

**FOUR RIVER VENTURES LTD.**  
**(formerly Auracle Resources Ltd.)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

**THREE MONTHS ENDED APRIL 30, 2015**

These unaudited condensed consolidated interim financial statements of Four River Ventures Ltd. (formerly Auracle Resources Ltd.) for the three months ended April 30, 2015 have been prepared by management and approved by the Board of Directors. These unaudited condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.

**FOUR RIVER VENTURES LTD.**  
**(formerly Auracle Resources Ltd.)**  
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION  
(Expressed in Canadian Dollars)  
(Unaudited)

	Notes	April 30, 2015	January 31, 2015 (Audited)
<b>ASSETS</b>			
<b>Current</b>			
Cash		\$ 4,821	\$ 4,712
GST receivable		<u>19,436</u>	<u>3,465</u>
		\$ 24,257	\$ 8,177

**LIABILITIES AND SHAREHOLDERS' DEFICIENCY**

**Current**

Trade and other payables	5, 7	\$ 649,815	\$ 629,877
Related party loan payable	7	22,000	21,400
Shareholder loan payable	7	<u>8,343</u>	<u>-</u>
		<u>680,158</u>	<u>651,277</u>

**Shareholders' deficiency**

Share capital	6	4,886,825	4,886,825
Reserves	6	2,507,400	2,507,400
Deficit		<u>(8,050,126)</u>	<u>(8,037,325)</u>
		<u>(655,901)</u>	<u>(643,100)</u>
		\$ 24,257	\$ 8,177

**Nature of operations and going concern** (Note 1)

**Subsequent event** (Note 10)

Approved and authorized by the Board on June 29, 2015:

"Jason Leikam"

Director

"Robin Forshaw"

Director

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

**FOUR RIVER VENTURES LTD.**  
**(formerly Auracle Resources Ltd.)**  
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS  
THREE MONTHS ENDED APRIL 30,  
(Expressed in Canadian Dollars)  
(Unaudited)

	Notes	2015	2014
<b>Expenses</b>			
Administrative, office and miscellaneous		\$ 347	\$ 452
Interest	7	600	-
Management fees	7	-	18,000
Professional fees	7	12,814	6,000
Shareholder communications		-	229
Transfer agent and filing fees		14,040	7,528
Write-off of exploration and evaluation asset	5	-	<u>16,632</u>
		(27,801)	(48,841)
<b>Other item</b>			
Recovery of GST receivable previously written off		<u>15,000</u>	-
<b>Loss and comprehensive loss for the period</b>		\$ (12,801)	\$ (48,841)
<b>Loss per common share – basic and diluted</b>		\$ (0.01)	\$ (0.02)
<b>Weighted average number of common shares outstanding – basic and diluted</b>			
		1,997,900	1,997,900

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

**FOUR RIVER VENTURES LTD.**  
**(formerly Auracle Resources Ltd.)**  
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED APRIL 30,  
(Expressed in Canadian Dollars)  
(Unaudited)

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the period	\$ (12,801)	\$ (48,841)
Item not involving cash:		
Interest expense	600	-
Write-off of exploration and evaluation asset	-	16,632
Changes in non-cash working capital items:		
Increase in receivables	(15,971)	(609)
Increase in trade and other payables	<u>19,938</u>	<u>26,658</u>
Net cash used in operating activities	<u>(8,234)</u>	<u>(6,160)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Shareholder loan payable – proceeds	<u>8,343</u>	<u>-</u>
Net cash provided by financing activity	<u>8,343</u>	<u>-</u>
<b>Change in cash during the period</b>	109	(6,160)
<b>Cash, beginning of period</b>	<u>4,712</u>	<u>19,762</u>
<b>Cash, end of period</b>	<u>\$ 4,821</u>	<u>\$ 13,602</u>

**Supplemental disclosure with respect to cash flows** (Note 8)

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

**FOUR RIVER VENTURES LTD.**  
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CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY  
(Expressed in Canadian Dollars)  
(Unaudited)

	Share Capital		Subscriptions receivable	Reserves	Deficit	Total
	Number	Amount				
<b>Balance at January 31, 2014</b>	1,997,900	\$ 4,886,825	\$ (5,500)	\$ 2,507,400	\$ (7,889,244)	\$ (500,519)
Loss and comprehensive loss for the period	-	-	-	-	(48,841)	(48,841)
<b>Balance at April 30, 2014</b>	1,997,900	\$ 4,886,825	\$ (5,500)	\$ 2,507,400	\$ (7,938,085)	\$ (549,360)
<b>Balance at January 31, 2015</b>	1,997,900	\$ 4,886,825	\$ -	\$ 2,507,400	\$ (8,037,325)	\$ (643,100)
Loss and comprehensive loss for the period	-	-	-	-	(12,801)	(12,801)
<b>Balance at April 30, 2015</b>	1,997,900	\$ 4,886,825	\$ -	\$ 2,507,400	\$ (8,050,126)	\$ (655,901)

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

**FOUR RIVER VENTURES LTD.  
(formerly Auracle Resources Ltd.)**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
APRIL 30, 2015  
(Expressed in Canadian Dollars)  
(Unaudited)

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Four River Ventures Ltd. (formerly Auracle Resources Ltd.) (the “Company”), was incorporated under the Business Corporations Act of British Columbia and is in the exploration stage with respect to its mineral property. The Company is listed on the TSX Venture Exchange (“TSX-V”).

The Company’s head office and principal address is suite 408 – 837 West Hastings Street, Vancouver, BC, V6C 3N6 and its registered and records office is suite 2900 – 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1J5.

Subsequent to April 30, 2015, the Company completed a 20-old for 1-new share consolidation and name change. All common shares, warrants, options, loss per share and weighted average number of shares outstanding have been retroactively restated to reflect the share consolidation.

These unaudited condensed consolidated interim financial statements have been prepared by management on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not generated any revenue and has incurred ongoing losses to date. These uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. A number of alternatives are being evaluated with the objective of funding ongoing activities and obtaining additional working capital (Note 10). The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due.

These unaudited condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

**2. BASIS OF PREPARATION**

***Statement of compliance with International Financial Reporting Standards***

These unaudited condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

These unaudited condensed consolidated interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended January 31, 2015.

***Approval of the financial statements***

The unaudited condensed consolidated interim financial statements of the Company for the three months ended April 30, 2015 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on June 29, 2015.

**FOUR RIVER VENTURES LTD.  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

APRIL 30, 2015

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**3. ADOPTION OF NEW ACCOUNTING STANDARDS**

The following new standards, amendments and interpretations were adopted by the Company as of February 1, 2015:

- a) IFRS 9 Financial Instruments (new; to replace IAS 39 and IFRIC 9)

The adoption of the above mentioned standards did not have any impact on the financial statements of the Company.

**4. EXPLORATION AND EVALUATION ASSET**

**Mexican Hat Property**

On May 15, 2009, the Company had entered into an option agreement to acquire a 100% interest in certain claims comprising the Mexican Hat Gold Property (the "Property"), located in Arizona, USA.

During the year ended January 31, 2015, management terminated the option agreement and, as a result, wrote-off all associated costs of the Property, totaling \$2,884,756, to the statement of comprehensive loss at January 31, 2014. During the year ended January 31, 2015, the Company incurred \$16,632 relating to expenditures on the Property, which were expensed to the statement of loss and comprehensive loss.

**5. TRADE AND OTHER PAYABLES**

Trade and other payables are as follows:

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	April 30, 2015	January 31, 2015
Trade payables (Note 7)	\$ 634,815	\$ 619,877
Accrued liabilities	<u>15,000</u>	<u>10,000</u>
Total	<u>\$ 649,815</u>	<u>\$ 629,877</u>

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**6. SHARE CAPITAL AND RESERVES**

- a) Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consisting only of common shares, are fully paid.

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APRIL 30, 2015

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**6. SHARE CAPITAL AND RESERVES (cont'd)**

b) Issued share capital

There were no share capital transactions during the year ended January 31, 2015 or the three months ended April 30, 2015.

Subsequent to April 30, 2015, the Company completed a 20-old for 1-new share consolidation. All common shares, options, warrants and per share figures have been retroactively restated to reflect the consolidation.

c) Stock options

The Company has an incentive stock options plan in place under which it is authorized to grant options to directors and employees to acquire up to 10% of the Company's issued and outstanding common shares. Under the plan, the exercise price of each option may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount. The options can be granted for a maximum term of 5 years and vesting periods are determined by the Board of Directors.

There were no stock options granted during the three months ended April 30, 2015 or during the year ended January 31, 2015.

As at April 30, 2015, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

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Number of Options	Exercise Price	Expiry Date
77,500	\$ 7.00	August 30, 2016

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Stock option transactions are summarized as follows:

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	Number of Options	Exercise Price
Balance, January 31, 2014	158,750	\$ 7.00
Cancelled	(81,250)	7.00
Balance, January 31, 2015 and April 30, 2015	77,500	\$ 7.00
Number of options currently outstanding and exercisable	77,500	\$ 7.00

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As at April 30, 2015, the remaining life of the options outstanding was 1.33 years (January 31, 2015 – 1.58 years).

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**6. SHARE CAPITAL AND RESERVES (cont'd)**

d) Warrants

There were no warrant transactions during the three months ended April 30, 2015 and the year ended January 31, 2015.

At April 30, 2015, the Company has outstanding warrants entitling the holders to acquire additional common shares as follows:

Number of Shares	Exercise Price	Expiry Date
359,140	\$4.00	September 4, 2017

As at April 30, 2015, the remaining life of the warrants outstanding was 2.34 years (January 31, 2015 – 2.59 years).

e) Reserves

The reserves account consists of share-based payment reserve which records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

**7. RELATED PARTY TRANSACTIONS**

During the three months ended April 30, 2015, the Company entered into the following transactions with related parties:

- a) Incurred \$Nil (2014 - \$18,000) for management fees to a company controlled by a director of the Company; and
- b) Incurred \$7,500 (2014 - \$6,000) for professional fees paid or accrued to a company associated with the Chief Financial Officer of the Company.

At April 30, 2015, recorded in trade and other payables is \$363,313 (January 31, 2015 - \$355,813) due to directors and officers, and companies associated with directors and officers of the Company. These amounts owing are non-interest bearing, unsecured and do not have a fixed term of repayment.

During the three months ended April 30, 2015, the Company received \$8,343 pursuant to a shareholder loan agreement. The loan is non-interest bearing, and has not fixed terms of repayment.

During the year ended January 31, 2015, the Company received \$20,000 pursuant to a related party loan agreement. The loan bears interest at 12% per annum and is to be repaid within five days from the completion of the Company's next private placement. As at April 30, 2015, the Company accrued interest expense of \$2,000 (January 31, 2015 - \$1,400).

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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**7. RELATED PARTY TRANSACTIONS (cont'd)**

Key management personnel compensation (including senior officers and directors of the Company):

	April 30, 2015	April 30, 2014
Short-term benefits	\$ 7,500	\$ 24,000

**8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

There were no non-cash investing or financing transactions during the three months ended April 30, 2015.

During the three months ended April 30, 2014, the Company incurred \$16,632 in exploration and evaluation asset expenditures that were included in trade and other payables, and written-off to the statement of loss and comprehensive loss.

**9. FINANCIAL RISK AND CAPITAL MANAGEMENT**

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.

The carrying value of cash, receivables, trade payables and loans approximate their fair value because of the short-term nature of these instruments.

The following is an analysis of the Company's financial instruments measured at fair value:

	As at April 30, 2015		
	Level 1	Level 2	Level 3
Cash	\$ 4,821	\$ -	\$ -

	As at January 31, 2015		
	Level 1	Level 2	Level 3
Cash	\$ 4,712	\$ -	\$ -

**Financial risk factors**

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

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**9. FINANCIAL RISK AND CAPITAL MANAGEMENT (cont'd)**

**Financial risk factors (cont'd)**

*Credit risk*

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. The Company's primary exposure to credit risk is on its cash held in bank accounts. Cash is deposited in bank accounts held with one major bank in Canada. There is a concentration of credit risk, which is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. Management believes that the credit risk concentration with respect to financial instruments included in receivables is low because instruments are due primarily from government agencies and cash is held with reputable Canadian financial institutions.

*Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at April 30, 2015, the Company had a cash balance of \$4,821 (January 31, 2015 - \$4,712) to settle current liabilities of \$680,158 (January 31, 2015 - \$651,277). To maintain liquidity, the Company is continually investigating financing opportunities (Note 10). There can be no assurance these efforts will be successful in the future. All of the Company's financial liabilities are subject to normal trade terms. Liquidity risk is assessed as high.

*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.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk on its cash balances as these instruments roll over daily.

b) Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not currently exposed to significant foreign currency risk. The fluctuations in foreign exchange gains or losses are nominal.

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**9. FINANCIAL RISK AND CAPITAL MANAGEMENT (cont'd)**

**Capital management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board of Directors.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management from January 31, 2015.

**10. SUBSEQUENT EVENT**

Subsequent to April 30, 2015, the Company announced a non-brokered private placement for gross proceeds of up to \$300,000 through the issuance of up to 6,000,000 units at a price of \$0.05 per unit. Each unit will be comprised of one common share of the Company and one common share purchase warrant, with each share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.06 per share.