



Condensed Consolidated Interim Financial Statements

For the three and nine months ended April 30, 2015 and 2014

To the shareholders of Grizzly Discoveries Inc.:

The condensed consolidated interim financial statements of Grizzly Discoveries Inc. (the "Company") for the three and nine months ended April 30, 2015 and 2014 have been compiled by management.

No audit or review of this information has been performed by the Company's auditors.

GRIZZLY DISCOVERIES INC.
Condensed consolidated interim statements of financial position

As at	April 30 2015 (unaudited)	July 31 2014
ASSETS		
Current		
Cash and cash equivalents	\$ 81,494	\$ 320,390
Restricted cash (note 3)	5,000	25,000
Other current assets (note 4)	122,185	99,450
	208,679	444,840
Deposit	27,918	27,706
Equipment	9,520	12,283
Mineral properties (note 5)	11,141,895	11,099,533
	\$ 11,388,012	\$ 11,584,362
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 3,601	\$ 45,797
Provision	225,425	224,793
	229,026	270,590
EQUITY		
Share capital (note 6)	19,653,042	19,653,042
Contributed surplus	2,537,563	2,537,251
Deficit	(11,031,619)	(10,876,521)
	11,158,986	11,313,772
	\$ 11,388,012	\$ 11,584,362

Approved by the Board of Directors

Director (signed by) "Brian Testo"

Director (signed by) "Doug Turnbull"

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

GRIZZLY DISCOVERIES INC.

Condensed consolidated interim statements of loss and comprehensive loss

(unaudited)

For the	three months ended April 30		nine months ended April 30	
	2015	2014	2015	2014
EXPENSES				
General and administration (note 7)	\$ (49,609)	\$ (71,697)	\$ (143,359)	\$ (232,056)
Share based compensation (note 6)	-	(3,750)	(312)	(5,000)
Impairment (note 4)	(2,646)	(2,941)	(13,426)	(4,228)
TOTAL EXPENSES	(52,255)	(78,388)	(157,097)	(241,284)
OTHER INCOME				
Interest income	364	1,383	1,999	10,142
NET LOSS AND COMPREHENSIVE LOSS	\$ (51,891)	\$ (77,005)	\$ (155,098)	\$ (231,142)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	48,725,268	48,725,268	48,725,268	48,725,268

Condensed consolidated interim statements of cash flows

(unaudited)

For the nine months ended April 30	2015	2014
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net loss	\$ (155,098)	\$ (231,142)
Items not affecting cash and cash equivalents:		
Depreciation	2,763	3,948
Share based compensation	312	5,000
Impairment	13,426	4,228
Interest expense on discounted Provision	632	-
Changes in non-cash working capital:		
Release of restricted funds	20,000	-
Other current assets	(11,928)	649,606
Deposits	(212)	(325)
Accounts payable and accrued liabilities	(42,196)	(56,447)
Cash and cash equivalents provided by (used in) operating activities	(172,301)	374,868
INVESTING ACTIVITIES:		
Mineral properties expenditures	(66,595)	(130,301)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(238,896)	244,567
Cash and cash equivalents – beginning of period	320,390	96,296
CASH AND CASH EQUIVALENTS – END OF PERIOD	\$ 81,494	\$ 340,863

See Note 8 for supplemental cash flow information.

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

GRIZZLY DISCOVERIES INC.

Condensed consolidated interim statements of changes in equity

*(unaudited)***For the nine months ended April 30, 2015**

	NUMBER OF COMMON SHARES	SHARE CAPITAL	CONTRIBUTED SURPLUS	DEFICIT	TOTAL EQUITY
July 31, 2014	48,725,268	\$ 19,653,042	\$ 2,537,251	\$ (10,876,521)	\$ 11,313,772
Comprehensive loss		-	-	(155,098)	(155,098)
Share based compensation		-	312	-	312
April 30, 2015	48,725,268	\$ 19,653,042	\$ 2,537,563	\$ (11,031,619)	11,158,986

For the nine months ended April 30, 2014

	NUMBER OF COMMON SHARES	SHARE CAPITAL	CONTRIBUTED SURPLUS	DEFICIT	TOTAL EQUITY
July 31, 2013	48,725,268	\$ 19,653,042	\$ 2,522,563	\$ (10,182,277)	\$ 11,993,328
Comprehensive loss	-	-	-	(231,142)	(231,142)
Share based compensation	-	-	5,000	-	5,000
April 30, 2014	48,725,268	\$ 19,653,042	\$ 2,527,563	\$ (10,413,419)	\$ 11,767,186

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

1. Nature of operations and going concern

Grizzly Discoveries Inc. (the "Company" or "Grizzly") was incorporated on May 31, 2002 in Alberta and is in the business of acquiring and exploring mineral properties located in Canada. The Company has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company's registered office is Suite 3400, 350 7 Avenue SW, Calgary, Alberta, T2P 3N9. The Company's head office is at Suite 100, 9797 45 Avenue NW, Edmonton, Alberta, T6E 5V8.

Long-term continuance of the Company's operations is dependent upon achieving profitable operations and obtaining additional equity or debt financing. The recoverability of the carrying values of the Company's mineral properties is dependent upon the existence and discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production from or proceeds from the disposition of mineral properties.

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. As at April 30, 2015, the Company has a deficit of \$11,031,619 (July 31, 2014 - \$10,876,521) and the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable. These material uncertainties may cast doubt regarding the Company's ability to continue as a going concern. At the current stage of the Company's development, the ability of the Company to continue as a going concern is dependent upon its ability to obtain additional sources of financing. Management's intentions are to continue to pursue additional financing. If the Company is unsuccessful in obtaining additional financing to fund operations and the exploration and development of its mineral properties, the going concern assumption may not be appropriate and adjustments would be necessary to the carrying value of assets and liabilities and reported revenues and expenses. Such adjustments may be material.

2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") for interim financial statements as specified in International Accounting Standard 34 – *Interim financial reporting* ("IAS 32") issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements do not contain all of the disclosures required for financial statements in accordance with IFRS and should be read in conjunction with the consolidated financial statements of the Company for the year ended July 31, 2014.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary Alberta Potash Corp. (incorporated in Alberta). All intercompany balances and transactions have been eliminated on consolidation.

These condensed consolidated interim financial statements have been prepared on a historical cost basis.

These condensed consolidated interim financial statements are presented in Canadian Dollars unless otherwise noted.

These condensed consolidated interim financial statements were approved by the Audit Committee on behalf of the Board of Directors of the Company on June 29, 2015.

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2015 and 2014

(unaudited)

3. Restricted cash

The Company has restricted cash in the amount of \$5,000 (July 31, 2014 - \$25,000) as security for corporate credit card liabilities. During the period ended April 30, 2015, the Company reduced its credit card limit and as a result \$20,000 in previously restricted cash was released. The released funds are included in cash and cash equivalents at April 30, 2015.

4. Other current assets

As at	April 30 2015	July 31 2014
Accounts receivable	\$ -	\$ 1,595
Goods and services tax receivable	9,003	3,562
Mineral exploration tax credits receivable	46,028	35,221
Prepayments and deposits	67,154	59,072
	<u>\$ 122,185</u>	<u>\$ 99,450</u>

5. Mineral Properties

	Alberta Diamond Properties	Alberta Potash Properties	BC Precious Metals Properties	Total
Balance, July 31, 2013	\$ 1	\$ 2,830,609	\$ 8,520,183	\$ 11,350,793
Acquisition costs	3,125	8,832	8,971	20,928
Exploration and evaluation costs	6,745	21,507	82,422	110,674
Impairment	(9,870)	-	(372,992)	(382,862)
Balance, July 31, 2014	1	2,860,948	8,238,584	11,099,533
Acquisition costs	1,281	11,099	9,185	21,565
Exploration and evaluation costs	2,318	6,688	25,217	34,223
Impairment	(3,599)	-	(9,827)	(13,426)
Balance, April 30, 2015	\$ 1	\$ 2,878,735	\$ 8,263,159	\$ 11,141,895

Impairment

During the nine month period ended April 30, 2015, the Company incurred costs totaling \$13,426 related to its Alberta Diamonds Properties and its Silver Bear and French Properties (both included in BC Precious Metals). These costs were recorded as impairments as the Company has impaired these properties in a prior year and will continue to impair incurred costs on these properties until it commences active exploration in the future.

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2015 and 2014

(unaudited)

6. Share capital*Common shares*

The Company's articles authorize an unlimited number of common shares with no par value and an unlimited number of preferred shares. The Company has not issued any preferred shares.

On April 30, 2015 and July 31, 2014, a total of 48,725,268 common shares were issued and outstanding.

Common share purchase options

A summary of stock option activity is as follows:

	Number of options	Weighted average exercise price
Outstanding stock options, July 31, 2013	4,265,000	\$ 0.11
Granted	700,000	\$ 0.10
Expired	<u>(650,000)</u>	\$ 0.18
Outstanding stock options, July 31, 2014	4,315,000	\$ 0.10
Granted	400,000	\$ 0.10
Expired	<u>(825,000)</u>	\$ 0.10
Outstanding stock options, April 30, 2015	<u>3,890,000</u>	\$ 0.10

A summary of stock options outstanding is as follows:

As at April 30, 2015				As at July 31, 2014			
Exercise price	Options outstanding	Options exercisable	Years to expiry	Exercise price	Options outstanding	Options exercisable	Years to expiry
\$ -	-	-	-	\$ 0.10	200,000	200,000	0.4
\$ -	-	-	-	\$ 0.10	625,000	625,000	0.5
\$ 0.10	40,000	40,000	0.5	\$ 0.10	40,000	40,000	1.3
\$ 0.10	750,000	750,000	0.6	\$ 0.10	750,000	750,000	1.3
\$ 0.10	200,000	200,000	0.9	\$ 0.10	200,000	200,000	1.6
\$ 0.10	200,000	200,000	1.0	\$ 0.10	200,000	200,000	1.7
\$ 0.10	1,100,000	1,100,000	1.5	\$ 0.10	1,100,000	1,100,000	2.3
\$ 0.10	200,000	200,000	2.6	\$ 0.10	200,000	200,000	3.3
\$ 0.10	300,000	300,000	2.9	\$ 0.10	300,000	300,000	3.6
\$ 0.10	500,000	500,000	0.5	\$ 0.10	500,000	375,000	1.2
\$ 0.10	200,000	200,000	4.1	\$ 0.10	200,000	200,000	4.8
\$ 0.10	400,000	-	1.8	\$ -	-	-	-
\$ 0.10	3,890,000	3,490,000	1.5	\$ 0.10	4,315,000	4,190,000	1.8

On February 4, 2015, the Company issued 400,000 stock options to a consultant at an exercise price of \$0.10 per common share, with 100,000 of the options vesting on each of May 4, 2015, August 4, 2015, November 4, 2015, and February 4, 2016. The options expire no later than February 4, 2017.

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2015 and 2014

*(unaudited)***7. General and administrative expenses**

For the	three months ended April 30		nine months ended April 30	
	2015	2014	2015	2014
Advertising and promotion	\$ 4,633	\$ 12,468	\$ 17,895	\$ 19,759
Conferences and corporate travel	6,306	2,628	11,000	17,530
Consulting fees	18,047	35,568	56,472	133,931
Office and administration	7,519	8,511	23,731	24,846
Regulatory and transfer fees	7,473	7,148	24,396	24,801
Depreciation	921	1,316	2,763	3,948
Professional fees	4,710	4,058	7,102	7,241
	<u>\$ 49,609</u>	<u>\$ 71,697</u>	<u>\$ 143,359</u>	<u>\$ 232,056</u>

8. Supplemental cash flow information*Interest received and paid*

During the three and nine months ended April 30, 2015, the Company received interest of \$364 and \$1,999 respectively (2014 - \$1,383 and \$10,142 respectively) from deposits with its financial institution and, in the nine month period ended April 30, 2014, from the Canada Revenue Agency. The Company did not pay any interest, nor did it receive any dividends, in either of the periods ended April 30, 2015 or 2014.

Non cash transactions eliminated from the consolidated statements of cash flows

The following table lists non cash transactions which were recorded in the periods ended April 30, 2015 and 2014 and have been eliminated from the consolidated statements of cash flows.

For the nine months ended April 30	2015	2014
Mineral exploration tax credits accrued as a reduction of mineral properties	\$ (10,807)	\$ (18,443)