Company is seeking a joint venture partner to advance the project to the recommended Phase 2 program.

On July 5, 2012, the Company granted an exclusive option to Aureus Resources Inc. ("Aureus") to acquire an initial 50% interest in the Bullard Pass Gold Project ("the Project") by issuing the Company an aggregate of 2,000,000 common shares in Aureus and incurring US$750,000 in exploration expenditures.

On February 4, 2013, the Company rescinded the Option and Joint Venture Agreement with Aureus on the Company's Arizona Bullard Pass Gold Project as Aureus has been unable to meet its obligations laid out in the Agreement due to the difficult conditions facing junior mining companies in funding exploration.

On May 30, 2013, the Company announced an agreement with Ironwood Gold Corp. ("Ironwood"). The agreement granted Ironwood an option to acquire up to 100% of the Bullard Pass Project in consideration of US$1,650,000 payable in cash and shares, subject to a 2% NSR in favour of the Company. In terms of the agreement, Ironwood would acquire an initial 50% interest in the project by satisfying the following:

- Issuance of 2,000,000 common shares in Ironwood to the Company (received). The Company has not estimated a value on the shares as they are restricted from being traded.
- Incur $750,000 in exploration expenditures on the project within two years of the signing of the agreement. The timeline may be extended by a further one year by the payment of $50,000 plus property taxes by Ironwood to the Company.

During 2014, Ironwood terminated its agreement with the Company.

At June 30, 2013, the Company reduced its area of interest in the Bullard Pass by reducing the number of claims from 101 to 22 and wrote off $27,956 in acquisition costs and $162,203 in exploration costs incurred on the claims that were forfeited.

The Company has maintained its ownership interest in the 22 claims at June 30, 2014 but does not have intentions for further exploration of the property until such time as a new joint venture partner is obtained. Accordingly, the Company has written off the accumulated exploration costs in the amount of $529,625 on the Bullard Pass Gold Property at June 30, 2014.

5. Exploration and evaluation assets (continued)

San Bernardo, Mexico

Effective March 27, 2008, the Company entered into an option agreement (through its wholly-owned Mexican subsidiary, Canmin Mexico S.A. de C.V.) with Exploraciones San Bernardo S.A. de C.V. Hermossillo, Sonora, Mexico ("San Bernardo") pursuant to which the Company was granted an option to acquire a 100% interest in the Raquel 3 Concession.

At June 30, 2013, the management of the Company determined that it had no immediate plan to continue with the San Bernado project. Consequently acquisition costs of $126,835 and accumulated exploration costs of $255,373 were written off.

6. Reclamation and other deposits

	Note	June 30, 2014	June 30, 2013
Reclamation bonds and security deposit			
Reclamation bonds held in term deposits – Canada	(i)	**$ 15,000**	$ 15,000
Security deposits paid – Canada	(ii)	**2,040**	2,040
Reclamation bond – United States	(ii)	**-**	3,156
		17,040	20,196
Other deposit			
Refundable deposit	(iii)	**82,000**	82,000
Accrued interest	(iii)	**38,717**	29,578
		120,717	111,578
Provision for doubtful accounts	(iii)	**(120,717)**	(111,578)
		-	-
		$ 17,040	$ 20,196

(i) Prior to commencement of exploration of a mineral property in British Columbia, a company is required to post a reclamation bond against any potential land restoration costs that may be incurred in the future on certain properties, which is refunded to the Company upon completion of reclamation to the satisfaction of the Inspector of Mines. The Company has posted reclamation bonds of $15,000 (2013 - $15,000) with the Province of British Columbia, Canada. The reclamation bonds are held in term deposits which bear interest at a weighted average rate of 0.77% per annum (2013 – 0.80%).

(ii) Included in other deposits is $2,040 (2013 - $2,040) paid by the Company as a security deposit on its leased premises in Vancouver. The reclamation bond posted on the Bullard Pass property was returned to the Company in fiscal 2014.

6. Reclamation and other deposits (continued)

(iii) During a prior year, the Company entered into a formal letter of intent with a private British Columbia company to acquire a 640 acre coal lease (the "Property") in Wyoming's Powder River Basin area whereby the Company will have the exclusive right and option to earn a 100% interest in the Property in consideration of a total purchase price of $1,200,000, consisting of an initial refundable deposit of $120,000 upon execution of the letter of intent, the issuance of common shares equal to $600,000 upon receipt of a 43-101 complaint Technical Report indicating the presence of an economic deposit acceptable to the Company, and the balance of cash totaling $480,000 on terms yet to be determined by the parties. In 2011, the Company determined the Property did not warrant investment. Accordingly, the Company requested return of the deposit and entered into a forbearance agreement dated December 8, 2010 in respect of collection of the deposit. In accordance with the agreement the balance of the deposit was to be repaid together with interest at 8% per annum, commencing on June 23, 2010 as follows: $12,000 plus interest on or before June 30, 2010; $8,000 plus interest on or before January 15, 2011; $50,000 plus interest on or before February 15, 2011; and $50,000 plus interest on or before March 15, 2011. To date the Company has recovered $38,000 (2013 - $38,000) of the refundable deposit. There is significant uncertainty as to collection of the remaining amount. The Company has made a provision for doubtful accounts of $120,717 (2013 - $111,578), which includes $38,717 in accrued interest (2013 - $29,578).

7. Related party transactions

(a) During the year ending June 30, 2014, the Company entered into the following transactions with related parties:

(i) The Company accrued management fees of $108,000 (2013 - $108,000) to a director and officer.

(ii) The Company received advances from a directors amounting to $23,506 (2013 - $24,119).

(iii) The Company received advances from a director and insiders of the Company, for promissory notes in the principal amount of $60,000. The notes bear interest at 10% per annum and are due on January 21, 2016. The Company also issued 240,000 bonus shares valued at $4,800 in respect of these notes.

(iv) The Company has expensed interest of $42,426 (2013 - $40,000) in respect of five promissory notes in the principal amount of $460,000 (2013 - $400,000) issued to directors and insiders of the Company.

(v) The Company paid fees to an officer of the Company for accounting services included in administrative expenses of $12,000 (2013 - $9,000).

(vi) The Company paid fees to an officer of the Company for corporate secretarial services included in administrative expenses of $9,000 (2013 - $13,500).

The above transactions were in the normal course of operations and were recorded at the exchange value which was the amount of consideration established and agreed to by the related parties.

7. Related party transactions (continued)

(b) At the end of the period, related party advances are comprised of the following:

Balance at July 1, 2013	**$**	**477,844**
Advances received		**23,506**
Promissory notes issued		**60,000**
Balance at June 30, 2014	**$**	**561,350**

Compensation paid to key management personnel and non-executive directors is as follows:

		2014		**2013**
Senior management compensation	**$**	**129,000**	**$**	**130,500**
Interest on promissory notes		**42,426**		**40,000**

8. Share capital

(i) Authorized

Unlimited number of common shares
Unlimited number of preferred shares

(ii) Issued and outstanding

During the year ending June 30, 2014:

On May 2, 2014, following receipt of TSX Venture Exchange approval, the Company issued 240,000 common shares at $0.02 per share to an insider and two others, as bonus shares in connection with loans made to the Company totaling $60,000. At June 30, 2014, the Company had 71,196,735 common shares issued and outstanding.

During the year ending June 30, 2013:

No common shares have been issued during the year ended June 30, 2013.

(iii) Stock option plan

The Company has adopted, and its shareholders have approved, a stock option plan whereby up to 10% of the outstanding shares of the Company as of the date of grant have been reserved for the grant and issuance to its employees, officers, directors and consultants. Under the plan, the exercise price of an option may not be set at less than the minimum price permitted by the TSX Venture Exchange, and the options may be exercisable for a period of up to five years. The aggregate number of options granted to any one individual during any 12-month period may not exceed 5% of the issued shares of the Company, or 2% in the case of consultants and investor relations representatives. The stock option plan provides for full vesting of the stock options on the date of approval of the options by the appropriate regulatory authority.

8. Share capital (continued)

(iii) Stock option plan (continued)

The following is a summary of changes in options during the year ending June 30, 2014:

	Number of shares	Weighted average price
Balance at July 1, 2013	2,950,000	0.10
Expired/forfeited	(1,100,000)	0.10
Balance at June 30, 2014	**1,850,000**	**$ 0.10**

No incentive stock options were granted during the year ending June 30, 2014.

A summary of stock options outstanding and exercisable at June 30, 2014 is set out below:

Number	Exercise price	Expiry date
1,000,000	$ 0.10	October 02, 2014
850,000	$ 0.10	December 15, 2014
1,850,000		

9. Segmented information

The Company has one operating segment, which is the exploration and development of mineral properties. The Company's principal operations are carried out in Canada. Exploration activities are carried out in Canada, United States, and Mexico. Segment assets by geographical location are as follows:

As at June 30, 2014	Canada	United States	Mexico	Total
Current assets	$ 5,025	$ -	$ 1,597	**$ 6,622**
Exploration and evaluation assets	245,364	3,058	-	**248,422**
Reclamation and other deposits	17,040	-	-	**17,040**
	$ 267,429	$ 3,058	$ 1,597	**$ 272,084**

As at June 30, 2013	Canada	United States	Mexico	Total
Current assets	$ 4,153	$ 1,766	$ 1,597	**$ 7,516**
Exploration and evaluation assets	256,511	529,434	-	**785,945**
Reclamation and other deposits	17,040	3,156	-	**20,196**
	$ 277,704	$ 534,356	$ 1,597	**$ 813,657**

9. Segmented information (continued)

		2014		2013
Net loss				
Canada	**$**	**263,009**	$	288,137
United States		**530,357**		190,956
Mexico		**-**		383,375
	$	**793,366**	$	862,468

10. Commitments

In July 2013, the Company entered into a lease agreement for office space for a period of eighteen months with monthly payments of $1,446 per month. At June 30, 2014, the commitment in terms of the lease amounted to $8,676.

11. Subsequent events

During September 2014, the Company renewed the office lease for a twelve month period commencing January 01, 2015.

During September 2014, the Company terminated an option agreement with Heemskirk Canada Ltd. ("HCL") on its Bromley Creek (Princeton) mine. As a result of the termination the Company received from HCL $23,507 as settlement. The Company has regained full ownership and control of the Bromley Creek mine lease and quarry permit, thereby securing a measured and indicated Zeolite resource for a proposed mill facility to be operated by the Company.

12. Supplemental cash flow information

The following cash and non-cash transactions were entered into by the Company during the year ending June 30, 2014 and 2013.

		2014		2013
Cash paid during the year:				
Interest	**$**	**260**	$	-
Cash received during the year:				
Interest	**$**	**120**	$	148
Non-cash transactions:				
Bonus shares issued for promissory notes	**$**	**4,800**	$	-

13. Capital management

The Company manages its capital structure and makes adjustments based on the funds available in order to support continued operation and future business opportunities. The board of directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company considers its capital to be equity.

The Company's operations are currently not generating positive cash flow; as such, the Company is dependent on external financing to fund its activities. In order to carry out potential expansion and to continue operations, and pay for administrative costs, the Company will spend its existing working capital, and raise additional amounts as needed. Companies in this stage typically rely upon equity and debt financing or joint venture partnerships to fund their operations. The current financial markets are very difficult and there is no certainty with respect to the Company's ability to raise capital. However, the Company feels that it has sufficient working capital to continue with planned activities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

14. Financial instruments and risk management

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

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash and cash equivalents are carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payables and accrued liabilities and related parties advances approximate their fair value because of the short-term nature of these instruments.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its foreign bank deposits of $1,597.

As all bank accounts in Canada are held with a major bank in Canada, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government sales taxes.

14. Financial instruments and risk management (continued)

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company normally maintains sufficient cash to meet the Company's business requirements; however, at June 30, 2014, the cash balance of $4,577 will not be sufficient to meet its obligations related to its accounts payable and accrued liabilities of $456,147, related party advances of $561,350, and required administrative and exploration and evaluation expenditures over the next year. The Company will be required to raise additional capital in the future to fund its operations.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

a. *Interest Rate Risk*

The Company is not subject to material interest rate risk.

b. *Currency Risk*

The Company is exposed to foreign currency risk as certain monetary financial instruments are denominated in United States and Mexican currencies. At June 30, 2014, total assets and liabilities include cash of US$689 (2013 – US$2,466) and cash of Mexican pesos 12,100 (July 1, 2013 – Mexican pesos 12,100). The Company has not entered into any foreign currency contracts to mitigate this risk. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in the US dollar by 10% (2013 – 10%) would increase or decrease the net loss by $69 (2013 - $247) and a change in the absolute rate of exchange in the Mexican pesos by 10% (2013 – 10%) would increase or decrease the net loss by $100 (2013 - $100) in these consolidated financial statements.

c. *Price risk*

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to such risk.

15. Income taxes

(a) Expected income tax expense

The Company's provision for income taxes differs from the amounts computed by applying the combined income tax rates as a result of the following:

		2014		2013
Statutory rates		**26.00%**		25.25%
Income tax recovery computed at statutory rates	**$**	**206,000**	$	218,000
Permanent differences				
Other		**47,000**		(2,000)
Change in enacted tax rates		**-**		67,000
Deferred tax impact on current temporary differences		**-**		6,000
		253,000		289,000
Change in deferred tax asset not recognized		**(253,000)**		(289,000)
Income tax expense	**$**	**-**	$	-

(b) Deferred income taxes

The tax effects of temporary differences that give rise to significant components of the deferred tax assets and liabilities are as follows:

		2014		2013
Enacted rates		**26%**		26%
Deferred income tax assets				
Non-capital loss carry forwards	**$**	**948,000**	$	823,000
Foreign non-capital loss carry forwards		**109,000**		109,000
Share issue costs		**2,000**		7,000
Mineral property interests		**1,151,000**		1,018,000
Total gross future income tax assets		**2,210,000**		1,957,000
Less: deferred tax asset not recognized		**(2,210,000)**		(1,957,000)
Net deferred income tax assets	**$**	**-**	$	-

The deferred tax asset not recognized reflects the Company's estimate that the tax assets more likely than not will not be realized.

15. Income taxes (continued)

(c) Tax pools

At June 30, 2014, the Company has non-capital losses of approximately $3,644,000, which may be carried forward to apply against future year's taxable income for Canadian income tax purposes, subject to final determination by taxation authorities, expiring as follows:

2015	**$ 145,000**
2016	**285,000**
2027	**97,000**
2028	**155,000**
2029	**371,000**
2030	**350,000**
2031	**474,000**
2032	**613,000**
2033	**588,000**
2034	**298,000**
2035	**268,000**
	$ 3,644,000

In addition, the Company has accumulated non-capital losses in Mexico for income tax purposes amounting to approximately $419,000. These losses will expire in 2021 and 2022.