Carlisle Goldfields Limited

Condensed Interim Financial Statements

(Unaudited)

May 31, 2015

Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited condensed interim financial statements of the Company have been prepared by Management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditors have not performed a review of these 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 auditors.

July 13, 2015

Carlisle Goldfields Limited

Condensed Interim Statements of Financial Position

(Unaudited)

Expressed in thousands of Canadian dollars

	May 31, 2015	August 31, 2014
ASSETS		
Current assets		
Cash	**$ 6,869**	$ 50
Amounts receivable	**183**	48
Prepaids	**324**	79
	7,376	177
Exploration and evaluation assets *(Note 6)*	**25,360**	29,334
Equipment	**33**	23
Other	**11**	11
	$ 32,780	$ 29,545
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**$ 833**	$ 665
	833	665
Deferred income tax liability	**620**	620
	1,453	1,285
Shareholders' equity		
Share capital *(Note 7b)*	**36,205**	30,978
Warrants *(Note 7c)*	**1,392**	2,318
Contributed surplus *(Note 7d)*	**9,316**	8,127
Deficit	**(15,586)**	(13,163)
	31,327	28,260
	$ 32,780	$ 29,545

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

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

On behalf of the Board:

B D Reid

Bruce Reid
Director

James Macintosh
Director

Carlisle Goldfields Limited

Condensed Interim Statements of Comprehensive Loss

For the three and nine months ended May 31, 2015 and 2014

(Unaudited)

Expressed in thousands of Canadian dollars, except shares and per share amounts

	3 months ended May 31		9 months ended May 31	
	2015	**2014**	**2015**	**2014**
Expenditures				
General and administration	**$913**	$597	**$2,457**	$1,344
	913	597	**2,457**	1,344
Write-down of Goodfish claims	**---**	---	**---**	35
	913	597	**2,457**	1,379
Interest income	**7**	2	**15**	3
Other income	**12**	4	**19**	10
Loss before income taxes	**(894)**	(591)	**(2,423)**	(1,366)
Income taxes	**---**	28	**---**	86
Loss and comprehensive loss for the period	**$(894)**	$ (619)	**$(2,423)**	$(1,452)
Basic and diluted loss per share *(Note 7(b))*	**$(0.02)**	$(0.01)	**$(0.05)**	$(0.04)
Weighted average number of shares outstanding during the period - basic and diluted *(Note 7(b))*	54,580,233	42,902,694	49,779,553	39,451,975

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

Carlisle Goldfields Limited

Condensed Interim Statement of Changes in Equity

For the three and nine months ended May 31, 2015 and 2014

(Unaudited)

Expressed in thousands of Canadian dollars

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance at August 31, 2013	**$29,134**	**$ 2,755**	**$ 6,633**	**$(12,071)**	**$26,451**
Total comprehensive loss for the period	---	---	---	(298)	(298)
Balance at November 30, 2013	**$29,134**	**$ 2,755**	**$ 6,633**	**$(12,369)**	**$26,153**
Total comprehensive loss for the period	---	---	---	(535)	(535)
Grant of options – book value *(Note 7e)*	---	---	104	---	104
Issue of share capital – private placement *(Note 7b)*	1,018	800	---	---	1,818
Balance at February 28, 2014	**$30,152**	**$3,555**	**$ 6,737**	**$ (12,904)**	**$27,540**
Total comprehensive loss for the period	---	---	---	(619)	(619)
Expired warrants – book value	---	(392)	392	---	---
Grant of options – book value *(Note 7e)*	---	---	88	---	88
Exercise of put right *(Note 7b)*	800	---	---	---	800
Balance at May 31, 2014	**$30,952**	**$3,163**	**$7,217**	**$ (13,523)**	**$27,809**
Balance at August 31, 2014	**$30,978**	**$ 2,318**	**$ 8,127**	**$(13,163)**	**$28,260**
Total comprehensive loss for the period	**---**	**---**	**---**	**(617)**	**(617)**
Issue of share capital, net of share issue costs *(Note 7b)*	**5,227**	**---**	**---**	**---**	**5,227**
Vesting of options *(Note 7d)*	**---**	**---**	**8**	**---**	**8**
Expiration of warrants *(Note 7c)*	**---**	**(886)**	**886**	**---**	**---**
Balance at November 30, 2014	**$36,205**	**$ 1,432**	**$ 9,021**	**$(13,780)**	**$32,878**
Total comprehensive loss for the period	**---**	**---**	**---**	**(912)**	**(912)**
Grant of options – book value	**---**	**---**	**14**	**---**	**14**
Expiration of warrants *(Note 7c)*	**---**	**(40)**	**40**	**---**	**---**
Balance at February 28, 2015	**$36,205**	**$ 1,392**	**$ 9,075**	**$(14,692)**	**$31,980**
Total comprehensive loss for the period	**---**	**---**	**---**	**(894)**	**(894)**
Grant/vesting of options - book value *(Note 7d)*	**---**	**---**	**241**	**---**	**241**
Balance at May 31, 2015	**$36,205**	**$ 1,392**	**$9,316**	**$(15,586)**	**$31,327**

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

Carlisle Goldfields Limited

Condensed Interim Statements of Cash Flows

For the nine months ended May 31, 2015 and 2014

(Unaudited)

Expressed in thousands of Canadian dollars

	9 months ended May 31	
	2015	**2014**
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	**$ (2,423)**	$ (1,452)
Other items:		
Accrued shareholders claim	**---**	(1)
Other income	**---**	10
Stock-based compensation	**263**	192
Provision for income taxes	**---**	86
Write-down of Goodfish claims	**---**	35
Depreciation	**7**	13
	(2,153)	(1,136
Net change in non-cash working capital items:		
Amounts receivable	**(135)**	8
Prepaids	**(245)**	(44)
Accounts payable and accrued liabilities	**168**	(97)
	(2,365)	(1,270)
FINANCING ACTIVITIES		
Issue of common shares, net	**5,227**	1,075
Issue of warrants	**---**	758
	5,227	1,833
INVESTING ACTIVITIES		
Exploration and evaluation assets	**(1,026)**	(913)
Proceeds received *(Note 6)*	**5,000**	---
Equipment	**(17)**	(12)
	3,957	(925)
Net increase decrease in cash	**6,819**	(362)
Cash, beginning of period	**50**	778
Cash, end of period	**$ 6,869**	$ 416

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Carlisle Goldfields Limited ("Carlisle" or the "Company") was incorporated under the laws of the Province of Ontario on March 15, 2005 under the name AMPX Corporation. On May 19, 2006, AMPX Corporation filed Articles of Amendment changing its name to Carlisle Goldfields Limited. Substantially all of the Company’s efforts are devoted to financing and developing mineral exploration properties in Manitoba. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

The address of the registered office is Suite 2702, 401 Bay Street, Toronto, Ontario M5H 2Y4.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence are dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although Carlisle has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements, as well as claims from Aboriginal people.

2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standard 34, *Interim Financial Reporting* (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Carlisle’s annual financial statements as of August 31, 2014.

These financial statements are presented in Canadian dollars, which is the Company’s functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.

The condensed interim financial statements of the Company for the period ended May 31, 2015 were approved by the Board of Directors on July 13, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as noted below, the accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied and disclosed in the financial statements for the year ended August 31, 2014 and have been applied consistently to all periods presented in these condensed interim financial statements.

4. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company’s financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Areas requiring the use of management estimates relate to assumptions used in determining the value of exploration and evaluation assets and share-based payments. Actual results may differ from these estimates.

4. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

(a) Significant Judgments in Applying Accounting Policies

Exploration and evaluation assets

In evaluating the carrying value of its exploration and evaluation assets, the Company makes judgments about whether or not indicators of impairment, or indicators of a reversal of impairment, exist at each reporting period. This determination impacts whether or not a detailed impairment assessment is performed.

(b) Significant Accounting Estimates and Assumptions

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Share-based payments

The amount expensed for share-based payments is based on the application of the Black-Scholes option pricing model which is highly dependent on the expected volatility of the Company's shares and the expected life of the options. The Company uses an expected volatility rate for its shares based on past share trading data. Actual volatility may be significantly different. While the estimate of share-based payments can have a material impact on the operating results reported by the Company, it is a non-cash charge and, as such, has no impact on the Company's cash position or future cash flows.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

5. FUTURE CHANGES IN ACCOUNTING STANDARDS

Standards Issued But Not Yet Effective

The IASB has issued IFRS 9 Financial Instruments ("IFRS 9") which proposes to replace IAS 39 Financial Instruments Recognition and Measurement. The replacement standard has the following significant components: establishes two primary measurement categories for financial assets — amortized cost and fair value; establishes criteria for classification of financial assets within the measurement category based on business model and cash flow characteristics; and eliminates existing held-to-maturity, available-for-sale and loans and receivable categories. The effective date is January 1, 2018, with earlier application permitted. The Company has not adopted IFRS 9 in its financial statements for the current period, but will continue to monitor and evaluate the impact of any required changes to its condensed financial statements based on the characteristics of its financial instruments at the date of adoption.

New Accounting Standards Adopted During The Year

On May 21, 2013, the IASB issued IFRIC 21, Levies, an interpretation on the accounting for levies imposed by governments. IFRIC 21 is an interpretation of IAS 37, Provisions, contingent liabilities and contingent assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014. The Company has determined that there is no material impact on its condensed financial statements from the adoption of IFRIC 21.

Expressed in Canadian dollars unless otherwise indicated, tabular amounts in thousands except share information

6. EXPLORATION AND EVALUATION ASSETS

The following is a summary of the Company's mining assets:

	Lynn Lake	Last Hope / Johnson & Johnson	Goodfish	Total
Balance, August 31, 2013	$ 23,968	$ 3,471	$ 46	$ 27,485
Acquisition costs	---	100	---	100
Deferred exploration costs	813	---	---	813
Sale of mining claims	---	---	(46)	(46)
Exercise of Put Right issued to Canadian Orebodies	800	---	---	800
Balance, May 31, 2014	$ 25,581	$ 3,571	$ ---	$ 29,152
Balance, August 31, 2014	$ 25,763	$ 3,571	$ ---	$ 29,334
Sale of interest in E&E assets	(5,000)	---	---	(5,000)
Option payments	---	150	---	150
Deferred exploration costs	876	---	---	876
Balance, May 31, 2015	$ 21,639	$ 3,721	$ ---	$ 23,360

Lynn Lake

The Lynn Lake properties are comprised of a diverse group of gold exploration claims and mining leases in the Lynn Lake Greenstone Belt of Northern Manitoba. The Company holds a 100% interest in various groups of properties comprised of mining leases and claims. In addition, the Company holds a 78.03% interest in the Nail-Franklin group of properties comprised of mining leases and claims and a 50.31% interest in the Shoe-Lace group of properties comprised of mining claims. Various parts of these properties are subject to unrecorded royalties and interests.

On November 13, 2013, the Company announced that it had entered into an agreement pursuant to which Canadian Orebodies Inc. ("Canadian Orebodies") had been granted the option to acquire a 10% non-diluting interest in the mining claims and mining leases comprising the Farley Lake Mine Project (the "Project") in which Carlisle owns a 100% interest.

In order to acquire its interest in the Project, Canadian Orebodies was required to incur aggregate exploration expenditures on the property of $800,000 by December 31, 2013. Canadian Orebodies met this spending requirement and exercised its option to acquire the 10% interest in the Project.

In April 2014, Canadian Orebodies exercised its right to transfer such interest back to Carlisle in exchange for the issuance to Canadian Orebodies of $800,000 in Carlisle common shares valued at the greater of $0.10 per Carlisle share (pre-consolidation (see Note 7(b)) and the twenty (20) day weighted average price for Carlisle shares traded on the TSX. As the Company's stock price was trading below $0.10, this resulted in Carlisle issuing 8,000,000 Carlisle shares (pre-consolidation (see Note 7(b)) to Canadian Orebodies. The $800,000 investment by Canadian Orebodies was accounted for as an addition to exploration and evaluation assets and as a corresponding increase to share capital.

In November 2014, Carlisle completed a private placement of common shares and entered into a Joint Venture/Earn-In Agreement, both with AuRico Gold Inc. ("AuRico").

The private placement resulted in the issuance to AuRico of 70.6 million common shares of Carlisle at a price of $0.08 per share (pre-consolidation (see Note 7(b)) for gross proceeds of $5,648,000 which resulted in AuRico holding approximately 19.9% of the issued and outstanding share capital in Carlisle.

AuRico also purchased from Carlisle a direct 25% interest in Carlisle's properties in the Lynn Lake gold camp for $5.0 million and formed a Joint Venture with Carlisle in which AuRico became the operator.

6. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Lynn Lake (Cont'd)

Carlisle has also granted to AuRico an option to earn an additional 26% in Carlisle's Lynn Lake gold camp by spending a minimum of $20 million towards the advancement of a feasibility study within a 3-year earn-in period. If earned, it would increase AuRico's interest in the project to a total of 51%. AuRico may also earn an additional 9% in the project, to increase its total holding to 60%, by delivering within the 3-year earn-in period a feasibility study which meets all regulatory requirements.

Last Hope and Johnson & Johnson

On March 3, 2011, the Company acquired an option on the Last Hope property near Lynn Lake, Manitoba by acquiring all of the shares of a private Manitoba company that held the option. Carlisle paid $150,000 in cash and issued 2,500,000 common shares (pre-consolidation (see Note 7(b)) at a value of $625,000 as well as 2,500,000 share purchase warrants valued at $392,500. Each whole warrant entitled the holder to purchase one common share (pre-consolidation (see Note 7(b)) for $0.25 for a period of 3 years. In August 2011, the Manitoba company was continued under the *Business Corporations Act* (Ontario) as 1845684 Ontario Inc. and was a wholly-owned subsidiary of Carlisle as at August 31, 2011. On September 1, 2011, Carlisle effected an amalgamation with 1845684 Ontario Inc.

In order to exercise the option in the Last Hope Property, Carlisle was required to spend $1,000,000 on the property by October 2012 and make a $2,000,000 payment to earn a 100% interest subject to a 2.5% net smelter return royalty, one half of which may be purchased for $1,250,000. Carlisle's Management explored and drill-tested this property during fiscal 2012 with the goal of proving and expanding the resource through added drilling along strike as well as at depth. The requirement to spend $1,000,000 on the property was completed. The Company renegotiated the Last Hope option agreement as it related to the deadline for the $2,000,000 payment. In return for a $50,000 payment made in October 2012 and issuing 50,000 common shares (pre-consolidation (see Note 7(b)) valued at $8,000 in October 2012, the deadline for the $2,000,000 payment was deferred to December 31, 2012. The final payment was not made by December 31, 2012 and a further extension was negotiated. Under the terms of the extension to the option agreement, to earn a 100% interest in the property, Carlisle must incur an aggregate of $2,000,000 of exploration expenditures on or before December 31, 2015 (of which more than $1,000,000 was already incurred), make three interim cash payments of $100,000 each on or before January 31, 2013, December 31, 2013 and December 31, 2014 and make a final cash payment of $2,000,000 on or before December 31, 2015. The first $100,000 payment was made as required but the December 2013 payment was deferred. Carlisle and the optionor renegotiated the timing of payments under this option agreement and Carlisle made a $100,000 payment in early April 2014. In December 2014, the last interim $100,000 payment was made as required with 25% funded by AuRico.

In June 2013, the Company acquired an option on the Johnson & Johnson Property (the "J&J Property") near Lynn Lake, Manitoba. The J&J Property, located along the Johnson Shear due west of Carlisle's Linkwood Project, completes Carlisle's Dunvegan Zone land package. Under the terms of the option agreement, Carlisle has an option to acquire a 100% interest in the J&J Property by incurring an aggregate of $1,000,000 of exploration expenditures on or before June 1, 2016, making three annual cash payments of $100,000 each, with the first payment due upon signing and the next two $100,000 payments due on or before June 1, 2014 and June 1, 2015, and making a final cash payment of $2,000,000 on or before June 1, 2016. The first payment was made as required. Carlisle and the optionor renegotiated the terms of this option agreement such that the June 2014 payment was deferred to December 31, 2014, which payment was made as required with 25% funded by AuRico. The vendor has reserved a net smelter return royalty of 2.5% of which one half may be purchased for $1,250,000 to reduce the royalty to 1.25%.

Failure to make the remaining option payments at each of Last Hope and Johnson & Johnson may result in the Company losing its rights to acquire the properties and result in a write-off of the remaining balance.

Expressed in Canadian dollars unless otherwise indicated, tabular amounts in thousands except share information

7. SHARE CAPITAL

(a) Authorized:

The Company is authorized to issue an unlimited number of common shares and an unlimited number of special shares issuable in series. Each common share and, unless otherwise provided on the creation of a particular series, each special share is entitled to one vote. Carlisle has not issued any special shares.

(b) Common shares issued:

	Number of Shares	Stated Capital
Balance, August 31, 2013	**237,560,860**	**$ 29,134**
Issued on private placements	38,611,000	1,931
Value of associated warrants	---	(758)
Share issue costs – cash, net of tax benefit	---	(72)
Share issue costs – finder's warrants	---	(42)
Flow-through premium	---	(15)
Issued to Canadian Orebodies upon exercise of Put Right	8,000,000	800
Balance, August 31, 2014	**284,171,860**	**$ 30,978**
Issued on private placements	**70,600,000**	**5,648**
Share issue costs – cash	**---**	**(421)**
Share consolidation on a 6.5 to 1 basis	**(300,191,627)**	**---**
Balance, May 31, 2015	**54,580,233**	**$ 36,205**

The private placement resulted in the issuance to AuRico of 70.6 million common shares of Carlisle at a price of $0.08 per share (pre-consolidation (see Note 7(b)) for gross proceeds of $5,648,000 which resulted in AuRico holding approximately 19.9% of the issued and outstanding share capital in Carlisle.

In February 2015, Carlisle received final approval from the Toronto Stock Exchange for the Company's 6.5 to 1 share consolidation following the receipt of majority shareholder approval at its Annual General and Special Meeting of shareholders held on January 15, 2015. The Company's shares began trading on a post-consolidated basis on February 28, 2015. The Company's weighted average number of shares outstanding, as well as the earnings per share numbers, have been restated to reflect this share consolidation.

(c) Warrants

On January 31, 2015, 107,692 warrants with an exercise price of $1.625 expired unexercised.

At May 31, 2015 Carlisle had 10,100,069 warrants outstanding, each warrant entitling the holder to purchase one common share at the price below noted.

Expiry Date	Number	Exercise Price
June 7, 2017	1,255,126	$ 0.65
June 10, 2017	1,136,552	$ 0.65
June 19, 2017	1,169,223	$ 0.65
June 25, 2017	388,199	$ 0.65
December 18, 2017	932,306	$ 0.4875
December 23, 2017	695,073	$ 0.4875
February 5, 2018	3,494,915	$ 0.39
February 14, 2018	1,028,675	$ 0.39

Expressed in Canadian dollars unless otherwise indicated, tabular amounts in thousands except share information

7. SHARE CAPITAL (CONT'D)

(d) Contributed surplus

	Amount
Balance, August 31, 2014	**$ 8,127**
Stock-based compensation (see Note 7 (e))	**263**
Book value of expired warrants	**926**
Balance, May 31, 2015	**$ 9,316**

(e) Share-based payments

The Company's Stock Option Plan (the "Plan") provides for the granting of options to employees, officers, directors and consultants of a maximum of 10% of the issued and outstanding common shares at an exercise price equal to or greater than the market price of the Company's common shares on the date of the grant. Options granted under the Plan may have a life of up to 10 years. At the discretion of the Board of Directors, these options may vest immediately or vest over time or based on achieving certain performance targets. Each stock option is exercisable to purchase one common share of the Company at the price specified in the terms of the option.

On December 9, 2014, 400,000 stock options (61,538 options on a post-consolidation basis) were granted to an employee of the Company. Of this total, one half of these options vested immediately and one half will vest on June 9, 2015. Each option allows the holder to purchase one common share at $0.05 ($0.325 on a post-consolidation basis) until December 9, 2019.

On April 10, 2015, Carlisle issued 1,630,000 stock options for certain directors, officers, employees and consultants of the Company. These options have an exercise price of $0.52 per share, vest immediately, and have an expiry date of April 10, 2020.

The $9,800 and $236,000, respectively, total estimated fair value of the granted options was determined using the Modified Black-Scholes option model with the following weighted average assumptions:

Risk-free rate	1.50%	1.63%
Dividend yield	0%	0%
Volatility factor of expected market price of the Company's shares (1)	100%	100%
Expected option life (in years)	5	5
Forfeiture rate	0	0
Weighted-average grant date price	$0.23	$0.23

(1) Based upon the Company's historical volatility

No options were cancelled and 561,538 (after accounting for the 6.5 to 1 share consolidation) expired unexercised during the nine months ended May 31, 2015. Carlisle's outstanding options were adjusted for the 6.5 to 1 share consolidation, resulting in fewer options at higher exercise prices. At July 13, 2015, Carlisle had 5,083,818 stock options outstanding with exercise prices ranging from $0.325 to $2.70 per share and expiry dates ranging from September 20, 2015 to April 10, 2020.

Expressed in Canadian dollars unless otherwise indicated, tabular amounts in thousands except share information

8. RELATED PARTY TRANSACTIONS

These unaudited condensed interim financial statements include expenditures (either expensed or included with deferred exploration costs) incurred with shareholders, officers, directors and/or companies controlled by them. These transactions have been measured at their exchange amounts, being the amounts agreed upon between the Company and the related parties, and are summarized as follows:

Balances as at:	**May 31, 2015**	**Aug 31, 2014**
Due to a director and officer (1)	**$ 69**	$ 93
Due to entities related to directors and officers (2)	**43**	55
	$ 112	$ 148

Transactions during the quarter ended:	**May 31, 2015**	**May 31, 2014**
Management fees (3)	**$ 423**	$ 221
Legal fees (2)	**47**	14
	$ 470	$ 235

(1) These amounts represent fees payable to certain of the Company's Management.
(2) These amounts represent legal fees paid or payable to a firm in which a Company director is a principal.
(3) Included in management fees are salaries/fees paid to the Company's CEO, CFO and other key Management.

9. 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, exploration and development of 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 future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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.

There were no changes in the Company's approach to capital management during the nine months ended May 31, 2015. The Company is not subject to externally-imposed capital requirements.

10. FINANCIAL RISK FACTORS

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

Credit risk

The Company's credit risk is primarily attributable to receivables. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits which have been invested with or purchased from reputable financial institutions, from which Management believes the risk of loss to be remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. As at May 31, 2015, the Company had sufficient funds available to satisfy its obligations under accounts payable and accrued liabilities. However, additional capital will need to be secured in order to meet ongoing obligations.

Market risk

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not currently have any significant interest rate risk associated with any cash balances.

(b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. From time to time, the Company funds certain operations, exploration and administrative expenses in US dollars on a cash-call basis using US dollar currency converted from its Canadian dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of developing the Company’s mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a revenue producing entity at this time.

Fair value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the date of the statement of financial position, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying value of cash, amounts receivable, accounts payable and accrued liabilities approximates fair value due to the relatively short-term maturity of these financial instruments. Fair value represents the amount that would be exchanged in an arm’s length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

Sensitivity analysis

The Company has designated its cash and cash equivalents and short-term investments as held-for-trading, which are measured at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The Company does not hold any balances in foreign currencies which would give rise to exposure to foreign exchange risk.