NuLegacy Gold

CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2015

GENERAL

The purpose of this Management Discussion and Analysis ("**MD&A**") is to explain management's point of view regarding the past performance and future outlook of NuLegacy Gold Corporation ("**NuLegacy**"). This report also provides information to improve the reader's understanding of the financial statements and related notes as well as important trends and risks affecting NuLegacy's financial performance, and should therefore be read in conjunction with NuLegacy's annual audited consolidated financial statements and notes for the year ended March 31, 2015 (the "**Financial Statements**").

All information contained in this MD&A is current as of July 28, 2015 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information on NuLegacy is available on SEDAR at www.sedar.com and at NuLegacy's website, www.*nulegacygold*.com.

OVERVIEW

NuLegacy is a Nevada-focused exploration company with exploration properties in Eureka County, Nevada, in close proximity to multi-million ounce producing gold mines. NuLegacy has an experienced exploration team with several of its geologists credited with Nevada discoveries. Its team is focused on exploring its Iceberg property, acquired through an earn-in arrangement with Barrick Gold Corporation ("Barrick") (refer to section "Summary of Exploration Activities").

NuLegacy is listed on the TSX Venture Exchange under the symbol "NUG".

STRATEGY

NuLegacy's objective is to discover significant multi-million ounce Carlin-type gold deposits within the state of Nevada. Nevada is the sixth largest gold producing 'nation' in the world and contains one of the largest gold endowments globally with favorably oxidized low cost heap-leachable mineralization. NuLegacy's Iceberg property is situated in the well-established and prolific Cortez gold trend of Nevada.

Management of NuLegacy's is committed to maximizing its exploration dollars through detailed technical analysis, focusing on Carlin-style gold targets and resource discovery. With effective and efficient management of its exploration dollars and programs, management aims to deliver superior long-term returns to shareholders.

KEY HIGHLIGHTS

In August 2014, NuLegacy closed a $3,531,250 financing with Waterton Precious Metals Fund II Cayman, LP ("Waterton") at $0.125 per share by way of a non-brokered private placement of 28,250,000 common shares. No finder's fees or warrants were paid or issued in respect of this financing. NuLegacy used the proceeds from the financing towards exploration of the Iceberg deposit, general working capital and other corporate purposes.

During the year ended March 31, 2015, NuLegacy met its annual expenditure commitment related to the Iceberg deposit of US$1,125,000 (due on or before December 31, 2014) (refer to section "Summary of Exploration Activities"). NuLegacy intends to fully meet the expenditure commitment of US$2,000,000 (due on or before December 31, 2015) as a final requirement to earn the 70% undivided interest in the Iceberg property through future equity financings and current cash on hand.

Subsequent to March 31, 2015, the Company received total gross proceeds of $2,296,875 from the (1) closing of a private placement and (2) the exercise of warrants. See the "Liquidity" section for details.

OVERALL PERFORMANCE

Net loss in the year ended March 31, 2015 was $1,325,258 compared to a net loss of $1,234,909 in the comparative year ended March 31, 2014. The higher net loss experienced in the current year is largely the result of higher: (i) consulting fees related to normalizing prior austerity cuts to management compensation (ii) investor relation fees in connection with increased advisory and corporate finance services; (iii) office expenses, regulatory and transfer agent fees and professional fees related to more corporate activity; and (iv) share based compensation due to the higher fair value associated with stock options that had been granted and vested in the current year. However, the higher net loss was partially offset by the recognition of a greater foreign exchange gain of $255,433 from its US denominated cash balance as the US dollar strengthened relative to the Canadian dollar.

Comprehensive loss in the year ended March 31, 2015 was $2,397,188 compared to a comprehensive loss of $1,809,217 in the comparative year. NuLegacy recognized $1,071,930 in other comprehensive loss due to a reduction in the fair value of its available for sale financial assets which were acquired in March 2014.

The total net increase in cash and cash equivalents during the year ended March 31, 2015 was $470,639 compared to $609,634 in the comparative year ended March 31, 2014. NuLegacy's raised more funds from financing activities in the current year relative to the comparative year ($3,495,365 versus $2,231,220); however, NuLegacy spent $2,040,102 on investing activities in the current year versus $724,494 in the comparative year. The larger cash outflow from investing activities was mainly attributable to exploration and evaluation expenditures related to meeting the higher expenditure commitment pursuant to the Iceberg property agreement. Furthermore, cash outflow from operating activities was $984,624 versus $897,092 in the comparative year.

During the year ended March 31, 2015, a total of $1,786,266 and $129,529 was incurred in deferred exploration costs on the Iceberg and Wilson properties, respectively, for total deferred exploration costs of $1,915,795. For a more detailed description of NuLegacy's exploration expenditures, interest in its exploration and evaluation assets and the terms and conditions of the underlying agreements, please refer to the "Summary of Exploration Activities" section.

SUMMARY OF EXPLORATION ACTIVITIES

For the year ended March 31, 2015, NuLegacy incurred a total of $1,915,795 in deferred exploration costs (of which $1,894,350 was spent in cash, $10,000 was related to share issuances and the remaining balance of $11,445 was incurred but not yet paid) compared to $724,179 for the corresponding year ended March 31, 2014.

The following is a breakdown of the material components of NuLegacy's deferred exploration and development costs, on a property by property basis, for the years ended March 31, 2015 and 2014:

	Iceberg Property	Wilson Property	Total
	$	$	$
Year ended March 31, 2015			
Acquisition	-	39,320	39,320
Assays	121,161	-	121,161
Deposits	25,108	-	25,108
Drilling	889,732	-	889,732
Geological consulting	535,932	2,006	537,938
Miscellaneous	28,606	383	28,989
Property maintenance	144,215	87,398	231,613
Travel	41,512	422	41,934
Total	**1,786,266**	**129,529**	**1,915,795**
Year ended March 31, 2014			
Acquisition	-	40,413	40,413
Assays	15,695	-	15,695
Drilling	106,206	-	106,206
Geological consulting	331,977	-	331,977
Miscellaneous	9,790	48	9,838
Property maintenance	126,810	74,920	201,730
Travel	17,655	665	18,320
Total	**608,133**	**116,046**	**724,179**

The higher expenditures incurred in the current fiscal year were the result of:

- the larger work commitment requirement under the Iceberg Property option agreement as NuLegacy was required to incur US$1,125,000 by December 31, 2014 (versus US$625,000 by December 31, 2013); and
- expanding the size of the potential exploration target identified in the Iceberg property which contributed to higher drilling and assays costs.

The total cumulative acquisition and deferred exploration costs to March 31, 2015 are summarized as follows:

	Iceberg Property	Wilson Property	Total
	$	$	$
Acquisition costs	16,153	189,038	205,191
Assays	255,563	26,228	281,791
Deposits	25,108	-	25,108
Drilling	1,521,624	189,294	1,710,918
Geological consulting	1,204,820	94,983	1,299,803
Miscellaneous	61,309	6,614	67,923
Property maintenance	515,707	383,314	899,021
Travel	126,846	16,509	143,355
Accumulated expenditures since inception	**3,727,130**	**905,980**	**4,633,110**

Mineral properties:

Iceberg (Red Hill) Project, Eureka County, Nevada

The Iceberg (Red Hill) Project, located in Eureka County, Nevada, encompasses 1,300 unpatented lode mining claims covering approximately 98 square km and is comprised of two separate property agreements as follows:

- Iceberg Property option agreement – consists of 818 unpatented lode mining claims comprising approximately 60 square kilometers; and
- Idaho Resources (Wilson) Property option agreement – consists of 482 unpatented lode mining claims compromising approximately 38 square kilometers.

The Iceberg Property is located directly between Barrick's Cortez Hills operation and Goldrush property to the north, and McEwen Mining Inc.'s Tonkin Springs/Gold Bar gold operations to the south. Barrick's Cortez mining operations have reported reserves in excess of 14.5 million ounces of gold, plus additional indicated and inferred resources. Barrick's Goldrush property, which contains 15.5 million ounces of gold[1] in all categories, is located adjacent to NuLegacy's Red Hill Project.

The Iceberg project has geology similar to that which hosts the existing three Carlin-type deposits in the Cortez Trend, which have their largest and best resources at depths between 500 and 1,200 feet. The geology of Barrick's Goldrush property represents a close analog to that found at NuLegacy's Iceberg Property.

NuLegacy's re-interpretation of both the geology of the property and previous drilling results indicates that the majority of the Iceberg Property contains geological formations that are favorable for hosting Carlin-type gold deposits. A significant number of shallow historic drill holes (less than 150 meters in depth) have attractive gold intercepts at or near their bottom. These holes were the foundation for NuLegacy's drilling that lead to the discovery of the Iceberg gold deposit. There are also several surface gold anomalies throughout the property that have not yet been drilled. The Iceberg gold deposit is in Devonian carbonates rocks, the same units that host the large gold deposits in the Cortez Trend, of which the Iceberg Property is a part of.

[1] As reported by Barrick Gold as of December 31, 2013, the Goldrush deposit contained a resource of 423,000 oz (3.1 million tons @ 0.137oz/tonne – measured), 9,537,000 oz Au (72.5 million tons @ 0.132oz/tonne – indicated) and 5,555,000 oz Au (39.5 million tons @ 0.141 oz/tonne – inferred). The close proximity of Iceberg to Goldrush may have little or no bearing on the level of gold mineralization in the Iceberg deposit.

The terms of the Iceberg and the Wilson option agreements are as follows:

Iceberg Property:

On September 16, 2010 (further amended August 23, 2012), NuLegacy entered into an exploration agreement with a joint venture election and option to purchase with Barrick to acquire a 70% undivided interest in 818 unpatented mining claims located in Eureka County, Nevada, U.S.A. In order to exercise the option, NuLegacy must incur a minimum of US$5,000,000 in exploration or development expenditures on the claims (inclusive of maintenance fees) as follows:

Due Date	Work Expenditure	Aggregate Amount
December 31, 2011	US$375,000	US$375,000 (completed)
December 31, 2012	US$875,000	US$1,250,000 (completed)
December 31, 2013	US$625,000	US$1,875,000 (completed)
December 31, 2014	US$1,125,000	US$3,000,000 (completed)
December 31, 2015	US$2,000,000	US$5,000,000

If NuLegacy completes the required US$5,000,000 in expenditures and earns a 70% undivided interest in the property, Barrick will have a one-time option, exercisable within 90 days, to back into a 70% interest in the property. To complete the back in, Barrick must expend US$15,000,000 over 5 years on the exploration and development of the property at a rate of at least US$1,500,000 per year. If completed, NuLegacy's remaining 30% interest in the property will be free-carried by Barrick until the commencement of commercial production on the property.

Upon completion of the $5,000,000 in exploration expenditures, NuLegacy and Barrick shall form a joint venture for further exploration of the property. If Barrick does not elect to exercise its back-in right or fails to complete the expenditures, NuLegacy will hold a 70% interest and Barrick will hold a 30% interest in the joint venture. If Barrick exercises the back-in right and completes the expenditures, NuLegacy will hold a 30% interest and Barrick will hold a 70% interest in the joint venture.

NuLegacy's priority is to ensure the work expenditure commitments are met in order to complete the 70% earn-in on the Iceberg Property.

Idaho Resources (Wilson) Property:

On October 18, 2010 (further amended February 23, 2012 and November 7, 2012), NuLegacy entered into a mining lease with Idaho Resources Corporation ("Idaho") for an initial 10 years, in which Idaho granted to NuLegacy exclusive possession and control to explore, develop, mine and operate on the Wilson property, which consists of 482 unpatented lode mining claims.

In order to maintain the mining lease, NuLegacy must make annual advance royalty payments of US$25,000 and issue 100,000 common shares to Idaho in each of the first five years of the mining lease (all commitments have been made to date). Annual cash payments will then increase to US$50,000 for year six and every year thereafter. In addition, NuLegacy is required to complete exploration commitments on the property as follows:

Lease Year	Annual Requirement	Aggregate Amount
August 31, 2011	US$250,000	US$250,000 (completed)
December 31, 2012	US$500,000	US$750,000 (completed)

The commitments for years 2 through 5 which totalled US$4.25 million were eliminated in the agreement amendment dated November 7, 2012. After the initial term of 10 years, the mining lease will continue in full force and effect provided that NuLegacy continues to maintain the property in good standing and make the requisite annual cash payments to Idaho. Upon commencement of commercial production, the annual cash payments will convert to an overriding royalty of 3% of the applicable royalty based on all gold, silver and other ores/metals produced from the property.

2016 Fiscal Year Exploration Program Outlook:

The exploration program planned on the Iceberg gold deposit begun in March 2015 and will include approximately 17,500 feet (5,300 meters) of drilling through to the end of September 2015. The drilling will be concentrated in and between the north, central, and south zones of the Iceberg gold deposit. It is intended to extend these three gold bearing zones, confirm the continuity of the mineralization between them and target the very high-grade zones to the deposit.

The budgeted US$1.3 million of direct exploration expenditures will complete the earn-in to a 70% working interest in the Iceberg gold deposit.

The Company also intends to explore the 100% controlled Idaho property which lies adjacent to the east of the Iceberg project. This will consist of geological mapping, rock and soil sampling, and a gravity geophysical survey in preparation of drill target definition and drilling in 2016.

In May 2015, the Company reported the assay results from the first six of the twenty four holes planned for the summer of 2015, as follows:

(Follow this link http://nulegacygold.com/s/2015-Drill-Program.asp to view plan map showing these holes in relation to prior drilling)(These assay, and all of Nulegacy drill hole intercepts are tabulated in a table at the end of this section)

- **North zone** - Hole RHB-040 has materially expanded the higher grade gold mineralization previously identified in the North zone of the Iceberg deposit. It intersected two gold bearing horizons, one with a significantly high assay result of 25.2 grams of gold/tonne (0.8 troy oz) over 4.6 meters within 41.2 meters (135ft.) of 3.9 grams/tonne that may represent the high grade horizon that we have been targeting. These results were verified by check-assays.

  This long high-grade interval occurs in the Wenban Formation that hosts the bulk of the higher grade material in Barrick's 15.5 million ounces Goldrush deposit adjacent to the north-west of the Iceberg gold deposit. The interval is in a silicified breccia, and is completely oxidized. This is the third and best hole to intersect this 'key' mineralized horizon in the North zone.

- **Central zone** - All three holes drilled in the Central zone returned impressive intervals of good grade gold mineralization.

  RHB-41 & 42 (Central zone - north end) - both of these step-out holes were targeted to and intersected multiple and thick gold-bearing horizons thus confirming mineralization continuity and successfully expanding the Iceberg deposit's Central zone to the north.

  The Central zone is confirmed to be wide open to the south as Hole RHB-43 (the most southerly of the three) which returned a lengthy 51.8 meter interval (170 ft.) of 0.52 grams of gold/tonne in the Horse Canyon-Wenban 8 contact zone directly under a "too shallow" historic drill hole. This opens the south extension of the Central zone for substantial expansion.

- **South zone** - Hole RHB-44 was a step-out to the east and while with a modest assay result it does confirm that the South zone has some lateral extent. With the limited drilling in the South zone to date geological studies are in progress to define additional drill targets.

In June 2015, the Company reported the assays for the next six holes of its drill program. The three holes (RHB-38, 29 and 50) drilled in the North zone were sited and completed prior to receipt of the assays for the headline hole reporting in May 2015. More deliberate step-outs of RHB-40 are included in the current set of six holes which commenced drilling June 8th.

- **North zone**: Hole RHB-50, the closest to RHB-40 although a considerable distance of 100+ meters (330 ft.) to the southwest, returned a respectable 1.68 grams of gold/tonne over 15.2 meters (50ft) in the Horse Canyon-Wenban 8 contact horizon and 0.55 grams of gold/tonne over 12.2 meters in the middle Wenban.

  Hole RB-49 returned an exceptionally long interval of gold mineralization grading 0.78 grams of gold/tonne over 71.6 meters (235 ft.) including 2.19 grams/tonne of gold over 9.1 meters (30 ft) in the Horse Canyon-Wenban 8 contact horizon starting at less than 40 meters (130 ft.) from surface. It is a substantial 200 meter (650 ft.) step out to the northeast of RHB-35 (one of the most northerly holes in the North zone) in an area of limited drilling representing excellent potential for further expansion of this zone.

- **Central zone:** Holes RHB-46 & 47 extends the zone fully 120 meters (400 ft.) to the northwest and RHB-46 is the first hole in the central zone to intersect a noteworthy interval of gold in the middle Wenban formation (that hosts so much of the gold in Barrick's adjacent Goldrush deposit).

  RHB-46 shows very good continuity and correlation in the Horse Canyon-Wenban 8 contact horizon with 0.73 grams of gold/tonne over 27.4 meters (90 ft.) and gold in the middle Wenban with 0.65 grams of gold/tonne over 6.1 meters (20 ft.) RHB-47, which is further north in the Central zone, returned reasonable grades in the upper horizon as reported above.

  These two holes indicate a westerly dip to the Devonian carbonates in the western portion of the Central zone (as opposed to an eastern dip in the eastern portion) implying there may be an anticline. This is an important structural feature as most of the economic Carlin-type gold deposits in Nevada, specifically Goldrush, are associated with the crests of anticlines and their adjoining limbs that are areas of excellent ground preparation and typically hosts higher grades of gold mineralization.

Summary: These results from the first two rounds of drilling in 2015 continue to confirm that our current drill program shows:

- The Iceberg gold deposit hosts a classic Carlin-type high-grade gold deposit
- Significantly expand the Iceberg's footprint of contained gold mineralization in multiple directions.
- Delineate gold in multiple horizons – there are three distinct gold-bearing stratigraphic horizons that are all within 200 meters of surface
  - The overlying volcaniclastics (predominantly in the Central and South zones),
  - The contact horizon between Devonian Horse Canyon and upper Wenban formations (present in all three zones); and
  - The middle-Wenban limestone formation while most prevalent in the North zone, is now discovered in the Central zone as well.
- Important intervals of greater than 1 grams of gold/tonne continue to be intersected.

In July 2015, the Company reported the assay results from six of the eight holes drilled in June (the third set of holes of the 2016 fiscal year end drill program).

- **North zone** – Hole RHB-58 returned assays of:
    - 3.4 grams of gold/tonne over 35.1 meters (115 feet) including,
    - 5.3 grams of gold/tonne over 21.3 meters (70ft) and including a still higher grade interval of,
    - 7.3 grams (~1/4 ounce) of gold/tonne over 7.6 meters (25 ft).

  RHB-58 was drilled as a considerable 50 meter (160 ft.) step-out to the west of hole RHB-40 (the previous best intercept reported May 7th with 3.9 grams of gold/tonne over 41.2 meters) and continues the expansion of the high grade North zone.

  For a discussion of near-surface oxide material versus deeper sulphides, please follow this link: http://nulegacygold.com/i/pdf/The-Iceberg-Gold-Deposit-Not-Your-Average-Carlin-Type.pdf

  Hole RHB-55 is a further 50 meter (160ft) westerly step-out from the high-grade zone. Gold mineralization was encountered in the Wenban horizon (averaging 0.19 grams of gold/tonne over 32.0 meters/105 feet at the bottom of the hole) with the grade increasing with dept until the hole was terminated due to difficult drilling conditions. The interpretation is that the hole had just encountered the extension of the higher grade zone and so will be re-drilled in the next set of holes.

  One of the ironies of Carlin-type gold deposits it that the very ground conditions that are most favourable for the optimum deposition of gold – highly fractured zones – are difficult drilling conditions.

  Hole RHB-56 is one of the few holes in the North Zone to encounter gold in the surface Volcaniclastics that are so prevalent in the Central Zone, and while it reported as a modest 0.20 grams of gold/tonne over 33.5 meters (110 ft.), that could contribute to the economics of the deposit as the recovered gold would help towards paying for the pre-stripping.

- **Central zone** – Drill hole RHB51- was another 50 meter (160 ft.) step-out to the southeast of drill hole RHB-43 (May 7th) and encountered a mere 3 meters (10 feet) of 0.78 grams of gold/tonne.

  Our interpretation is that this modest intercept either indicates the limits of that portion of the Central zone or was possibly drilled just south of an east striking fault, in which case, the better grade portions of the Central zone could continue to be open to the south. Detailed logging of the chips and construction of cross sections is in progress to identify additional drill targets to continue to expand the Central zone.

Drilling of the next (4th) set of holes of the exploration program commenced on July 14th and will include a combination of step-outs from known mineralization and tests of peripheral geophysical and geochemical targets.

The spring & summer drill program will revert to predominantly reverse circulation drilling. At less than half the cost per hole, reverse circulation drilling will result in more than twice as many holes in about half as much time, thus providing many more opportunities for discovering additional gold during the 2016 fiscal year exploration program.

2015 Fiscal Year Exploration Program Results:

NuLegacy completed a 26 drill hole exploration and delineation drilling program with the objectives of:

i. Ensuring NuLegacy met the earn-in expenditure requirement of the Iceberg property agreement;

ii. Expanding the size of the potential exploration target identified in the Iceberg gold deposit and delineating within it a "threshold" resource of NI 43-101 qualified oxide ounces sufficient to induce Barrick to earn-back to 70%; and

iii. Identifying the higher grade oxide and/or sulphide cores usually associated with these Carlin-type oxide gold deposits, and testing additional targets outside of the Iceberg gold deposit that have potential for oxidized gold mineralization and/or deeper sulfide bearing gold deposits.

The 2015 fiscal year exploration program was as follows:

- Completed 17 reverse circulation holes that expanded the Iceberg deposit;
- Completed 2 reverse circulation holes on the central pediment, one into the Avocado anomaly and one into a second geophysical anomaly (see Avocado section below for a discussion),
- Completed 7 core holes in the Iceberg deposit primarily to confirm historic reverse circulation drilling and to enhance geological knowledge of the deposit,
- Completed a gravity survey in the Iceberg and Jasperoid Basin area to assist in identifying drill targets,
- Completed mapping, sampling, and target definition of the VIO and Japeroid Basin area.

The Iceberg deposit is a Carlin-type gold deposit hosted in an interpreted 35 million year old volcanic and sedimentary unit, and underlying Devonian carbonates. Two mineralized horizons have been identified in the 'contact zone' between the Horse Canyon Formation (HC) and the upper Wenban 8 (W8) at depths ranging from 75 to 150 meters (246 to 492 feet) and in the overlying older volcanics. The compilation of 149 historic and 36 NuLegacy drill holes indicates the presence of a large tonnage near-surface Carlin-type exploration target[2] of 90 to 110 million tonnes grading between 0.7 g/T and 1.0 g/T Au in the 'HC-W8' contact zone. There is also evidence of gold in the lower brecciated Wenban unit 5 (W5) carbonate horizon in a few holes drilled to depth at 250 to 400 meters (820 to 1,312 feet).

In May 2014, NuLegacy commenced drilling on its Iceberg gold project. The drilling program was designed to expand the two gold-bearing horizons (older volcanics and the HC-W8 contact zone) and explore for the higher-grade oxide cores and deeper sulphide gold mineralization that contribute to making the Cortez Carlin-style deposits such prizes. The other three Carlin-type targets on the property - VIO, Avocado and the Jasperoid Basin were explored in preparation for drilling in 2014 and 2015.

Plan maps and sections through the Iceberg gold deposits have been posted to NuLegacy's website at Iceberg Project: Presentations at http://nulegacygold.com/i/pdf/Plan-maps-and-sections-Iceberg-gold-deposit-May-2014.pdf.

In June 2014, the first 9 reverse circulation holes were drilled as substantial step-outs from the existing mineralized zones of the Iceberg gold deposit to test for the outer limits of the gold mineralization. The assays were integrated into the Iceberg deposit's exploration model to determine where to drill the next set of holes targeted to expand the deposit (see drill hole intercept table at the end of this section).

The Avocado zone, a 2,000 by 1,000 meter (6,562 by 3,281 feet) IP/Resistivity anomaly has evidence of a gold bearing pyrite zone in a hole drilled on its margins. It is on trend with Barrick's multi-million ounce Goldrush deposit located 4 km across a rift valley (view at http://nulegacygold.com/i/maps/PPT-gallery-6.jpg).

[2] As reported in September 5, 2013 NR, these figures are a conceptual exploration target only and should not be construed as a calculated resource under NI 43-101 standards as insufficient exploration has been completed to date to define such a resource and there are no assurances that additional exploration will confirm the existence of a NI 43-101 resource.

The two Iceberg holes RHB-18 and 19 are large step-outs from the south-western margin of the Central zone of the Iceberg deposit. RHB-18 is located 150 meters (492 feet) to the southwest and RHB-19 is 125 meters (410 feet) west of the Central zone. Both holes encountered the Iceberg deposit's gold bearing volcanic sequence and the contact zone (HC-W8) between the Horse Canyon Wenban 8 formations as well as the lower Wenban 5 formation.

These assays on the western margin of the Iceberg have numerous near-surface intervals of anomalous gold over a wide area both in the volcanic and the contact zones with associated anomalous Carlin-type gold deposit trace elements. Importantly deeper in both holes there are additional intervals of highly anomalous trace elements within Wenban 5 that provide an indication that this deeper horizon may be more favourably mineralized further to the west.

In June 2014, Iceberg hole RHB-24 was drilled as a 50 meter (165 feet) step-out along the southwestern margin of the North zone of the Iceberg deposit. It returned a notable intercept of 1.85 grams of gold/tonne over 15.2 meters (50 feet) (including 2.6 g/T Au over 10.7 meters (35 feet)) in the near-surface HC-W8 contact zone. As well it contained an encouraging 0.75 g/T Au over a 7.7 meters (25 feet) interval in the middle Wenban 5 formation.

In addition to expanding the North zone in excess of 400 meters (1,312 feet) these results have confirmed the presence of gold in the productive Wenban 5 formation on the south-western margin of the zone. The highlights of the assays that outline the North zone are reported in the table below.

Holes RHB-23 and RHB-25 drilled on the periphery of the North zone contained long intervals of anomalous gold.

Step-out drilling has also discovered the new South zone of gold mineralization and has confirmed a further north-west extension to the Central zone of the deposit. Hole RHB-27 was a wildcat exploration hole stepped out 970 meters/3,200 feet to the south along the strike of the Iceberg deposit's North and Central zones and returned two intervals of gold within the Devonian carbonates: 0.40 grams of gold/tonne over 12.2 meters/40 feet and 1.11 grams of gold/tonne over 6.1 meters/20 feet within 0.50 grams of gold/tonne over 18.3 meters/60 feet (see table below).

The presence of two mineralized intervals in silicified carbonates with favourable oxide gold grades establishes the Iceberg deposit extends a full 970 meters south of the previously identified zones of gold mineralization. RHB-27 is at the southern end of a geochemical 'gold in soil' anomaly that indicates a much larger exploration target. The three gold zones (North, Central and South) of the Iceberg deposit now extend over 3 kilometres have all of the characteristics of a well-mineralized Carlin-type gold deposit. Additional drilling will be planned to establish the dimensions of this new South zone and determine its connection to the Central zone.

Hole RHB-26, another large 200 meters/660 feet step-out to the northwest of the Central zone returned 0.18 grams of gold/tonne over 47.3 meters/155 feet from 93.0 to 140.3 meters. This lengthy interval effectively extends the mineralization in the Central Zone to 950 meters of strike length, and leaves the Central zone open in all directions.

Seven core holes were drilled into the Iceberg spread along the 3 km strike of the deposit (view nulegacygold.com/i/maps/maps-sections-2.jpg). They are located to confirm the stratigraphy, grade distribution and attitude of the three gold bearing horizons identified to date in the Iceberg gold deposit. They are designed to assist in locating the crests of the interpreted anticlines/fault zones that are often associated with the Cortez-trends' Carlin-type gold deposits making them such coveted prizes.

A gravity survey over the entire Iceberg gold deposit was commissioned completed in early October. It contributed to the selection of sites for the 2015 drilling program and identified additional exploration targets.

In November 2014, NuLegacy reported gold assays from the first three of seven core holes drilled as part of its fall 2014 exploration program on the Iceberg gold deposited. Highlights of these core-hole assays include:

- Hole RHB-30 returned a substantial 3.16 grams/tonne gold (~1/10 ounce) over 12.1 meters in the Central Zone. This interval along with a 12.1 meter interval of 1.57 grams/tonne gold in RHB-29 are in oxidized and silicified breccia and together have established the continuity and expanded the size of the higher-grade core within the Central Zone.
- Hole RHB-28 confirmed the recently discovered South Zone (see News Release dated July 22, 2014) with 1.31 grams/tonne gold over 6.1 meters and 0.57 grams/tonne gold over 4.5 meters in two distinct stratigraphic horizons. These results, combined with previous reverse circulation drill hole results, have established a significant zone of mineralization located over 950 meters (3,200 feet) south-east of the Iceberg's Central Zone.

In January 2015, NuLegacy reported gold assays from the remaining four cole holes (RHB14-31 to RBH 14-34) of the seven drilled during the fall 2014 exploration program on the Iceberg gold deposit in the Cortez gold-trend of Nevada, USA. Highlights of these core-hole assays include:
(Link to the plan map of drill holes and long-sections of the zones: http://nulegacygold.com/s/Maps_Sections.asp)

- Hole RHB-33 was targeted to confirm higher grade gold mineralization in the North zone and successfully returned 2.06 grams of gold/tonne over 14.1 meters in a near surface horizon of oxidized and silicified limestone breccia. A second gold-bearing horizon in the Middle Wenban formation (Devonian limestone) returned 0.64 grams of gold/tonne over 24.4 meters including 4.6 meters of 2.89 grams of gold/tonne. This is the formation that contains the bulk of the gold in Barrick's multi-million ounce Goldrush deposit, immediately to the north-west of the Iceberg deposit.
- Holes RHB-31 and RHB-34 expand the Central zone to the northwest and north respectively. RHB-34 returned 1.60 grams of gold/tonne over 18.3 meters very near surface (including 5.47 grams of gold/tonne over 4.6 meters) with a second slightly lower intercept assaying 2.22 grams of gold/tonne over 9.1 meters at the contact of the Devonian Horse Canyon and Upper Wenban units.
- Hole RHB-32 targeted the southern extension of the recently discovered South zone (NR dated July 22, 2014) and returned a near-surface interval of 0.41 grams of gold/tonne over 10.7 meters. This drilling is defining a promising zone of gold mineralization.

Drilling continues to identify significant gold in the older overlying volcanics, as well as the principal near-surface gold-bearing Devonian carbonate contact horizons.

NuLegacy also reported gold assays from the last four reverse circulation holes drilled during the fall 2014 exploration program on the Iceberg gold deposit.

Two of the four holes (RHB-35 and 36) were drilled as extensions of the North zone of the Iceberg and two (RHB-37 and 38) were wildcat step outs. Of the two step-outs RHB 37 was drilled fully 600 meters/1,950 feet to the west of the Iceberg proper to test a gold in soil geochemical anomaly and results indicate a possible western extension (or parallel zone) to the Iceberg gold deposit. RHB 38 is 1,750 meters/5,700 feet to the northeast as an initial test of a CSAMT geophysical anomaly along the range front.

Iceberg extensions - the high grade North zone is open in all directions:

- Hole RHB-35 returned a significant high-grade gold intercept of 3.3 grams of gold/tonne over 10.7 meters/35.1 feet (within a 32.0 meter/105 foot interval of 1.23 grams of gold/tonne) extending the high grade zone 45 meters/150 feet to the northeast with individual samples as high as 12.7 grams of gold/tonne.
- Both holes RHB-35 and 36 encountered significant gold mineralization within the strongly oxidized and altered Horse Canyon-Wenban 8 contact zone as reported below.

Wildcats – the 60 sq. km/23 sq. mile property is a target rich environment:

- Hole RHB-37 encountered gold mineralization in silicified siltstone/limestone within the HC-Wenban 8 contact zone. As an initial test of either a western extension or parallel zone to the Iceberg gold deposit, this is an important hole; it confirms gold mineralization beneath a large 'gold in soil anomaly' to the west of Iceberg. Additional drilling is needed to adequately test this anomaly.
- While hole RHB-38 detected no reportable gold, it did encounter 23 meters/75 feet of silicified siltstone and limestone with associated Carlin-type trace elements. This is the first hole in this large range front CSAMT anomaly which is being reassessed to identify additional drill targets.

NuLegacy reported that the results of an industry standard preliminary leach test conducted by American Assay Labs confirmed the Iceberg gold deposits' favourable leaching characteristics. The one hour 'tumble leach in cyanide' tests were conducted using previously assayed 30 gram sample pulps from the recently completed core-hole drilling. Atomic absorption assaying of the resulting leach liqueur demonstrated remarkably high average recoveries of 74.5% (within a range of 64.4% to 89.2%) from the oxidized Horse Canyon-Wenban contact horizon material wherein most of the Iceberg deposit's gold is contained.

The table below details the assay results from NuLegacy's recent drill program:

Hole Number	Zone	From	To	Length		Grade	Horizon
		(m)	(m)	(m)	(ft)	g/T Au	
RHB12-006	Central	57.9	67.1	9.1	30	0.44	Volcanics
and		120.4	147.8	27.4	90	1.4	Volcanics
including		128	138.7	10.7	35	2.6	Volcanics
and		170.7	190.5	19.8	65	0.2	Wenban
RHB 12-008	Central	36.6	42.7	6.1	20	0.26	Volcanics
and		120.4	167.6	47.2	155	0.73	Contact
Including		131.1	160	28.9	95	1.01	Contact
and		208.8	227.1	18.3	60	0.12	Wenban
RHB 12-009	Central	29	67.1	38.1	125	0.42	Volcanics
RHB 12-010	Central	36.6	51.8	15.2	50	0.63	Volcanics
Including		44.2	48.8	4.6	15	1.2	Volcanics
and		106.7	117.3	10.6	35	0.25	Contact
and		134.1	164.6	30.5	100	0.26	Contact
and		201.2	233.2	32	105	0.2	Wenban
RHB-13	Central	108.2	131.1	22.9	75	0.71	Contact
including		111.3	120.4	9.1	30	1.13	Contact
RHB-14	Central	105.2	121.9	16.7	55	0.51	Contact
including		114.3	118.9	4.6	15	1.12	Contact
RHB-17	North	71.6	112.8	41.2	135	1.02	Contact
including		91.4	97.5	6.1	20	5.62	Contact
RHB-18	Central	18.3	25.9	7.6	25	0.24	Volcanics
		57.9	67.1	9.2	30	0.13	Volcanics

		131.1	138.7	7.6	15	0.2	Contact
RHB-19	Central	44.2	47.2	3	10	0.52	Volcanics
		79.2	88.4	9.2	30	0.17	Volcanics
		111.3	114.3	6.1	20	0.23	Volcanics
		153.9	181.4	27.5	90	0.13	Contact
RHB-24	North	57.9	73.2	15.2	50	1.85	Contact
including				10.7	35	2.57	Contact
and		152.3	160	7.7	25	0.75	Wenban
RHB-27	South	56.4	68.6	12.2	40	0.4	Volcanics
and		82.3	100.6	18.3	60	0.5	Contact
Including		83.8	89.9	6.1	20	1.11	Contact
RHB-26	South	93	140.3	47.3	155	0.18	Contact
RHB-28	South	53	59.1	6.1	20	1.31	Volcanics
		83.3	87.8	4.5	15	0.57	Contact
RHB-29	Central	94	106.1	12.1	40	1.57	Contact
RHB-30	Central	53	59.1	6.1	20	0.58	Volcanics
		87.8	93.9	6.1	20	0.52	Volcanics
		127.3	139.4	12.1	40	3.16	Contact
RHB-31	Central	59.4	64	4.6	15	0.53	Volcanics
and		126.5	155.5	29	95	0.25	Contact
including		149.4	154	4.6	15	0.52	Contact
RHB-32	South	39.6	50.3	10.7	35	0.41	Volcanics
RHB-33	North	57.9	72	14.1	46	2.06	Contact
including		62.5	64	1.5	5	9.74	Contact
and		129.6	154	24.4	80	0.64	Wenban
including		149.4	154	4.6	15	2.89	Wenban
RHB-34	Central	30.5	48.8	18.3	60	1.6	Volcanics
including		44.2	48.8	4.6	15	5.47	Volcanics
and		64	65.5	1.5	5	1.34	Volcanics
and		93	102.1	9.1	30	2.22	Contact
RHB-35	North Iceberg	77.7	109.7	32	105	1.23	HC Contact
including		86.9	97.6	10.7	35.1	3.32	HC Contact
including		93	94.5	1.5	4.9	12.73	HC Contact
RHB-36	North Iceberg	85.4	91.5	6.1	20	0.41	HC Contact
RHB-37	West Iceberg	112.8	123.5	14.1	46.3	0.19	HC Contact
RHB-38	Range Front	no significant interval					
RH92-2**	North	67.1	91.5	24.4	80	3.4	
RH93-5**	North	67.2	82.3	15.1	50	1.16	

2016 Fiscal Year Assays Results:							
RHB-39	North	83.9	86.9	3.0	10	0.84	HC Contact
RHB-40	"	59.5	68.6	9.1	30	0.82	"
and	"	97.6	132.6	41.2	135	3.91	Wenban
including	"	118.9	131.1	12.2	40	10.95	"
including		121.8	126.4	4.6	15	25.21	"
RHB-41	Central	24.4	30.5	6.1	20	0.53	Volcaniclastics
and	"	48.8	56.4	7.6	25	0.52	"
and	"	96.0	132.6	36.6	120	0.55	HC Contact
RHB-42	"	99.1	123.5	24.4	80	0.67	HC Contact
including	"	115.9	120.4	4.5	15	1.34	"
RHB-43	Central	68.6	74.7	6.1	20	0.40	Volcaniclastics
and	"	97.6	149.4	51.8	170	0.52	HC Contact
including	"	134.0	147.7	13.7	45	1.24	"
RHB-44	South	44.2	45.7	1.5	5	1.13	Volcaniclastics
RHB-45	Central	105.2	109.8	4.6	15	0.84	HC Contact
RHB-46	Central	96.0	123.4	27.4	90	0.73	HC Contact
and	"	166.2	172.3	6.1	20	0.65	Middle Wenban
RHB-47	Central	96.0	114.3	18.3	60	0.52	HC Contact
RHB-48	North	42.7	48.8	6.1	20	0.42	HC Contact
RHB-49	North	38.1	109.7	71.6	235	0.78	HC Contact
including	"	45.8	54.9	9.1	30	2.19	HC Contact
RHB-50	North	57.9	73.1	15.2	50	1.68	HC Contact
RHB-51	Central	111.2	115.8	3.0	10	0.78	Dhc contact
RHB-54	North			No reportable intercept			"
RHB-55	North	134.1	166.1	32.0	105	0.19	Upper Wenban
RHB-56	North	53.3	86.9	33.5	110	0.20	Volcaniclastics
including	"	80.8	86.9	6.1	20	0.65	"
RHB-57	North	67.1	83.8	16.7	55	0.20	Dhc contact
including	"	73.2	76.2	3.0	10	0.58	"
RHB-58	North	131.1	166.2	35.1	115	3.41	Upper Wenban
including	"	135.6	156.9	21.3	70	5.31	"
including	"	141.7	149.4	7.6	25	7.30	"

These intercepts are not necessarily true widths as there is insufficient data at this time with respect to the shape of mineralization to calculate its true orientation.

2014 Fiscal Year Exploration Program:

The 2014 fiscal year program was designed to (i) follow-up on significant drill results at the Iceberg gold deposit; and (ii) further explore the Avocado deep IP anomaly.

In May 2013**,** NuLegacy commenced a five hole reverse circulation drilling program designed to expand NuLegacy's Iceberg gold deposit. The drilling was intended to provide a preliminary assessment of how far north and south the Iceberg gold deposit extends, as well as testing a possible parallel system to the east. Field work continued to develop additional drill targets in the adjacent Jasperoid Basin (1,800 meters (5,906 feet) northeast of Iceberg) and at the western end of the project in the VIO zone (4,000 meters (13,123 feet) west of Iceberg) where rock chip sampling and mapping has defined another area of intensely altered carbonates that contain anomalous gold.

In June 2013, NuLegacy reported the results of the five-hole reverse circulation drilling program. "We are very pleased with these drill results', stated Dr. Steininger, NuLegacy's COO, "as we continue to intersect good grades of oxide gold in near surface Devonian carbonates, which is the material that hosts so much of the gold in the large Carlin-type gold deposits of the Cortez Trend. We have discovered a new Northern zone of at least 350 meters (1,148 feet) of strike length with higher grade oxide gold mineralization (6.1 meters (20 feet) of 5.62 grams of gold), and extended the Central zone of the Iceberg deposit to 750 meters (2,461 feet) (from 400 meters (1,312 feet)) of strike length".

These carbonate zones lie beneath a thin veneer of gold-bearing volcanics that was the focus of much of the historical drilling on the Red Hill project. The zone of carbonates that host gold mineralization stretches for four kilometers and includes the two zones of the Iceberg gold deposit. The two zones are at least 200 to 250 meters (656 to 820 feet) wide, 25 to 70 meters (82 to 230 feet) thick with gold grades of 0.5 g/T to greater than 5.0 g/T. They have a combined overall strike length in excess of 1,100 meters (3,609 feet), separated by an as-yet untested intervening gap of approximately 900 meters (2,953 feet) where no historical holes were drilled deep enough to penetrate to the carbonates.

Four of the five holes drilled in the spring of 2013 were targeted to extend the strike length of the Iceberg deposit. As summarized in the table below three of those four holes returned favourable gold grades and intervals. The fifth hole, RHB-15, which was drilled 800 meters (2,625 feet) to the east of the Central zone to test for a possible parallel system had no significant gold values.

The best result came from Hole RBH-17 with a significant near-surface intercept of 41.2 meters (135 feet) of 1.02 g/T. It included 6.1 meters (20 feet) of 5.62 g/T of gold indicating that the system is capable of generating very favourable oxide gold grades.

The geometry of the new Northern zone (350 meter length) is supported by several historical holes that were drilled deep enough to intercept the underlying Devonian carbonates, particularly hole RH92-2 with 24.4 meters (80 feet) of 3.4 g/T Au. Hole RBH-16, drilled to test for a possible westerly extension of the gold mineralization in the Northern zone, contained several intervals of anomalous gold.

Holes RHB-13 with 22.9 meters (75 feet) of 0.71 g/T Au and RBH-14 with 16.7 meters (55 feet) of 0.51 g/T Au (together with several deeper historical holes that they validated) have extended the strike length of the Central zone of the Iceberg to 750 meters (2,461 feet).

These results established the Iceberg as a significant near-surface oxide gold deposit in the Devonian carbonate horizon that hosts so much of the gold in the large Carlin-type gold deposits of the Cortez Trend and elsewhere in Nevada, one of the worlds' most prolific gold producing regions.

Avocado Deep IP Anomaly of the Central Pediment (including FY2015 program):

The first reverse circulation (RC) hole of the 2013 fiscal year Iceberg Property drilling program (RHB12-004) was completed along the margin of the Avocado Deep IP Anomaly, whose shape reflects its name, of the Central Pediment (located on the 60 sq. km Iceberg Property) to a depth of 762 metres (2,500 feet) in limestone with abundant calcite veining. It is the first of several holes planned to test the Deep Induced Polarization ("IP") anomaly in the Central Pediment, just to the north of the Iceberg gold deposit (view at nulegacygold.com/i/maps/PPT-gallery-15.jpg). The hole encountered anomalous gold and associated Carlin-style trace elements in favourable lithologies. More drilling is being considered to fully evaluate this target.
The Avocado zone, a 2,000 by 1,000 meter (6,562 by 3,281 feet) IP/Resistivity anomaly has evidence of a gold bearing pyrite zone in a historic hole drilled on its margins, which reported 0.95 grams/tonne of gold over 9.1 meters. It is on trend with Barrick Gold Corporation's multi-million ounce Goldrush deposit located 4 km across a rift valley (view at http://nulegacygold.com/i/maps/PPT-gallery-6.jpg).

A re-analysis of the gravity, CSAMT and IP/Resistivity surveys completed over the Avocado anomaly led to a change in location of the planned hole which required re-permitting the drill site.

The second hole (AV14-01) into the anomaly was drilled by a RC (reverse circulation) rig to a depth of 1,575 feet (480 meters). The assay results returned three anomalous gold intervals of 40 feet, 65 feet and 115 feet encountered at depths of 830, 1,085 and 1,375 feet respectively, in the black carbonaceous pyritic limestone material that hosts much of the gold mineralization in the deeper parts of Nevada's Carlin-type gold deposits. An anomalous trace element suite, typical of the Cortez's Carlin-type gold systems is present, indicating that higher grade gold mineralization may occur in the vicinity.

Bedrock was encountered at 830 feet (253 meters) with limestone to the bottom of the hole. The 485 foot interval from 880 to 1,365 feet (268 to 416 meters) contained black carbonaceous, pyritic, decalcified limestone with breccia textures. In the 250 foot interval from 1,100 to 1,350 feet (335 to 416 meters), the pyrite is partially oxidized.

An interpretation of the results from AV14-01, all the available geophysical data from the area, and the historic drill holes nearby is in progress and will be used to vector toward higher grade gold mineralization in siting of the next phase of drilling the Avocado anomaly.

Quality Control and Quality Assurance

The scientific and technical content and interpretation contained in this MD&A gave been reviewed, verified and approved by Roger Steininger, NuLegacy's COO and CPG-7417, a Qualified Person as defined by NI 43-101, *Standards of Disclosure for Mineral Projects.*

SUMMARY OF QUARTERLY RESULTS

The following selected quarterly financial information is derived from the interim consolidated financial statements of NuLegacy:

	Mar 31, 2015	Dec 31, 2014	Sept 30, 2014	June 30, 2014
	$	$	$	$
Net loss	(176,990)	(411,631)	(351,595)	(385,042)
Comprehensive loss	(242,201)	(755,761)	(634,823)	(764,403)
Loss per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)
Comprehensive loss per share - basic and diluted	(0.00)	(0.01)	(0.01)	(0.00)

	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013	June 30, 2013
	$	$	$	$
Net loss	(404,869)	(250,619)	(268,488)	(310,933)
Comprehensive loss	(979,177)	(250,619)	(268,488)	(310,933)
Loss per share - basic and diluted	(0.01)	(0.00)	(0.00)	(0.00)
Comprehensive loss per share - basic and diluted	(0.02)	(0.00)	(0.00)	(0.00)

The variations in the losses from quarter to quarter are mainly due to the level of administrative expenses incurred by NuLegacy and are fairly consistent from quarter to quarter with the exception of:

- The quarters ended March 31, 2015, December 31, 2014, September 30, 2014, June 30, 2014 and March 31, 2014, where NuLegacy recorded an unrealized loss of $65,211, $344,130, $283,228, $379,361 and $574,308, respectively, from the change in fair value of its available for sale financial assets; and
- The quarter ended March 31, 2015 where NuLegacy recognized a larger foreign exchange gain in connection with the Company's US cash balance as the US dollar continued to strengthen against the Canadian dollar.

SELECTED ANNUAL INFORMATION

The following financial data is derived from the Company's annual audited consolidated financial statements for the years ended March 31, 2015, 2014 and 2013:

	2015 $	2014 $	2013 $
Revenue	-	-	-
Operating expenses	(1,575,599)	(1,284,830)	(1,546,920)
Net loss	(1,325,258)	(1,234,909)	(5,071,157)
Comprehensive loss	(2,397,188)	(1,809,217)	(5,071,157)
Loss per share-basic and diluted	(0.01)	(0.01)	(0.08)
Comprehensive loss per share-basic and diluted	(0.02)	(0.02)	(0.08)
Working capital	3,118,610	3,682,838	427,778
Exploration and evaluation assets	4,633,110	2,717,315	1,993,136
Total assets	8,056,854	6,593,391	2,620,251
Total liabilities	59,520	86,432	83,030

To date, all of NuLegacy's projects are at the exploration stage and NuLegacy has not generated any revenues other than interest income.

At March 31, 2015, NuLegacy had not yet achieved profitable operations and has an accumulated deficit of $10,929,219 (2014 – $9,603,961) since inception. For the year ended March 31, 2015, losses resulted in a net loss per share (basic and diluted) of $0.01 (2014 - $0.01) and comprehensive loss per share (basic and diluted) of $0.02 (2014 - $0.02).

RESULTS OF OPERATIONS

For the year ended March 31, 2015, NuLegacy incurred $1,575,599 in operating expenses (2014 – $1,284,830), had a net loss of $1,325,258 (2014 – $1,234,909) and comprehensive loss of $2,397,188 (2014 – $1,809,217).

The table below details the major changes in operating expenses for the year ended March 31, 2015 as compared to the corresponding year ended March 31, 2014.

Expense	Amount of increase / decrease from comparative year	Explanation for Change
Consulting	Increase of $79,003	Increased due to payments to normalize prior austerity cut to management compensation
Investor relations	Increase of $92,698	Increased due to payments to normalize prior austerity cut to management compensation and increased advisory and corporate finance services
Office	Increase of $33,839	Increased due to more general corporate activities
Professional fees	Increase of $26,230	Increased due to higher legal fees as a result of more corporate activity
Regulatory and transfer agent	Increase of $32,807	Increased due to more corporate activity resulting in higher costs associated with new releases and regulatory fees
Share based payments	Increase of $44,064	Increased due to more stock options granted in the current period
Travel and accommodation	Decrease of $12,061	Decreased travel expenses related to fewer trips made to the Reno office

FOURTH QUARTER

For the quarter ended March 31, 2015, the Company incurred $383,369 in operating expenses (2014 – $452,279), had a net loss of $176,990 (2014 – $404,869) and comprehensive loss of $242,201 (2014 – 979,177).

The major operating expenses for the quarter ended March 31, 2015 were consulting fees of $46,585, investor relations fees of $97,680, office costs of $44,494, professional fees of $56,766, regulatory and transfer agent fees of $21,232 and share based payments of $71,103.

In addition, NuLegacy recognized a net decrease in its fair value of available for sale financial assets of $65,211 in the fourth quarter.

LIQUIDITY

NuLegacy has no known mineral resources or reserves and is not in commercial production on any of its properties and accordingly, NuLegacy does not generate cash from operations and finances its exploration activities by raising capital from equity markets from time to time.

As at March 31, 2015, NuLegacy's liquidity and capital resources are as follows:

	March 31, 2015	March 31, 2014
	$	$
Cash and cash equivalents	1,497,559	1,026,920
Receivables	14,016	11,451
Prepaid expenses	101,495	106,326
Available for sale financial assets	1,565,060	2,616,293
Held for trading investment	-	8,280
Total current assets	3,178,130	3,769,270
Trade and other payable	59,520	86,432
Working capital	3,118,610	3,682,838

NuLegacy's operations consist primarily of the acquisition, maintenance and exploration of exploration and evaluation assets, including actively seeking joint venture partners to assist with exploration funding. NuLegacy's financial success will be dependent on the extent to which it can discover new mineral deposits.

In August 2014, NuLegacy closed a non-brokered private placement of 28,250,000 common shares at $0.125 per share for net proceeds of $3,495,365, net of share issue costs of $35,885.

As at March 31, 2015, NuLegacy had cash and cash equivalents of $1,497,559 (2014 - $1,026,920), consisting primarily of the net proceeds from the Waterton financing. As at March 31, 2015, working capital was $3,118,610 (2014 - $3,682,838).

As at March 31, 2015, the fair value of the Global Resources Investment Ltd. ("GRIT") common shares was $1,565,060 (2014 – $2,616,293). NuLegacy intends to liquidate the GRIT common shares and use the net proceeds from the future sale to fund further exploration delineation of its Iceberg gold deposit in Nevada, USA and for general corporate purposes.

Subsequent to March 31, 2015, the Company received (1) $10,800 from the exercise of 108,000 warrants at $0.10 per warrant and (2) gross proceeds of $2,286,075 in connection with a private placement which saw the Company issue 18,288,600 units at $0.125 per unit. Each unit consists of one common share and one half share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of two years (at a price of $0.15 for the first year and $0.20 in the second year).

NuLegacy's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management believes that the current working capital surplus combined with the additional financing completed subsequent to period end will be sufficient to maintain current operations as budgeted for the next 12 months. See "Risks and Uncertainties".

USE OF PROCEEDS FROM THE FISCAL 2015 FINANCING

During the 2015 fiscal year, NuLegacy completed a financing, totalling 28,250,000 shares at a price of $0.125 per share for net proceeds of $3,495,365, net of share issuance costs of $35,885. The budgeted use of proceeds from the fiscal 2015 financing is as follows:

	$
Gross proceeds from Fiscal 2015 Financing	3,531,250
Less: share issuance costs	(35,885)
Net cash proceeds	3,495,365

Allocation:	**Budget $**	**Actual $**	**Variances $**
Mineral properties	2,600,000	1,212,380	1,387,620
General corporate purposes	895,365	883,039	12,326
	3,495,365	2,095,419	1,399,946

As at March 31, 2015, NuLegacy had used approximately $1,212,380 and $883,039 from the net proceeds of the fiscal 2015 financing to fund NuLegacy's mineral properties and for general corporate purposes, respectively. NuLegacy intends to use the remaining proceeds to fund their fiscal 2015 exploration program and for general corporate purposes.

COMMITMENTS

The following commitments are pursuant to the Iceberg and Wilson Properties:

Iceberg property:

Expenditure deadline	Expenditure commitment (US$)	Total cumulative expenditure (US$)
December 31, 2011	375,000 (spent)	375,000
December 31, 2012	875,000 (spent)	1,250,000
December 31, 2013	625,000 (spent)	1,875,000
December 31, 2014	1,125,000 (spent)	3,000,000
December 31, 2015	2,000,000	5,000,000

Wilson property:

NuLegacy must make annual advance royalty payments of US$25,000 and issue 100,000 common shares to Idaho in each of the first five years of the Lease. Annual cash payments will then increase to US$50,000 for year six and every year thereafter.

Refer to the Summary of Exploration Activities for further details on NuLegacy's commitments.

NuLegacy is also required to pay the annual United States Bureau of Land Management assessment fees, state and county filing and recording expenses, property taxes, advance minimum royalty and underlying lease payments, as applicable, associated with NuLegacy's mineral properties in order to maintain the Iceberg and Wilson properties in good standing. Such costs will form part of NuLegacy's exploration expenditures.

Notwithstanding the foregoing, if, at any time, NuLegacy's board of directors deems continued use of exploration expenditures on the Red Hill properties to be unwarranted based on the results of exploration up to that time, NuLegacy may suspend or discontinue exploration on such property and apply any remaining funds towards the exploration of one of NuLegacy's other properties, to the acquisition and exploration of new properties or, if required, the general working capital of NuLegacy.

Except as aforesaid, NuLegacy does not have any material commitments for capital expenditures, there are no known trends or expected fluctuations in NuLegacy's capital resources and has no sources of financing that have been arranged but not yet used.

Contractual Obligations:

Other than the Iceberg and Wilson Properties, and miscellaneous stock option and consulting agreements, NuLegacy does not presently have any other material contractual obligations.

As at March 31, 2015, NuLegacy had no long term debt and no agreements with respect to borrowings entered into.

OFF BALANCE SHEET ARRANGEMENTS

NuLegacy has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

During the year ended March 31, 2015, NuLegacy entered into the following transactions with related parties:

a. Incurred consulting fees of $78,828 (2014 - $68,500), investor relation fees of $77,250 (2014 - $66,000) and office costs of $11,400 (2014 - $6,750) to a company controlled by Albert Matter, the Chairman and director of NuLegacy. As at March 31, 2015, an advance of $13,475 (2014 - $11,000), on account of future expenses was included in prepaid expenses.

b. Incurred consulting fees of $77,250 (2014 - $68,500), investor relation fees of $80,900 (2014 - $66,000) and office costs of $9,000 (2014 - $1,500) to a company controlled by James Anderson, CEO and director of NuLegacy. As at March 31, 2015, an advance of $12,500 (2014 - $11,000), on account of future expenses was included in prepaid expenses.

c. Incurred consulting fees of $1,423 (2014 - $1,065), investor relation fees of $1,648 (2014 - $1,065), other consulting fees capitalized to exploration and evaluation assets of $145,904 (2014 - $101,074) and office costs of $11,373 (2014 - $5,791) to Roger Steininger, COO and director of NuLegacy. As at March 31, 2015, an advance of $13,764 (2014 - $12,814), on account of future exploration geological fees and office expenses was included in prepaid expenses.

d. Incurred professional fees of $41,250 (2014 - $33,700) to a company controlled by Michael Waldkirch, CFO of NuLegacy.

e. Incurred professional fees of $63,877 (2014 - $36,893) and share issuance costs of $18,228 (2014 - $40,662) to a company controlled by Gregory Chu, Corporate Secretary of NuLegacy. As at March 31, 2015, $16,355 (2014 - $21,723) was included in trade and other payables.

f. Incurred directors' fees of $8,125 (2014 - $nil) to Petra Decher, an independent director of NuLegacy. As at March 31, 2015, $3,750 (2014 - $nil) was included in trade and other payables relating to accrued directors' fees.

g. Incurred directors' fees of $8,125 (2014 - $nil) to Alex Davidson, an independent director of NuLegacy. As at March 31, 2015, $3,750 (2014 - $nil) was included in trade and other payables relating to accrued directors' fees.

Summary of key management personnel compensation:

	Year ended March 31,	
	2015	2014
	$	$
Consulting	**173,751**	138,065
Exploration and evaluation assets	**145,904**	101,074
Investor relations	**159,798**	133,065
Office	**31,773**	16,291
Professional fees	**41,250**	33,700
Share based payments	**222,958**	245,468
	775,434	667,663

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUES

There can be no assurance that financing, whether debt or equity, will always be available to NuLegacy in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to NuLegacy. See "Risks and Uncertainties" below.

RISKS AND UNCERTAINTIES

NuLegacy is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates.

b) The only source of future funds for further exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available are the sale of equity capital or the offering by NuLegacy of an interest in its properties to be earned by another party carrying out further exploration or development. Management was successful in accessing the equity markets during the year, but there is no assurance that such sources will be available on acceptable terms in the future.

c) Any future equity financings for the purpose of raising additional capital may result in substantial dilution to the holdings of existing shareholders.

d) NuLegacy must comply with environmental regulations governing air and water quality and land disturbance and provide for mine reclamation and closure costs.

e) The continued operations require various licenses and permits from various governmental authorities. There is no assurance that NuLegacy will be successful in obtaining the necessary licenses and permits to continue its exploration and development activities in the future or, if granted, that the licenses and permits will remain in force as granted.

f) There is no certainty that the properties which NuLegacy has capitalized as assets on its balance sheet will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value.

g) While management believes that control over bank accounts and assets is adequate, it is also aware that internal control weaknesses were identified in respect of a lack of segregation of duties, and a high risk of management override of controls and procedures. It is management's opinion that these weaknesses in internal controls over financial reporting are inherently related to the small size of the issuer.

h) There is no certainty that the financial assets (which includes the GRIT common shares) will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value as at the date of this report.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on any forward-looking statements. NuLegacy has not completed a feasibility study on any of its deposits to determine if it hosts a mineral resource that can be economically developed and profitably mined.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Interim Financial Statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities, income and expenses. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Critical judgments exercised in applying accounting policies that have the most significant effects on the amounts recognized in the Interim Financial Statements are as follows:

(a) Economic recoverability and probability of future economic benefits of exploration and evaluation assets:

The application of accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

(a) Valuation of share based payments and warrants:

NuLegacy uses the Black-Scholes Option Pricing Model for valuation of share based compensation and for the valuation of warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate, earnings and share option reserves.

(b) Recovery of deferred tax assets:

Judgment is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that NuLegacy will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which NuLegacy operates could limit the ability to obtain tax deductions in future periods.

CHANGES IN ACCOUNTING POLICIES AFTER INITIAL ADOPTION

There were no changes to NuLegacy's accounting policies during the year ended March 31, 2015.

Standards issued but not yet effective up to the date of issuance of the Financial Statements are listed below. This listing is of standards and interpretations issued, which NuLegacy reasonably expects to be applicable at a future date. NuLegacy intends to adopt those standards when they become effective and does not expect the impact of such changes on the financial statements to be material.

IFRS 9 Financial Instruments

Financial Instruments: Classification and Measurement applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is tentatively effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

FINANCIAL AND OTHER INSTRUMENTS

NuLegacy has classified its financial instruments as follows:

Cash and cash equivalents	Fair-value through profit or loss
Available for sale financial assets	Available for sale
Held for trading investment	Fair-value through profit or loss
Trade and other payables	Other financial liabilities

For some of NuLegacy's financial assets and liabilities, including cash and cash equivalents, trade and other payables, the carrying amounts approximate their fair values due to the relatively short periods to maturity of the instruments.

The classification and fair values of the financial instruments at March 31, 2015 and 2014 are summarized in Note 11 of the Financial Statements.

Foreign Currency Risk

Foreign currency risk is the risk that the future cash flows or fair value of the financial instruments that are denominated in a currency that is not NuLegacy's functional currency will fluctuate due to the change in foreign exchange rate.

The functional currency of NuLegacy and its wholly owned subsidiary is the Canadian dollar. While the parent is Canadian and its capital is raised in Canadian dollars, NuLegacy is conducting business activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates for the Canadian and United States dollar. All of the operations in the United States are in US dollars.

As at March 31, 2015, NuLegacy has cash denominated in US dollars of $1,079,169 (2014 – $821,447) and held for trading investment in US dollars of $nil (2014 – $7,490), and trade and other payables in US dollars of $11,697 (2014 – $4,151). Each 1% change in the Canadian dollar versus the US dollar will result in a gain/loss of approximately USD $10,675 (2014 – USD $8,248).

In addition, NuLegacy holds an investment that is denominated in British Pounds (£). As such, it is subject to fluctuations in the exchange rates for the Canadian dollar and British Pounds. As at March 31, 2015, NuLegacy has an available for sale investment denominated in British Pounds of £830,976 (2014 - £1,419,584). Each 1% change in the Canadian dollar versus the British Pound will result in a gain/loss of approximately £8,310 (March 2014 - £14,196).

Interest Rate Risk

Interest rate risk is the risk of financial loss to the Company if market rates of interest were to change adversely. The Company's exposure to interest rate risk is not material.

Credit Risk

Financial instruments which potentially subject NuLegacy to concentrations of credit risk consist of cash and cash equivalents and receivables. The cash and cash equivalents consist mainly of short-term money market deposits. NuLegacy has deposited the cash equivalents with reputable financial institutions, from which management believes the risk of loss to be remote. NuLegacy has no trade receivables and balances relate to recoveries of consumption taxes paid. As with any tax receivable, collection is subject to changes in tax law, tax audit and changes in applicable tax rates. NuLegacy mitigates this risk by recording only those amounts that management considers to be reasonably certain of collection.

Liquidity Risk

Liquidity risk is the risk that NuLegacy will not be able to meet its financial obligations as they fall due. NuLegacy's approach to liquidity risk is to ensure that it always has sufficient cash and credit facilities to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to NuLegacy's reputation. Management typically forecasts cash flows for a period of six to twelve months to identify financing requirements. These requirements are then addressed primarily through access to capital markets. All of the financial liabilities mature within one year.

Other Price Risk

Other price risk is the risk that changes in market prices including commodity or equity prices will have an effect on future cash flows associated with financial instruments.

The equity price risk associated with the current available for sale investment primarily relates to the change in the market prices of the investments in the portfolio. As at March 31, 2015 and 2014, NuLegacy owned 1,731,200 GRIT common shares with each common share valued at £0.48 or $0.90 (2014 - £0.82 or $1.51). Each £0.01 change in the value per common share will result in a gain/loss of approximately £17,312 or $32,605 (2014 - £17,312 or $31,906).

CAPITAL MANAGEMENT DISCLOSURES

NuLegacy's objectives when managing capital are to:

(a) Provide an adequate return to shareholders;
(b) Provide adequate and efficient funding for operations;
(c) Continue the development and exploration of its mineral properties;
(d) Support any expansion plans;
(e) Allow flexibility to investment in other mineral revenues; and
(f) Maintain a capital structure which optimizes the cost of capital at acceptable risk.

In the management of capital, NuLegacy includes all accounts included in shareholders' equity. As at March 31, 2015, NuLegacy had no bank indebtedness.

NuLegacy is not subject to any externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the fiscal period.

OUTSTANDING SHARE DATA

a) Authorized share capital: unlimited common shares without par value
b) Number of common shares issued at the date of this MD&A: 159,870,479.

DIVIDEND REPORT AND POLICY

NuLegacy has not paid any dividends to date and intends to retain its future earnings, if any, for use in its business and does not expect to pay dividends on its shares in the foreseeable future.

OPTIONS

A summary of stock options outstanding at the date of this MD&A:

Expiry date	Options outstanding	Options exercisable	Exercise price ($)	Remaining contractual life (years)
December 9, 2015	4,200,000	4,200,000	0.25	0.37
January 6, 2016	250,000	250,000	0.32	0.45
March 1, 2016	50,000	50,000	0.30	0.60
June 23, 2016	500,000	500,000	0.25	0.91
September 1, 2016	75,000	75,000	0.16	1.10
October 1, 2016	250,000	250,000	0.20	1.18
November 14, 2016	25,000	25,000	0.20	1.30
December 9, 2016	100,000	100,000	0.20	1.37
January 1, 2017	100,000	100,000	0.20	1.44
February 6, 2017	150,000	150,000	0.25	1.53
July 18, 2017	300,000	300,000	0.15	1.98
October 15, 2017	250,000	250,000	0.15	2.22
November 5, 2017	75,000	75,000	0.15	2.28
March 5, 2018	2,350,000	2,350,000	0.20	2.61
July 3, 2018	500,000	500,000	0.15	2.94
September 15, 2018	400,000	320,000	0.15	3.14
February 3, 2019	2,700,000	2,025,000	0.15	3.53
March 24, 2019	900,000	540,000	0.15	3.66
September 15, 2019	1,200,000	600,000	0.15	4.14
September 29, 2019	250,000	62,500	0.15	4.18
October 3, 2019	250,000	125,000	0.15	4.19
October 14, 2019	50,000	12,500	0.15	4.22
April 2, 2020	4,675,000	1,168,750	0.15	4.69
	19,600,000	**14,028,750**		

WARRANTS

A summary of warrants outstanding at the date of this MD&A:

Expiry date	Number of warrants	Exercise price ($)	Remaining contractual life (years)
December 9, 2015	250,000	0.25	0.37
November 12, 2016	7,234,380	0.15	1.30
November 25, 2016	3,675,000	0.15	1.33
December 10, 2016	2,450,000	0.15	1.38
June 2, 2017	9,311,240	0.15	1.85
	22,920,620		

INTERNAL CONTROLS OVER FINANCIAL REPORTING PROCEDURES

The management of NuLegacy is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and NuLegacy's consolidated financial statements for the year ended March 31, 2015.

Management of NuLegacy has filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these Financial Statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Financial Statements.

Management maintains a system of internal controls to provide reasonable assurance that NuLegacy's assets are safeguarded and to facilitate the preparation of relevant and timely information.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by NuLegacy that address activities, events or developments that expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements contained or incorporated by reference in this MD&A may relate to the future financial condition, results of operations, plans, objectives, performance or business developments including, among other things, exploration and work programs, drilling plans and timing of drilling, plans for development and facilities construction and timing, method of funding and completion thereof, the performance characteristics of exploration and evaluation assets, drilling, results of various projects, the existence of mineral resources or reserves and the timing of development thereof, projections of market prices and costs, supply and demand for gold and other precious metals, expectations regarding the ability to raise capital and to acquire reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of NuLegacy contained or incorporated by reference in this

MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein or as otherwise expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with NuLegacy's current expectations; (3) the viability, permitting, access, exploration and development of the Red Hill project including, but not limited to, the establishment of resources being consistent with the NuLegacy's current expectations; (4) political developments in the State of Nevada including, without limitation, the implementation of the new Nevada state mining tax and related regulations being consistent with the NuLegacy's current expectations; (5) the exchange rate between the Canadian dollar and the U.S. dollar being approximately consistent with current levels; (6) certain price assumptions for gold and silver; (7) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (8) the results of the exploration program on the Red Hill project being consistent with expectations; (9) labor and materials costs increasing on a basis consistent with NuLegacy's current expectations; (10) the availability and timing of additional financing being consistent with NuLegacy's current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, or other countries in which NuLegacy may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, NuLegacy. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made or incorporated by reference in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect NuLegacy and readers should not place undue reliance on forward-looking statements in this MD&A. NuLegacy disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

OTHER MD&A REQUIRMENTS

Additional information relating to NuLegacy may be found on or in:

- NuLegacy's website at www.nulegacygold.com
- SEDAR at www.sedar.com
- NuLegacy's audited consolidated financial statements for the year ended March 31, 2015.

This MD&A has been approved by the Board effective July 28, 2015.

Consolidated Financial Statements

For the years ended March 31, 2015 and 2014
(Expressed in Canadian Dollars)

DeVISSER GRAY LLP
CHARTERED ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
t 604.687.5447
f 604.687.6737

INDEPENDENT AUDITORS' REPORT

To the Shareholders of NuLegacy Gold Corporation,

We have audited the accompanying consolidated financial statements of NuLegacy Gold Corporation and its subsidiary, which comprise the consolidated statements of financial position as at March 31, 2015 and 2014 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of NuLegacy Gold Corporation and its subsidiary as at March 31, 2015 and 2014 and their financial performance and their cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about the ability of NuLegacy Gold Corporation to continue as a going concern.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC
July 28, 2015

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NULEGACY GOLD CORPORATION
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	March 31, 2015	March 31, 2014
		$	**$**
Assets			
Current assets			
Cash and cash equivalents		1,497,559	1,026,920
Receivables		14,016	11,451
Prepaid expenses	8	101,495	106,326
Available for sale financial assets	4	1,565,060	2,616,293
Held for trading investment		-	8,280
		3,178,130	3,769,270
Non-current assets			
Equipment	5	14,766	1,819
Exploration and evaluation assets	6	4,633,110	2,717,315
Deposits	3	230,848	104,987
		8,056,854	**6,593,391**
Liabilities and Shareholders' Equity			
Current liabilities			
Trade and other payables	7,8	59,520	86,432
Shareholders' Equity			
Share capital	9	14,567,407	11,062,042
Warrants reserve	9	3,734,030	3,734,030
Share options reserve	9	2,271,354	1,889,156
Revaluation reserve	4	(1,646,238)	(574,308)
Accumulated deficit		(10,929,219)	(9,603,961)
		7,997,334	6,506,959
		8,056,854	**6,593,391**

Corporate Information and Going Concern (Note 1)
Subsequent Events (Note 14)

Approved and authorized on behalf of the Board on July 28, 2015.

"Albert J. Matter"
Director

"Petra Decher"
Director

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

NULEGACY GOLD CORPORATION
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Note	Year ended March 31, 2015	2014
		$	**$**
Operating expenses			
Bank charges		**3,154**	1,329
Consulting	8	**227,454**	148,451
Depreciation	5	**6,944**	9,356
Dues and subscriptions		**5,587**	5,276
Insurance		**29,642**	31,042
Investor relations	8	**491,626**	398,928
Office	8	**129,722**	95,883
Printing and reproduction		**29,571**	25,954
Professional fees	8	**152,215**	125,985
Regulatory and transfer agent		**66,506**	33,699
Rent		**18,729**	25,598
Share based payments	8,9	**382,198**	338,134
Telecommunication		**10,902**	11,786
Travel and accommodation		**21,348**	33,409
		1,575,599	1,284,830
Other items			
Foreign exchange gain		**255,433**	69,831
Interest and other income		**3,188**	251
Loss on held for trading investment		**(8,280)**	(20,161)
		250,341	49,921
Net loss for the year		**(1,325,258)**	(1,234,909)
Other comprehensive loss			
Net change in fair value of available for sale financial assets	4	**(1,071,930)**	(574,308)
Comprehensive loss for the year		**(2,397,188)**	(1,809,217)
Basic and diluted loss per share	9		
Net loss for the year		**(0.01)**	(0.01)
Comprehensive loss for the year		**(0.02)**	(0.02)
Weighted average common shares outstanding		**130,536,071**	85,387,905

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

NULEGACY GOLD CORPORATION
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended March 31,	
	2015	2014
	$	$
Operating activities		
Net loss for the year	**(1,325,258)**	(1,234,909)
Items not affecting cash and cash equivalents		
Depreciation	**6,944**	9,356
Share based payments	**382,198**	338,134
Loss on held for trading investment	**8,280**	-
Unrealized losses (gains)	**(20,697)**	40,070
Changes in non-cash working capital		
Receivables	**(2,565)**	12,209
Prepaid expenses and deposits	**4,831**	(36,319)
Trade and other payables	**(38,357)**	(25,633)
Total cash outflows from operating activities	**(984,624)**	(897,092)
Financing activities		
Proceeds from issuance of common shares	**3,531,250**	2,364,363
Share issuance costs	**(35,885)**	(92,805)
Decrease in subscriptions payable	**-**	(40,338)
Total cash inflows from financing activities	**3,495,365**	2,231,220
Investing activities		
Purchase of equipment	**(19,891)**	-
Purchase of held for trading investment	**-**	(28,441)
Exploration and evaluation asset expenditures	**(1,894,350)**	(696,053)
Reclamation bond deposit	**(125,861)**	-
Total cash outflows from investing activities	**(2,040,102)**	(724,494)
Net change in cash and cash equivalents	**470,639**	609,634
Cash and cash equivalents, beginning of year	**1,026,920**	417,286
Cash and cash equivalents, end of year	**1,497,559**	1,026,920
Other non-cash items		
Change in fair market value of available for sale financial assets	**1,071,930**	574,308
Warrants issued in private placement	**-**	798,029
Warrants issued as finders' fee	**-**	8,893
Shares issued in acquisition of exploration and evaluation assets	**10,000**	12,000
Share issue costs in trade and other payables	**-**	12,909
Exploration and evaluation assets in trade and other payables	**11,445**	19,831
Shares issued for acquisition of available for sale financial assets	**-**	3,210,510

	March 31, 2015	March 31, 2014
Cash and cash equivalents consist of the following:	**($)**	($)
Cash at banks	**1,497,559**	1,016,460
Cash held in trust	**-**	10,460
	1,497,559	1,026,920

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

NULEGACY GOLD CORPORATION
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Note	Number of shares	Share capital	Share subscriptions payable	Warrants reserve	Share options reserve	Revaluation reserve	Accumulated deficit	Total
			$	$	$	$	$	$	$
Balance, March 31, 2013		69,360,249	6,387,805	40,338	2,927,108	1,551,022	-	(8,369,052)	2,537,221
Shares issued, private placement	9	23,643,630	2,364,363	(40,338)	-	-	-	-	2,324,025
Shares issuance costs	9	-	(114,608)	-	8,893	-	-	-	(105,715)
Share purchase warrants, private placement	9	-	(798,029)	-	798,029	-	-	-	-
Shares issued, acquisition of exploration and evaluation assets	5	100,000	12,000	-	-	-	-	-	12,000
Shares issued, acquisition of available for sale financial assets	4,9	20,000,000	3,210,511	-	-	-	-	-	3,210,511
Share based payments	9	-	-	-	-	338,134	-	-	338,134
Comprehensive loss for the year		-	-	-	-	-	(574,308)	(1,234,909)	(1,809,217)
Balance, March 31, 2014		113,103,879	11,062,042	-	3,734,030	1,889,156	(574,308)	(9,603,961)	6,506,959
Shares issued, private placement	9	28,250,000	3,531,250	-	-	-	-	-	3,531,250
Share issuance costs	9	-	(35,885)	-	-	-	-	-	(35,885)
Shares issued, acquisition of exploration and evaluation assets	5	100,000	10,000	-	-	-	-	-	10,000
Share based payments	9	-	-	-	-	382,198	-	-	382,198
Comprehensive loss for the year		-	-	-	-	-	(1,071,930)	(1,325,258)	(2,397,188)
Balance, March 31, 2015		**141,453,879**	**14,567,407**	**-**	**3,734,030**	**2,271,354**	**(1,646,238)**	**(10,929,219)**	**7,997,334**

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

1. Corporate Information and Going Concern

Corporate Information

NuLegacy Gold Corporation (the "Company") is a publicly listed entity on the TSX Venture Exchange (the "Exchange") and incorporated under the laws of the Province of British Columbia. The Company's principal business activity is the acquisition and exploration of mineral properties. Its principal mineral property interests are located in Nevada, USA.

The head office, principal address, and records office of the Company are located at 355 Burrard Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 2G8.

The business of mining and 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 Company's mineral property interests are located outside of Canada and are subject to the risks associated with foreign investment, including increases in taxes and royalties, renegotiations of contracts, currency exchange fluctuations and political uncertainty. Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Going Concern

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to raise adequate financing and/or to achieve profitable operations. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The continuance of the Company's operations is dependent on obtaining sufficient additional financing in order to realize the recoverability of the Company's investments in exploration and evaluation assets, which is dependent upon the existence of economically recoverable reserves and market prices for the underlying minerals. Management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur. The Company believes they have sufficient working capital to maintain operations for the next 12 months.

2. Significant Accounting Policies

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

Statement of compliance

The consolidated financial statements of the Company and its subsidiary have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These consolidated financial statements, including the comparative amounts, were approved and authorized for issue by the audit committee and board of directors on July 28, 2015.

Basis of presentation

The consolidated financial statements have been prepared on a historical cost basis, except for cash and cash equivalents and other financial instruments classified as fair value through profit or loss and available for sale that have been measured at fair value at the reporting date. The consolidated financial statements are presented in Canadian dollars, unless otherwise indicated.

2. Significant Accounting Policies (continued)

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, NuLegacy Gold N.V., which was incorporated in Nevada, USA. The subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company balances and transactions, including any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

Functional currency

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its wholly owned subsidiary is the Canadian dollar. The reporting currency of the Company is the Canadian dollar.

Foreign currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined.

Financial assets

The Company's financial assets are classified into one of the following categories:

- Fair value through profit or loss ("FVTPL"); and
- Available for sale ("AFS")

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset.

(i) FVTPL financial assets:
Financial assets are classified as FVTPL when the financial asset is held for trading or it is designed as FVTPL.
A financial asset is classified as FVTPL if:

- It has been acquired principally for the purpose of selling in the near future;
- It is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

Financial assets classified as FVTPL are stated at fair value with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized incorporates any dividend or interest earned on the financial asset.

The Company's cash and cash equivalents and held for trading investment are classified as FVTPL.

2. Significant Accounting Policies (continued)

Financial assets (continued)

(ii) AFS financial assets:
AFS financial assets are stated at fair value. Gains and losses arising from changes in fair value are recognized directly in equity in the investment revaluation reserve. Impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, are recognized directly in profit or loss rather than equity. When an investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investment revaluation reserve is included in profit or loss for the period.

The fair value of AFS monetary assets denominated in a foreign currency is translated at the spot rate at the statement of financial position date. The change in fair value attributable to translation difference due to a change in amortized cost of the asset is recognized in profit or loss, while all other changes are recognized in equity.

The Company's available for sale financial assets are classified as AFS.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

2. Significant Accounting Policies (continued)

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as either FVTPL or other financial liabilities.

(i) FVTPL:
This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. The Company does not have any financial liabilities classified as FVTPL.

(ii) Other financial liabilities:
Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period.

The Company has classified trade and other payables as other financial liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

Receivables

Receivables are recognized at the amounts due for settlement no more than 90 days from the date of recognition. The collectability of trade receivables is reviewed on an ongoing basis. Accounts which are known to be uncollectible are written off. A provision for impairment is recorded when there is evidence that the Company will not be able to collect fully the amounts due.

2. Significant Accounting Policies (continued)

Mineral exploration, evaluation and development expenditure

(i) Pre-license costs:
Pre-license costs are expensed in the period in which they are incurred.

(ii) Exploration and evaluation costs:
Once the legal right to explore has been acquired, exploration and evaluation expenditure is charged to profit or loss as incurred, unless the Company concludes that a future economic benefit is more likely than not to be realized. These costs include materials and fuel used, surveying costs, drilling costs and payments made to contractors. In evaluating if expenditures meet the criteria to be capitalized, several different sources of information are utilized. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

Exploration and evaluation expenditure incurred on licences where a resource has not yet been established is expensed as incurred until sufficient evaluation has occurred in order to establish a resource. Costs expensed during this phase are included in 'exploration expenditure' in profit or loss.

Upon the establishment of a resource (at which point, the Company considers it probable that economic benefits will be realized), the Company capitalizes any further evaluation costs incurred for the particular licence to exploration and evaluation assets up to the point when a reserve is established. Once reserves are established and development is sanctioned, exploration and evaluation assets are tested for impairment and transferred to 'Mines under construction'. No amortization is charged during the exploration and evaluation phase.

Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation for equipment is calculated using the straight line method over the following expected useful lives:

- Equipment 2 years

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment is composed of major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

2. Significant Accounting Policies (continued)

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the asset is tested as part of a larger CGU. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognized in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase and is recognized through other comprehensive income.

Share based payments

The Company's share purchase option plan allows Company directors, officers, employees and service providers to acquire shares of the Company. The fair value of share purchase options granted to employees (which includes directors and officers and service providers that meet the definition of an employee) is recognized as an expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and each tranche is recognized over the vesting period. The fair value of options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. For options granted to non-employees, the fair value of the services is measured at the date the services are rendered which could consist of multiple measurement dates.

2. Significant Accounting Policies (continued)

Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of shares outstanding during the reporting year. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Comprehensive loss

Comprehensive loss is the change in the Company’s net assets that results from transactions, events and circumstances from sources other than the Company’s shareholders and includes items that would not normally be included in net profit such as unrealized gains or losses on available-for-sale investments, gains or losses on certain derivative instruments and foreign currency gains or losses related to self-sustaining operations. The Company’s comprehensive loss, components of other comprehensive loss and cumulative translation adjustments are presented in the consolidated statements of comprehensive loss and the consolidated statements of changes in equity.

Warrants

Share issuances during the year that include a warrant have been bifurcated into a share and warrant component for accounting purposes. The warrant component is recorded as a separate line item in equity and is reclassified to share capital when exercised.

2. Significant Accounting Policies (continued)

Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the year.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share based compensation and income taxes.

Critical judgments exercised in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements are as follows:

(a) Economic recoverability and probability of future economic benefits of exploration and evaluation assets:

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

(a) Valuation of share based payments and warrants:

The Company uses the Black-Scholes Option Pricing Model for valuation of share based compensation and for the valuation of warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and share option reserves.

(b) Recovery of deferred tax assets:

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

Standards issued or amended but not yet effective:

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the year ended March 31, 2015 and have not been applied in preparing these consolidated financial statements. The Company is currently considering the possible effects of the new and revised standards which will be effective to the Company's consolidated financial statements for the year ending March 31, 2016 or later:

- IFRS 9 – Financial Instruments: Applies to classification and measurement of financial assets and liabilities as defined in IAS 39. It is tentatively effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company does not expect any effect on the Company's consolidated financial statements.

3. Deposits

	March 31, 2015	March 31, 2014
	$	$
Credit card collateral	25,875	25,875
Reclamation bonds	204,973	79,112
	230,848	**104,987**

4. Available for Sale Financial Assets

In March 2014, the Company completed a share exchange financing transaction with Global Resources Investment Ltd. ("GRIT"), a U.K. based public company which trades on the London Stock Exchange ("LSE"), whereby the Company issued 20,000,000 common shares at a price of $0.16 per share ($3,200,000) in return for 1,731,200 GRIT common shares at a deemed issue price of £1.00 per share, equivalent to $3,210,510 on the transaction date.

The fair value of GRIT common shares as at March 31, 2015 is $1,565,060 (2014 – $2,616,293). During the year ended March 31, 2015, the Company recorded a revaluation reserve loss on the investment of $1,071,930 (2014 - $574,308) and an unrealized foreign exchange gain of $20,697 (2014 – foreign exchange loss of $19,909).

The Company intends to liquidate the GRIT common shares and use the net proceeds from the future sale to fund further exploration delineation of its Iceberg gold deposit in Nevada, USA and for general corporate purposes. There is a 3% finder's fee payable on the net proceeds from the future sale of the GRIT shares.

(Expressed in Canadian dollars)

5. Equipment

	Computers
	$
Cost	
As at March 31, 2013 and 2014	29,982
Additions	19,891
As at March 31, 2015	**49,873**
Accumulated depreciation	
As at March 31, 2013	18,807
Charge for the year	9,356
As at March 31, 2014	28,163
Charge for the year	6,944
As at March 31, 2015	**35,107**
Net book value	
As at March 31, 2014	1,819
As at March 31, 2015	**14,766**

6. Exploration and Evaluation Assets

	Red Hill Properties		
	Iceberg Property	Wilson Property	Total
	$	$	$
Balance March 31, 2013	1,332,731	660,405	1,993,136
Acquisition	-	40,413	40,413
Assays	15,695	-	15,695
Drilling	106,206	-	106,206
Geological consulting	331,977	-	331,977
Miscellaneous	9,790	48	9,838
Property maintenance	126,810	74,920	201,730
Travel	17,655	665	18,320
Total Additions	608,133	116,046	724,179
Balance March 31, 2014	1,940,864	776,451	2,717,315
Acquisition	-	39,320	39,320
Assays	121,161	-	121,161
Deposits	25,108	-	25,108
Drilling	889,732	-	889,732
Geological consulting	535,932	2,006	537,938
Miscellaneous	28,606	383	28,989
Property maintenance	144,215	87,398	231,613
Travel	41,512	422	41,934
Total Additions	1,786,266	129,529	1,915,795
Balance March 31, 2015	**3,727,130**	**905,980**	**4,633,110**

(Expressed in Canadian dollars)

6. Exploration and Evaluation Assets (continued)

Eureka County, Nevada

Iceberg Property

On September 16, 2010, the Company entered into an exploration agreement with a joint venture election and option to purchase from Barrick Gold Exploration Inc. ("Barrick") for a 70% undivided interest in 818 unpatented mining claims in the Iceberg Property located in Eureka County, Nevada, U.S.A. On August 23, 2012, the parties signed an Amended Agreement amending some of the requirements to be upheld by the Company. Under the Amended Agreement, in order to exercise the option, the Company must incur a minimum of US$5,000,000 in exploration or development expenditures on the Iceberg Property (inclusive of maintenance fees) as follows:

Expenditure deadline	Expenditure commitment (US$)	Total cumulative expenditure (US$)
December 31, 2011	375,000 (spent)	375,000
December 31, 2012	875,000 (spent)	1,250,000
December 31, 2013	625,000 (spent)	1,875,000
December 31, 2014	1,125,000 (spent)	3,000,000
December 31, 2015	2,000,000	5,000,000

Iceberg Property (continued)

If the Company completes the required US$5,000,000 in expenditures and earns a 70% undivided interest in the property, Barrick will have a one-time option, exercisable within 90 days, to back into a 70% interest in the property. To complete the back in, Barrick must expend US$15,000,000 over 5 years on the exploration and development of the property at a rate of at least US$1,500,000 per year. If completed, the Company's remaining 30% interest in the property will be carried by Barrick until the commencement of commercial production on the property.

Upon completion of the Company's exploration expenditures of US$5,000,000, the Company and Barrick shall form a joint venture for further exploration of the property. If Barrick does not elect to exercise the back in right or fails to complete the requirements, the Company will hold a 70% interest and Barrick will hold a 30% interest in the joint venture. If Barrick exercises the back in right and completes the requirements, the Company will hold a 30% interest and Barrick will hold a 70% interest in the joint venture.

Wilson Property

On October 18, 2010, the Company entered into a mining lease ("Lease") with Idaho Resources Corp. ("Idaho"), in which Idaho granted to the Company exclusive possession and control to explore, develop, mine and operate on the Idaho Property, which consists of 482 unpatented mining claims.

During the year ended March 31, 2013, the Company entered into a restated mining lease whereby future requirements for exploration expenditures were eliminated. In order to maintain the Lease, the Company must make annual advance royalty payments of US$25,000 (paid for the first four years) and issue 100,000 common shares (issued for the first four years) to Idaho in each of the first five years of the Lease. Annual cash payments will then increase to US$50,000 for year six and every year thereafter. In addition, the Company has incurred a total of US$750,000 in exploration on the property as follows:

Expenditure deadline	Expenditure commitment (US$)	Aggregate amount (US$)
August 31, 2011	250,000 (spent)	250,000
December 31, 2012	500,000 (spent)	750,000

(Expressed in Canadian dollars)

6. Exploration and Evaluation Assets (continued)

Eureka County, Nevada (continued)

Wilson Property (continued)

After an initial term of 10 years, the Lease will continue in full force and effect provided that the Company continues to maintain the property in good standing and make the requisite annual cash payments to Idaho. Upon commencement of commercial production, the annual cash payments will convert to an overriding royalty of 3% of the applicable royalty base on all gold, silver and other ores/metals from the property.

7. Trade and Other Payables

	March 31, 2015	**March 31, 2014**
	$	$
Trade payables and accruals	35,665	64,709
Related party payables	23,855	21,723
	59,520	**86,432**

8. Related Party Transactions

During the year ended March 31, 2015, the Company entered into the following transactions with related parties, not disclosed elsewhere in these consolidated financial statements:

- Paid or incurred professional fees of $63,877 (2014 - $36,893) and share issuance costs of $18,228 (2014 - $40,662) to a company controlled by an officer of the Company. As at March 31, 2015, $16,355 (2014 - $21,723) was included in trade and other payables to this company for accrued professional fees and reimbursement of expenses.

As at March 31, 2015, advances of $39,739 (2014 - $37,314), on account of future expenses was included in prepaid expenses to a director and companies controlled by directors and officers of the Company.

As at March 31, 2015, $7,500 (2014 - $nil) was included in trade and other payables for accrued consulting fees owing to the independent directors of the Company.

All related party amounts were incurred in the normal course of operations, bear no interest and have no fixed terms of repayment.

Summary of key management personnel compensation:

	Year ended March 31,	
	2015	2014
	$	$
Consulting	**173,751**	138,065
Exploration and evaluation assets	**145,904**	101,074
Investor relations	**159,798**	133,065
Office	**31,773**	16,291
Professional fees	**41,250**	33,700
Share based payments	**222,958**	245,468
	775,434	667,663

(Expressed in Canadian dollars)

9. Share Capital and Reserves

Authorized Share Capital

Unlimited common shares without par value

Issued Share Capital

	Shares	Share capital - gross	Share issue costs	Share capital - net
		$	$	$
Balances, March 31, 2013	69,360,249	7,055,727	667,922	6,387,805
Issued				
Private placements (v)	23,643,630	1,566,334	82,636	1,483,699
Exploration and evaluation assets (iv)	100,000	12,000	-	12,000
Available for sale investment (iii)	20,000,000	3,210,510	31,972	3,178,538
Balance, March 31, 2014	113,103,879	11,844,571	782,530	11,062,042
Private placement (ii)	28,250,000	3,531,250	35,885	3,495,365
Exploration and evaluation assets (i)	100,000	10,000	-	10,000
Balance, March 31, 2015	**141,453,879**	**15,385,821**	**818,415**	**14,567,407**

i. On January 26, 2015, the Company issued 100,000 common shares at $0.10 per share in connection with the Wilson Property option agreement for a value of $10,000.

ii. On August 19, 2014, the Company completed a non-brokered private placement, selling a total of 28,250,000 shares at a price of $0.125 per share for net proceeds of $3,495,365, net of share issue costs of $35,885.

iii. On March 6, 2014, the Company issued 20,000,000 common shares at $0.16 per share in connection with the GRIT transaction (Note 4) for a value of $3,210,510.

iv. On December 11, 2013, the Company issued 100,000 common shares at $0.12 per share in connection with the Wilson Property option agreement for a value of $12,000.

v. On December 13, 2013, the Company completed the final tranche of a non-brokered private placement, selling 2,450,000 Units for gross proceeds of $245,000. Each Unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of 36 months at a price of $0.15 during the first 18 months and $0.20 during the last 18 months. The fair value attributable to these share purchase warrants was $85,112. Finder's fees totaled $10,800 cash and 48,000 finder's warrants were paid to a dealer in connection with the close of this private placement. The finder warrants entitles the holder to purchase one additional common share of the Company for a period of 18 months at a price of $0.10. The fair value attributable to these finder's warrants was $3,428.

On November 25, 2013, the Company completed the second tranche of a non-brokered private placement, selling 3,675,000 Units for gross proceeds of $367,500. Each Unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of 36 months at a price of $0.15 during the first 18 months and $0.20 during the last 18 months. The fair value attributable to these share purchase warrants was $127,419. Finder's fees totaling $8,000 cash and 60,000 finder's warrants were paid to certain dealers in connection with the closing of this private placement. The finder warrants entitles the holder to purchase one additional common share of the Company for a period of 18 months at a price of $0.10. The fair value attributable to these finder's warrants was $4,264.

(Expressed in Canadian dollars)

9. Share Capital and Reserves (continued)

Issued Share Capital (continued)

v. On November 12, 2013, the Company completed the first tranche of a non-brokered private placement, selling 7,234,380 Units for gross proceeds of $723,438. Each Unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of 36 months at a price of $0.15 during the first 18 months and $0.20 during the last 18 months. The fair value attributable to these share purchase warrants was $251,435. Finder's fees totaling $800 cash and 8,000 finder's warrants were paid to a dealer in connection with the closing of this private placement. The finder warrants entitles the holder to purchase one additional common share of the Company for a period of 18 months at a price of $0.10. The fair value attributable to these finder's warrants was $569.

On May 9, 2013, the Company completed the final tranche of a non-brokered private placement, selling 921,750 Units for gross proceeds of $92,175. Each Unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of 24 months at a price of $0.15 during the first 12 months and $0.20 during the last 12 months. The fair value attributable to these share purchase warrants was $30,249. Finder's fees totaled $1,750 cash and 17,500 finder's warrants were paid to certain dealers in connection with the close of the final tranche of the private placement. The fair value attributable to these finder's warrants was $631.

On April 22, 2013, the Company completed the second tranche of a non-brokered private placement, selling 1,250,000 Units for gross proceeds of $125,000. Each Unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of 24 months at a price of $0.15 during the first 12 months and $0.20 during the last 12 months. The fair value attributable to these share purchase warrants was $40,579.

On April 11, 2013, the Company completed the first tranche of a non-brokered private placement, selling 8,112,500 Units for gross proceeds of $811,250. Each Unit consisted of one common share and one share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company for a period of 24 months at a price of $0.15 during the first 12 months and $0.20 during the last 12 months. The fair value attributable to these share purchase warrants was $263,235.

Warrants

A summary of the warrant activities is as follows:

	Number of shares	**Weighted average exercise price ($)**
Balance, March 31, 2013	20,478,992	0.31
Issued [1]	10,301,750	0.20
Issued [2]	13,359,380	0.15
Issued [3]	116,000	0.10
Expired	(12,784,560)	0.35
Balance, March 31, 2014	31,471,562	0.22
Expired	(7,444,432)	0.38
Balance, March 31, 2015	**24,027,130**	**0.17**

[1] Each warrant entitles the holder to purchase one additional common share at $0.15 in the first 12 months and $0.20 in the last 12 months.

[2] Each warrant entitles the holder to purchase one additional common share at $0.15 in the first 18 months and $0.20 in the last 18 months.

[3] Each finder's warrant entitles the holder to purchase one additional common share at $0.10 for a period of 18 months.

(Expressed in Canadian dollars)

9. Share Capital and Reserves (continued)

Warrants (continued)

The following share purchase warrants were outstanding as at March 31, 2015:

Expiry date		Number of warrants	Exercise price ($)	Remaining contractual life (years)
April 11, 2015**	[1]	8,112,500	0.20	0.03
April 22, 2015**	[1]	1,250,000	0.20	0.06
May 9, 2015**	[1]	939,250	0.20	0.11
May 12, 2015**		8,000	0.10	0.12
May 25, 2015 (Note 14)		60,000	0.10	0.15
June 10, 2015 (Note 14)		48,000	0.10	0.19
December 9, 2015		250,000	0.25	0.69
November 12, 2016	[2]	7,234,380	0.15	1.62
November 25, 2016	[2]	3,675,000	0.15	1.66
December 10, 2016	[2]	2,450,000	0.15	1.70
		24,027,130		

[1] These warrants are subject to an acceleration clause whereby if the weighted average trading price of the Company's shares is equal to or exceeds $0.225 per share during the first 11 months or $0.30 per share after the first 11 months for a period of 20 consecutive trading days, the Company will have the right to accelerate the expiry date of the warrants upon 30 days notice. For the last 12 months of the term, the strike price increases to $0.20.

[2] These warrants are subject to an acceleration clause whereby if the closing price of the Company's shares equals or exceeds $0.25 per share during the first 17 months or $0.35 per share after the first 17 months for a period of 20 consecutive trading days, the Company will have the right to accelerate the expiry date of the warrants upon 30 days notice. For the last 18 months of the term, the strike price increases to $0.20.

** Subsequent to March 31, 2015, these warrants expired unexercised (Note 14).

Stock Options

The Company had a fixed stock-based compensation plan (the "Plan") providing for the grant of stock options to purchase a maximum of 11,500,000 common shares to eligible recipients. In January 2014, the Company amended the Plan to increase the total number of stock options to 15,500,000. In January 2015, the Company further amended the Plan to increase the total number of stock options to 25,000,000.

During the year ended March 31, 2015:

In October 2014, the Company granted 50,000 stock options exercisable at $0.15 per share to a consultant of the Company. The options vested 25% at the grant date and 25% every six months thereafter. The fair value attributable to these stock options was $4,213 using the Black Scholes option pricing model.

In October 2014, the Company granted 250,000 stock options exercisable at $0.15 per share to a consultant of the Company. The options vested 12.5% at the grant date and 12.5% every three months thereafter. The fair value attributable to these stock options was $22,133 using the Black Scholes option pricing model.

In September 2014, the Company granted 1,200,000 stock options exercisable at $0.15 per share to directors, officers and consultants of the Company. The options vested 25% at the grant date and 25% every six months thereafter. The fair value attributable to these stock options was $135,526 using the Black Scholes option pricing model.

In September 2014, the Company granted 250,000 stock options exercisable at $0.15 per share to a consultant of the Company. The options will vest 25% six months after the grant date and 25% every six months thereafter. The fair value attributable to these stock options was $31,597 using the Black Scholes option pricing model.

400,000 stock options with a weighted average exercise price of $0.18 were forfeited. In addition, 150,000 stock options with a weighted average exercise price of $0.20 had expired unexercised.

(Expressed in Canadian dollars)

9. Share Capital and Reserves (continued)

Stock Options (continued)

During the year ended March 31, 2014:

In March 2014, the Company granted 900,000 stock options exercisable at $0.15 per share to consultants of the Company. The options vested 20% at the grant date and 20% every six months thereafter. The fair value attributable to these stock options was $98,705 using the Black Scholes option pricing model.

In February 2014, the Company granted 2,700,000 stock options exercisable at $0.15 per share to directors, officers and consultants of the Company. The options vested 25% at the grant date and 25% every six months thereafter. The fair value attributable to these stock options was $284,395 using the Black Scholes option pricing model.

In September 2013, the Company granted 600,000 stock options exercisable at $0.15 per share to consultants of the Company. The options vested 20% at the grant date and 20% every six months thereafter. The fair value attributable to these stock options was $37,431 using the Black Scholes option pricing model.

In July 2013, the Company granted 500,000 stock options exercisable at $0.15 per option to consultants and an officer of the Company. The options vested 25% at the grant date and 25% every six months thereafter. The fair value attributable to these stock options was $27,112 using the Black Scholes option pricing model.

500,000 stock options with a weighted average exercise price of $0.20 were forfeited and the Company reversed $18,095 in share based payment attributable to the vested portion of these forfeited stock options. In addition, 62,500 stock options with a weighted average exercise price of $0.25 had expired unexercised.

A summary of the stock options activities is as follows:

	Number of shares	Weighted average exercise price ($)
Balance, March 31, 2013	9,587,500	0.23
Granted	4,700,000	0.15
Expired	(62,500)	0.25
Forfeited	(500,000)	0.20
Balance, March 31, 2014	13,725,000	0.20
Granted	1,750,000	0.15
Expired	(150,000)	0.20
Forfeited	(400,000)	0.18
Balance, March 31, 2015	**14,925,000**	**0.20**

(Expressed in Canadian dollars)

9. Share Capital and Reserves (continued)

Stock Options (continued)

The following table summarizes information about the options outstanding at March 31, 2015:

Expiry date	Options outstanding	Options exercisable	Exercise price ($)	Remaining contractual life (years)
December 9, 2015	4,200,000	4,200,000	0.25	0.69
January 6, 2016	250,000	250,000	0.32	0.77
March 1, 2016	50,000	50,000	0.30	0.92
June 23, 2016	500,000	500,000	0.25	1.23
September 1, 2016	75,000	75,000	0.16	1.42
October 1, 2016	250,000	250,000	0.20	1.51
November 14, 2016	25,000	25,000	0.20	1.63
December 9, 2016	100,000	100,000	0.20	1.70
January 1, 2017	100,000	100,000	0.20	1.76
February 6, 2017	150,000	150,000	0.25	1.86
July 18, 2017	300,000	300,000	0.15	2.30
October 15, 2017	250,000	250,000	0.15	2.55
November 5, 2017	75,000	60,000	0.15	2.60
March 5, 2018	2,350,000	2,350,000	0.20	2.93
July 3, 2018	500,000	500,000	0.15	3.26
September 15, 2018	400,000	320,000	0.15	3.46
February 3, 2019	2,700,000	2,025,000	0.15	3.85
March 24, 2019	900,000	540,000	0.15	3.98
September 15, 2019	1,200,000	600,000	0.15	4.46
September 29, 2019	250,000	62,500	0.15	4.50
October 3, 2019	250,000	62,500	0.15	4.51
October 14, 2019	50,000	-	0.15	4.54
	14,925,000	**12,770,000**		

The fair value of each option granted is estimated at the time of the grant using the Black-Scholes option pricing model with weighted average assumptions for grants as follows:

	Year ended March 31, 2015	2014
Risk-free interest rate	1.66%	1.67%
Expected life	5.0	5.0
Annualized volatility	109.82%	119.85%
Dividend rate	-	-
Grant date fair value	$ 0.111	$ 0.095

Loss per share

The effect of dilutive securities including options and warrants has not been shown as the effect of all such securities is anti-dilutive.

(Expressed in Canadian dollars)

10. Segmented Information

Operating segment:
The Company operated in one operating segment, which is mineral exploration in the United States.

Geographic segments:
The Company operates in two geographic segments: Canada and the United States.

	March 31, 2015	March 31, 2014
Non-current assets	$	$
Canada	39,201	27,694
United States	4,839,523	2,796,427
	4,878,724	**2,824,121**

11. Financial Instruments and Risk Management

Fair values

The Company has the following financial instruments carried at fair value:

		Fair Value	
Financial Assets	**Financial instrument classification**	**March 31, 2015 ($)**	**March 31, 2014 ($)**
Cash and cash equivalents	Fair value through profit or loss	1,497,559	1,026,920
GDX options	Fair value through profit or loss	-	8,280
GRIT common shares	Available for sale	1,565,060	2,616,293
		3,062,619	**3,651,493**

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs have a significant effect on the recorded fair value that are not observable, either directly or indirectly.
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

All financial instruments measured at fair value use level 1 valuation techniques in each period, being the closing bid price of the shares as quoted on a public exchange, or, where not quoted, as determined by the share of fair values of the underlying net assets of the investee.

(Expressed in Canadian dollars)

11. Financial Instruments and Risk Management (continued)

Fair value hierarchy (continued)

The following table summarizes the classification of the Company's financial instruments within the fair value hierarchy at March 31, 2015:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	$	$	$	$
Cash and cash equivalents	1,497,559	-	-	1,497,559
GDX options	-	-	-	-
GRIT common shares	1,565,060	-	-	1,565,060
	3,062,619	-	-	3,062,619

The following table summarizes the classification of the Company's financial instruments within the fair value hierarchy at March 31, 2014:

	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	$	$	$	$
Cash and cash equivalents	1,026,920	-	-	1,026,920
GDX options	8,280	-	-	8,280
GRIT common shares	2,616,293	-	-	2,616,293
	3,651,493	-	-	3,651,493

There were no transfers between levels of the fair value hierarchy during the year.

The aggregate fair value of investments with unrealized losses is:

	Fair Value	Unrealized Loss
	$	$
As at March 31, 2015:		
GRIT common shares	1,565,060	1,646,238
As at March 31, 2014:		
GDX options	8,280	20,161
GRIT common shares	2,616,293	574,308

11. Financial Instruments and Risk Management (continued)

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Foreign currency risk
- Other price risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

(i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by placing cash with major Canadian financial institutions. The Company's receivables primarily consist of sales tax recoverable due from the Federal Government of Canada. Management believes that credit risk related to these amounts is nominal.

(ii) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to liquidity risk is to ensure that it always has sufficient cash and credit facilities to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Company's reputation. Management typically forecasts cash flows for a period of six to twelve months to identify financing requirements. These requirements are then addressed primarily through access to capital markets. All of the Company's financial liabilities mature within one year.

(iii) Interest rate risk:

Interest rate risk is the risk of financial loss to the Company if market rates of interest were to change adversely. The Company's exposure to interest rate risk is not material.

11. Financial Instruments and Risk Management (continued)

Financial Risk Management (continued)

(iv) Foreign currency risk:

Foreign currency risk is the risk that the future cash flows or fair value of the Company's financial instruments that are denominated in a currency that is not the Company's functional currency will fluctuate due to the change in foreign exchange rate.

The functional currency of the Company and its wholly owned subsidiary is the Canadian dollar. While the Company's parent is Canadian and its capital is raised in Canadian dollars, the Company conducts business activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates for the Canadian and United States dollar. As at March 31, 2015, the Company has cash denominated in US dollars of $1,079,169 (2014 – $821,447), held for trading investment in US dollars of $nil (2014 – $7,490), and trade and other payables in US dollars of $11,697 (2014 – $4,151). Each 1% change in the Canadian dollar versus the US dollar will result in a gain/loss of approximately USD $10,675 (2014 – USD $8,248).

In addition, the Company holds an investment that is denominated in British Pounds (£). As such, it is subject to fluctuations in the exchange rates for the Canadian dollar and British Pounds. As at March 31, 2015, the Company has an available for sale investment denominated in British Pounds of £830,976 (2014 - £1,419,584). Each 1% change in the Canadian dollar versus the British Pound will result in a gain/loss of approximately £8,310 (2014 - £14,196).

(v) Other price risk:

Other price risk is the risk that changes in market prices including commodity or equity prices will have an effect on future cash flows associated with financial instruments.

The equity price risk associated with the Company's current available for sale investment primarily relates to the change in the market prices of the investments in the portfolio. As at March 31, 2015 and 2014, the Company owned 1,731,200 GRIT common shares with each common share valued at £0.48 or $0.90 (2014 - £0.82 or $1.51). Each £0.01 change in the value per common share will result in a gain/loss of approximately £17,312 or $32,605 (2014 - £17,312 or $31,906).

The equity price risk associated with the Company's current held for trading investment primarily relates to changes to the market price of gold with all gains and losses being recognized through the statement of profit or loss. Management believes the price risk related to this investment is not significant.

12. Capital Disclosure and Management

The Company's capital management policy is to maintain a strong, but flexible capital structure that optimizes the cost of capital, creditor and market confidence while sustaining the future development of the business.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Company's capital structure includes shareholders' equity of $7,997,334 (2014 - $6,506,959). In order to maintain or adjust the capital structure, the Company may from time to time issue shares, seek additional debt financing and adjust its capital spending to manage current and projected debt levels. The Company is not subject to externally imposed capital requirements other than as noted above.

There were no changes to the Company's approach to capital management during the year ended March 31, 2015.

(Expressed in Canadian dollars)

13. Income Taxes

A reconciliation of the provision for income taxes is as follows:

	March 31, 2015	March 31, 2014
	$	$
Loss before income taxes	(1,325,258)	(1,234,909)
Combined effective statutory rate	21%	24%
Expected income tax recovery at statutory tax rates	(272,993)	(296,007)
Non-deductible expenses and other items	(134,639)	(52,054)
Unrecognized benefit of non-capital losses	407,632	348,061
Income tax (expense) recovery	-	-

The Company's deferred tax assets and liabilities are:

	March 31, 2015	March 31, 2014
	$	$
Other assets	37,039	62,497
Equipment	9,128	7,322
Exploration and evaluation assets	(477,058)	(217,527)
Tax loss carry-forwards	3,126,439	2,633,036
Total unrecognized deferred tax assets	2,695,548	2,485,328

At March 31, 2015, the Company has unrecognized losses for income tax purposes of approximately $5,844,000 (2014 - $3,994,000) and US$3,625,000 (2014 – US$3,809,000) which may be used to offset taxable incomes of future years. If unused, these losses will expire as follows:

	$	US$
2030	280,000	-
2031	705,000	-
2032	1,088,000	127,000
2033	1,178,000	3,446,000
2034	743,000	52,000
2035	1,850,000	-
	5,844,000	3,625,000

In assessing the Company's ability to utilize deferred tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences are or become deductible or during the periods before expiry of the loss carry forwards. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which tax assets are deductible, management currently believes it is probable that the Company will not realize the benefits of the deferred tax assets.

14. Subsequent Events

- In April 2015, the Company granted 4,675,000 stock options at a price of $0.15 per share exercisable for a period of five years to various directors, officers and consultants.

- In May 2015 and June 2015, a total of 108,000 warrants were exercised for $0.10 per warrant for proceeds of $10,800.

- In June 2015, the Company closed a private placement for 18,288,600 units at $0.125 per unit for gross proceeds of $2,286,075. Each unit consists of one common share and one half share purchase warrant with each whole warrant entitling the holder to purchase one additional common share for a period of two years at an exercise price of $0.15 during the first year and $0.20 during the second year. In the event the common shares of the Company trade on the Exchange at $0.25 per share or more for 15 consecutive trading days during the first 11 months of the exercise period (the "Initial Acceleration Period") or $0.35 per share or more for 15 consecutive trading days after the Initial Acceleration Period, the warrants will expire on the earlier of (1) the date of expiry of the warrants and (2) the date which is 30 calendar days after the Company gives notice to the holders of the warrants that the Acceleration event has occurred.

  Finder's fees of cash in the amount of $11,795 and US$6,258 is payable along with the issuance of 156,940 finder's warrants is due in connection with the financing.

- During the period April to June 2015, the Company had 10,309,750 warrants expire unexercised (Note 9).