FLINDERS RESOURCES LIMITED

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
JANUARY 31, 2015

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

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

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

FLINDERS RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	January 31, 2015 $	October 31, 2014 $
ASSETS			
Current assets			
Cash		5,357,628	6,506,217
GST/VAT receivables		131,537	153,283
Amounts receivable		42,448	254
Prepaid expenses		38,094	33,053
Plant stores and supplies		159,907	155,656
Total current assets		5,729,614	6,848,463
Non-current assets			
Exploration and evaluation assets	3	14,945	-
Property, plant and equipment	4	14,844,116	14,248,310
Reclamation deposit	5	81,391	80,925
Total non-current assets		14,940,452	14,329,235
TOTAL ASSETS		20,670,066	21,177,698
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		437,790	583,817
Non-current liabilities			
Provision for site restoration	5	5,147,806	4,766,580
Property acquisition obligation	3	454,327	433,314
Total non-current liabilities		5,602,133	5,199,894
TOTAL LIABILITIES		6,039,923	5,783,711
SHAREHOLDERS' EQUITY			
Share capital	6	25,763,144	25,763,144
Share-based payments reserve		3,152,810	3,135,810
Deficit		(14,285,811)	(13,504,967)
TOTAL SHAREHOLDERS' EQUITY		14,630,143	15,393,987
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		20,670,066	21,177,698

Event after the Reporting Period - Note 6(d)

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on March 25, 2015 and are signed on its behalf by:

*/s/ **Blair Way***
Blair Way
Director

*/s/ **Nick DeMare***
Nick DeMare
Director

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

FLINDERS RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Notes	Three Months Ended January 31, 2015 $	2014 $
Expenses			
Accounting and administration		29,713	34,805
Accretion of property acquisition obligation	4	18,416	16,434
Accretion of provision for site restoration	5	14,232	22,851
Audit		24,564	32,116
Bank charges		1,168	934
Consulting		76,209	44,272
Corporate development		13,435	7,063
Depreciation		16,616	8,767
Equipment rentals and related		22,246	16,195
Fuel, electricity and utilities		51,409	24,533
Insurance		8,100	9,608
Investor relations		14,400	18,000
Legal		13,433	5,830
Management fees		49,998	49,998
Office		12,693	17,591
Plant maintenance		13,577	1,570
Plant supplies and consumables		26,106	13,906
Regulatory		2,509	2,983
Relocation costs	7(a)	64,111	-
Rent		1,005	1,005
Repairs and maintenance		1,016	-
Salaries, compensation and benefits		255,001	60,198
Share-based compensation	6(d)	17,000	28,981
Shareholder costs		2,000	2,850
Transfer agent		1,434	1,387
Travel		39,134	37,282
		789,525	459,159
Loss before other items		(789,525)	(459,159)
Other items			
Interest and other income		19,433	39,104
Foreign exchange		4,459	(27,078)
Due diligence expense		(15,211)	-
		8,681	12,026
Net loss and comprehensive loss		(780,844)	(447,133)
Loss per share - basic and diluted		$(0.02)	$(0.01)
Weighted average number of common shares outstanding - basic and diluted		46,820,730	46,198,230

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

FLINDERS RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended January 31, 2015				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at October 31, 2014	46,820,730	25,763,144	3,135,810	(13,504,967)	15,393,987
Share-based compensation	-	-	17,000	-	17,000
Net loss for the period	-	-	-	(780,844)	(780,844)
Balance at January 31, 2015	46,820,730	25,763,144	3,152,810	(14,285,811)	14,630,143

	Three Months Ended January 31, 2014				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at October 31, 2013	46,198,230	25,228,188	2,995,583	(10,768,593)	17,455,178
Share-based compensation	-	-	28,981	-	28,981
Net loss for the period	-	-	-	(447,133)	(447,133)
Balance at January 31, 2014	46,198,230	25,228,188	3,024,564	(11,215,726)	17,037,026

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

FLINDERS RESOURCES LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended January 31,	
	2015 $	2014 $
Operating activities		
Net loss for the period	(780,844)	(447,133)
Adjustments for:		
Accretion of provision for site restoration	14,232	22,851
Depreciation	16,616	8,767
Accretion of property acquisition obligation	18,416	16,434
Foreign exchange	2,131	17,907
Share-based compensation	17,000	28,981
	68,395	94,940
Changes in non-cash working capital items:		
(Increase) decrease in amounts receivable	(42,194)	26,579
Decrease in GST/VAT receivables	21,746	14,137
(Increase) decrease in prepaid expenses and deposit	(5,041)	21,989
Increase in plant stores and supplies	(4,251)	-
Increase (decrease) in accounts payable and accrued liabilities	139,142	(127,529)
	109,402	(64,824)
Net cash used in operating activities	(603,047)	(417,017)
Investing activities		
Expenditures on exploration and evaluation assets	(14,945)	(30,051)
Additions to property, plant and equipment	(530,597)	(358,525)
Net cash used in investing activities	(545,542)	(388,576)
Net change in cash	(1,148,589)	(805,593)
Cash at beginning of period	6,506,217	11,438,553
Cash at end of period	5,357,628	10,632,960

Supplemental cash flow information - See Note 9

1. Nature of Operations

The Company's common shares trade on the TSX Venture Exchange (the "TSXV") under the symbol "FDR". The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

The Company is a junior exploration company currently engaged in the development of its 100% owned Woxna Graphite Mine located in central Sweden. During fiscal 2014 technical feasibility and commercial viability of the extraction of mineral resources at the Woxna Graphite Mine was demonstrated, transitioning the Company to the development stage of mining. Upon the transition, an impairment test was performed on the exploration and evaluation assets attributed to the mine prior to reclassification to property, plant and equipment and no impairment was assessed. As at January 31,2015 the Company has not commenced commercial production. Work is ongoing, however, to date, insufficient information is available to determine whether these properties contain economically recoverable ore reserves. The underlying value of the resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain any additional funding that may be necessary to complete development and upon future profitable production.

The Company has completed its current plan for the refurbishment and reactivation of the Woxna Graphite Mine and has developed a staged implementation plan for the commencement of operations. The staged plan spreads the capital costs over several years as sales contracts are established and permits lower production levels and costs until sales warrant capacity expansion. The Company has sufficient funding to implement the staged plan and meet anticipated levels of corporate administration and overheads for the ensuing twelve months. The Company's ability to continue as a going concern may be dependent upon the ability of the Company to obtain necessary financing to further develop its properties and to establish future profitable production. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended October 31, 2014, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended October 31, 2014.

Basis of Measurement

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

Basis of Presentation

The preparation of consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Exploration and Evaluation Assets

	As at January 31, 2015			As at October 31, 2014		
	Acquisition Costs $	Deferred Exploration Costs $	Total $	Acquisition Costs $	Deferred Exploration Costs $	Total $
Sweden						
Other Projects	14,945	-	14,945	-	-	-

	$
Balance at October 31, 2013	5,177,338
Exploration costs:	
Consulting	11,636
Depreciation	893
Exploration site costs	3,910
Salaries and benefits	68,170
	84,609
Acquisition costs:	
Adjustment to provision for site restoration	629,387
Balance at August 31, 2014	5,891,334
Reclassification to property, plant and equipment (Notes 1 and 4)	(5,891,334)
Balance at October 31, 2014	-
Acquisition costs:	
Mining rights	14,945
Balance at January 31, 2015	14,945

In February 2012 the Company completed the acquisition of Flinders Holdings, which owns Woxna. Woxna holds a 100% interest in the Woxna Graphite Mine, comprising four exploitation concessions, known as Kringel, Mattsmyra, Gropabo and Mansberg. The Woxna Graphite Mine is located in Ovanaker Municipality, Gavleborg County, central Sweden.

In 1993 Woxna entered into agreements under which it acquired:

(i) the Kringel concession for an initial payment of SEK 150,000 and a further amount of SEK 4,000,000 (the "property acquisition obligation") is to be paid upon the commencement of production from the Kringel concession; and

(ii) the Mattsmyra, Gropabo and Mansberg concessions for an initial payment of SEK 32,500 and a further payment of SEK 1,000,000 on each of the three concessions is to be paid upon commencement of production from these concessions.

Payments of the additional considerations are to be made to a Swedish governmental agency and will be based on annual production, at a rate of SEK 20 per metric ton processed, and is payable only if profits are generated from the individual concessions.

3. Exploration and Evaluation Assets (continued)

The Company has recognized the SEK 4,000,000 additional consideration associated with the Kringel concession. An obligation is recognized when a legal obligation is established, a reasonable estimate can be made of the obligation, and is measured at the discounted value for expected future payments. The discounted value is then accreted to the estimated future value over the period of the payment obligation. As at January 31, 2015 the Company applied a discount rate of 17% to expected future payments and has made the assumption that the obligation will be discharged in 2016 through 2017. A continuity of the property acquisition obligation for the Kringel concession is as follows:

	$
Balance at October 31, 2013	386,692
Accretion of discounted cash flows	71,543
Foreign exchange adjustment	(24,921)
Balance at October 31, 2014	433,314
Accretion of discounted cash flows	18,416
Foreign exchange adjustment	2,597
Balance at January 31, 2015	454,327

No production has commenced on the Mattsmyra, Gropabo and Mansberg concessions and the additional payments are considered to be contingent amounts and will only be recognized as obligations when production commences on these concessions.

4. Property, Plant and Equipment

Cost:	Vehicles $	Equipment and Tools $	Building $	Manufacturing and Processing Facility $	Mineral Property Acquisition and Development Costs $	Total $
Balance at October 31, 2013	122,251	250,117	294,861	4,830,637	-	5,497,866
Additions	-	-	45,439	2,569,254	-	2,614,693
Reclassification from exploration and evaluation assets	-	-	-	-	5,891,334	5,891,334
Pre-production costs, net of sales recoveries	-	-	-	-	238,940	238,940
Adjustment to site restoration	-	-	-	-	174,283	174,283
Balance at October 31, 2014	122,251	250,117	340,300	7,399,891	6,304,557	14,417,116
Additions	40,882	6,999	3,839	140,815	29,529	222,064
Pre-production costs, net of sales recoveries	-	-	-	-	23,364	23,364
Adjustment to site restoration	-	-	-	-	366,994	366,994
Balance at January 31, 2015	163,133	257,116	344,139	7,540,706	6,724,444	15,029,538
Accumulated Depreciation:						
Balance at October 31, 2013	(33,050)	(24,331)	-	(35,527)	-	(92,908)
Depreciation	(24,814)	(26,672)	-	(24,412)	-	(75,898)
Balance at October 31, 2014	(57,864)	(51,003)	-	(59,939)	-	(168,806)
Depreciation	(6,183)	(5,446)	-	(4,987)	-	(16,616)
Balance at January 31, 2015	(64,047)	(56,449)	-	(64,926)	-	(185,422)
Carrying Value:						
Balance at October 31, 2014	64,387	199,114	340,300	7,339,952	6,304,557	14,248,310
Balance at January 31, 2015	99,086	200,667	344,139	7,475,780	6,724,444	14,844,116

During fiscal 2014 technical feasibility and commercial viability of the extraction of mineral resources at the Woxna Graphite Mine was demonstrated, transitioning the Company to the development stage of mining. Upon the transition, costs on the exploration and evaluation assets attributed to the mine were reclassificated to property, plant and equipment.

5. Provision for Site Restoration

Although the ultimate amount of the decommissioning obligation for the Kringel concession is uncertain, the fair value of this obligation is based on information currently available, including closure plans and applicable regulations. Significant closure activities include land rehabilitation, demolition of buildings and mine facilities and other costs. The provision for site restoration may be subject to change based on management's current estimates, changes in remediation technology or changes to the applicable laws and regulations. The total undiscounted amount of estimated cash flows to settle the Company's risk adjusted estimated obligation is SEK 41,500,000 to be incurred over the next 22 years with the majority of the costs to be incurred between 2036 and 2037.

5. Provision for Site Restoration (continued)

The fair value of the decommissioning obligation was calculated using a discounted cash flow approach based on a risk free rate of 0.78% (October 31, 2014 - 1.20%) and an inflation factor of negative 0.20% (October 31, 2014 - 0.10%). Settlement of the obligation is expected to be funded from general corporate funds at the time of decommissioning. Changes to the decommissioning obligation were as follows:

	$
Balance at October 31, 2013	3,873,138
Accretion	89,772
Revision of estimates	1,074,334
Foreign exchange adjustment	(270,664)
Balance at October 31, 2014	4,766,580
Accretion	14,232
Revision of estimates	293,809
Foreign exchange adjustment	73,185
Balance at January 31, 2015	5,147,806

As at January 31, 2015 the Mattsmyra, Gropabo and Mansberg concessions remain undeveloped and there are no property restoration obligations relating to these concessions.

As at January 31, 2015 a reclamation deposit of $81,391 (October 31, 2014 - $80,925) has been paid to the Gavleborg County Administration Board and has been accounted for as a non-current deposit. The reclamation deposit was placed as security for site restoration on the Kringel concession.

6. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Reconciliation of Changes in Share Capital*

No equity financing were conducted by the Company during the three months ended January 31, 2015 or fiscal 2014.

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at January 31, 2015 and 2014 and the changes for the three months ended on those dates is as follows:

	2015		2014	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance beginning and end of period	9,570,000	0.75	14,574,287	1.22

During the three months ended January 31, 2015 the Company extended the expiry date of the warrants from February 22, 2015 to February 22, 2016.

6. Share Capital (continued)

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of up to five years.

During the three months ended January 31, 2015 the Company did not grant any share options. During the three months ended January 31, 2014 the Company granted 200,000 share options to a consultant and recorded compensation expense of $24,542.

During the three months ended January 31, 2015 the Company recorded compensation expense of $17,000 (2014 - $4,439) on the vesting of share options previously granted.

The fair value of share options granted and vested during the three months ended January 31, 2015 and 2014 is estimated using the Black-Scholes option pricing model using the following assumptions:

	2015	2014
Risk-free interest rate	1.28%	1.11% - 1.28%
Estimated volatility	121%	120% - 121%
Expected life	2 years	2.25 years - 3 years
Expected dividend yield	0%	0%
Estimated forfeiture rate	0%	0%

The weighted average fair value of all share options granted during the three months ended January 31, 2014 was $0.39 per share option.

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's share options.

A summary of the Company's share options at January 31, 2015 and 2014 and the changes for the the three months ended on those dates is as follows:

	2015		2014	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance beginning of period	2,390,000	0.59	2,927,500	0.62
Granted	-	-	200,000	0.45
Expired	-	-	(800,000)	0.58
Balance end of period	2,390,000	0.59	2,327,500	0.69

6. Share Capital (continued)

The following table summarizes information about the share options outstanding and exercisable at January 31, 2015:

Number Outstanding	Number Exercisable	Exercise Price $	Expiry Date
290,000	290,000	0.50	February 23, 2015
250,000	250,000	1.25	October 11, 2015
100,000	100,000	0.60	March 15, 2016
145,000	145,000	0.10	June 8, 2016
800,000	800,000	0.57	September 17, 2016
200,000	100,000	0.45	January 6, 2017
555,000	555,000	0.52	March 28, 2017
50,000	50,000	0.65	March 28, 2017
2,390,000	2,290,000		

On February 23, 2015 share options to purchase 290,000 common shares expired without exercise.

7. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

During the three months ended January 31, 2015 and 2014 the following amounts were incurred with respect to the Company's President and the Chief Financial Officer ("CFO"):

	2015 $	2014 $
Management fees - President	49,998	49,998
Consulting fees - CFO	14,500	-
Relocation reimbursement costs - President	64,111	-
	128,609	49,998

As at January 31, 2015, $7,000 (2014 - $nil) remained unpaid and has been included in accounts payable and accrued liabilities.

The Company has a management agreement with the President of the Company which provides that in the event the President's services are terminated without cause or upon a change of control of the Company, a termination payment of one year of compensation, at $16,666 per month, is payable. If the termination had occurred on January 31, 2015 the amount payable under the agreement would be $199,992.

7. Related Party Disclosures (continued)

(b) *Transactions with other Related Parties*

(i) During three months ended January 31, 2015 and 2014 the following amounts were incurred with respect to non-management directors of the Company:

	2015 $	2014 $
Consulting fees	18,000	-

As at January 31, 2015, $18,000 (2014 - $nil) remained unpaid and has been included in accounts payable and accrued liabilities.

(ii) Chase Management Ltd. ("Chase"), a private corporation owned by the Chief Financial Officer ("CFO") of the Company, provides accounting and administrative services. During the three months ended January 31, 2015 the Company incurred $9,500 (2014 - $8,200) for services provided by Chase personnel, exclusive of the CFO, and $1,005 (2014 - $1,005) for rent. As at January 31, 2015, $3,335 (2014 - $7,370) remained unpaid and has been included in accounts payable and accrued liabilities.

(iii) During three months ended January 31, 2015 the Company incurred $2,564 (2014 - $2,218) for shared administration costs with public companies with common directors and officers. As at January 31, 2015, $2,136 (2014 - $2,080) remained unpaid and has been included in accounts payable and accrued liabilities.

8. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following four categories: fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; and available-for-sale. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	January 31, 2015 $	October 31, 2014 $
Cash	FVTPL	5,357,628	6,506,217
Amounts receivable	Loans and receivables	42,448	254
Reclamation deposit	Loans and receivables	81,391	80,925
Accounts payable and accrued liabilities	Other liabilities	(437,790)	(583,817)
Property acquisition obligation	Other liabilities	(454,327)	(433,314)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

8. Financial Instruments and Risk Management (continued)

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The recorded amount for the property acquisition obligation approximates its fair value. The fair value is determined using a discounted cash flow approach based on the use of directly and indirectly observable inputs on reporting dates. A market rate of interest of 17% and payment dates of 2016 and 2017 were the assumptions. The Company's fair value of cash under the fair value hierarchy is measured using Level 1.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, reclamation deposit and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash, amounts receivable and reclamation deposit is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. The following table is based on the contractual maturity dates of financial assets and liabilities and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at January 31, 2015				
	Carrying Amount $	Contractual Cash Flows $	Less than 3 Months $	1 - 5 Years $	Over 5 Years $
Cash	5,357,628	5,357,628	5,357,628	-	-
Amounts receivable	42,448	42,448	42,448	-	-
Reclamation deposit	81,391	81,391	-	-	81,391
Accounts payable and accrued liabilities	(437,790)	(437,790)	(437,790)	-	-
Property acquisition obligation	(454,327)	(613,832)	-	(613,832)	-

	Contractual Maturity Analysis at October 31, 2014				
	Carrying Amount $	Contractual Cash Flows $	Less than 3 Months $	1 - 5 Years $	Over 5 Years $
Cash	6,506,217	6,506,217	6,506,217	-	-
Amounts receivable	254	254	254	-	-
Reclamation deposit	80,925	80,925	-	-	80,925
Accounts payable and accrued liabilities	(583,817)	(583,817)	(583,817)	-	-
Property acquisition obligation	(433,314)	(610,324)	-	(610,324)	-

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.

8. Financial Instruments and Risk Management (continued)

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bear floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

Foreign Currency Risk

The Company's functional currency is the Canadian Dollar and major transactions are transacted in Canadian Dollars and SEK. The Company maintains SEK bank accounts in Sweden to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions is minimal and therefore does not hedge its foreign exchange risk. At January 31, 2015, 1 Canadian Dollar was equal to SEK 6.52.

Balances are as follows:

	SEK	CDN $ Equivalent
Cash	2,390,048	366,572
VAT receivable	554,744	85,083
Amounts receivable	276,611	42,425
Plant stores and supplies	1,042,027	159,907
Reclamation deposit	530,381	81,391
Accounts payable and accrued liabilities	(2,318,513)	(355,600)
Property acquisition obligation	(2,960,594)	(454,327)
	(485,296)	(74,549)

Based on the net exposures as of January 31, 2015 and assuming that all other variables remain constant, a 10% fluctuation the Canadian Dollar against the SEK would result in the Company's net loss being approximately $7,000 higher (or lower).

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration mineral properties. 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 development of the business. The Company defines capital that it manages as share capital and cash. 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. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

9. Supplemental Cash Flow Information

During the three months ended January 31, 2015 and 2014 non-cash activities were conducted by the Company as follows:

	2015 $	2014 $
Operating activities		
Depreciation	-	9,809
Provision for site restoration	366,994	167,612
(Decrease) increase in accounts payable and accrued liabilities	(285,169)	83,968
	81,825	261,389

9. Supplemental Cash Flow Information (continued)

	2015 $	2014 $
Investing activities		
Revisions of estimates on property, plant and equipment	(366,994)	-
Revisions of estimates on exploration and evaluation assets	-	(167,612)
Decrease (increase) to property, plant and equipment	285,169	(9,809)
Expenditures on exploration and evaluation assets	-	(83,968)
	(81,825)	(261,389)

10. Segmented Information

As at January 31, 2015 the Company was involved in the exploration and development of resource properties in Sweden, with corporate operations in Canada. The Company is in the exploration and development stage and accordingly, has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

	As at January 31, 2015		
	Corporate Canada $	Mineral Operations Sweden $	Total $
Current assets	5,061,628	667,986	5,729,614
Exploration and evaluation assets	-	14,945	14,945
Property, plant and equipment	-	14,844,116	14,844,116
Reclamation deposit	-	81,391	81,391
	5,061,628	15,608,438	20,670,066

	As at October 31, 2014		
	Corporate Canada $	Mineral Operations Sweden $	Total $
Current assets	6,274,950	573,513	6,848,463
Property, plant and equipment	-	14,248,310	14,248,310
Reclamation deposit	-	80,925	80,925
	6,274,950	14,902,748	21,177,698