

**Kat Exploration Inc.
Financial Statements
(Unaudited)
November 30, 2014**

**Financial Statements
(Unaudited)
November 30, 2014**

Contents

Review Engagement Report.....	3
Balance Sheet.....	4
Statement of Earnings.....	5
Statement of Retained Earnings.....	6
Statement of Cash Flow.....	7
Statement of Shareholder Equity.....	8
Notes to Financial Statements.....	9-10

(Unaudited)
November 30, 2014

To the Directors

We have reviewed the balance sheet of Kat Exploration Inc. as at November 30, 2014 and the statements of earnings, retained earnings, and cash flows for the proceeding twelve months. Our review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures, and discussion related to information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principles.

Ken's Accounting Services

(Unaudited)

	2014	2013
Assets		
Current		
Bank	117	0
	<u>117</u>	<u>0</u>
Capital assets (Note 1 and 2)	7,791	10,246
Investment	0	0
	<u>7,908</u>	<u>10,246</u>
	<u><u>7,908</u></u>	<u><u>10,246</u></u>
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accruals (Note 3)	36,528	62,159
	<u>36,528</u>	<u>62,159</u>
Total Liabilities	<u>36,528</u>	<u>62,159</u>
Shareholders' Equity		
Convertible Debenture	391,000	340,000
Shareholder Common Shares (Note 5)	2,440,404	2,399,551
Retained earnings	(2,931,883)	(2,794,323)
	<u>(100,479)</u>	<u>(54,772)</u>
	<u><u>-\$63,951</u></u>	<u><u>\$7,387</u></u>

On behalf of the Board:

Director: _____

	2014	2013
Revenue	\$0	\$0
Expenses		
Accounting & Legal	11,486	0
Amortization	2,455	2,305
Interest and bank charges	41	0
Staking Fees	600	0
Vehicle	75	0
Wages and benefits	122,903	0
	137,560	2,305
Net earnings for the period	<u>(\$137,560)</u>	<u>(\$2,305)</u>

	2014	2013
Retained earnings, beginning of period	(2,794,323)	(2,792,018)
Net earnings for the period	(137,560)	(2,305)
Retained earnings, end of period	<u>(\$2,931,883)</u>	<u>(\$2,794,323)</u>

	2014	2013
Cash flows from operating activities		
Earnings from operations	(137,560)	0
Add item not involving an outlay of funds		
Amortization	2,455	(2,305)
	(135,105)	(2,305)
Changes in non-cash working capital		
Accounts payable	(25,631)	30,500
	(25,631)	30,500
Cash flows from investing activities		
Purchase of capital assets	0	(28,195)
	0	(28,195)
Cash flows from financing activities		
Investment	40,853	0
Increase in long term debt	120,000	0
	160,853	0
Net increase in cash	117	0
Cash at beginning of period	0	0
Cash at end of period	117	0

	Common Stock	Purchase Common Stock	Addition Common Stock	Retained Earnings	Total Stock Equity
Balance, at Nov 30, 2013	-51,913	0	0	0	(51,913)
1st Quarter Addition		0	0	0	(614)
2nd Quarter Addition		0	0	0	(614)
3th Quarter Addition		0	40,853	0	24,835
4th Quarter Addition		0	0	0	0
Net Income for the period					
Balance, at Nov 30, 2014	-51,913	0	40,853	0	(28,306)

Note: The common stock issued has a par value of \$0.0001.

The Company was incorporated under the laws of the Province of Newfoundland and Labrador on December 02, 2005. The company explores for mineral deposits.

1. Summary of significant accounting policies

The accounting policies of the company are in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

Capital Assets and Amortization

Capital assets are recorded at cost. Amortization has been calculated using the declining balance method with rates as follows, except in the year of acquisition when one half of the rate is used.

Equipment	20%
Computer	30%

2. Capital Assets

	Rate	Cost	Accum Amort	Net Book Value	Net Book Value
Equipment	20%	21,506	16,247	4,949	6,186
Computers	30%	16,925	14,083	2,842	4,060
		<u>\$38,431</u>	<u>\$30,330</u>	<u>\$7,791</u>	<u>\$10,246</u>

3. Accounts Payable

	2014	2013
Accounts Payables	36,528	62,159
Net Payable	<u>\$36,528</u>	<u>\$62,159</u>

4. Security Deposits

This represents a \$60. refundable deposit to government for each claim staked. Once an assessment report has been submitted to the Department of Mines and Energy the company is eligible for a refund of \$50. per claim.

5. Shared Capital:

Authorized:

- 2,450,000,000 common shares, par value of \$0.0001 per share.
- 30,000,000 shares of preferred A stock, par value \$0.0001 per share.
- 5,000,000 shares of preferred B stock, par value \$0.0001 per share.

Issued:

- Limited number of no par value common shares of 124,852,518.
- 9 class A preferred outstanding

Persons owning more than five percent (5%) of the issuer's securities.

Ken Stead	78,131,688	62.90%
Tim Stead	24,118,395 shares	19.35%