Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

NEXT GEN METALS INC.

For the year ended 31 March 2014

This management discussion and analysis ("MD&A") includes a review of activities, results of operations, financial condition and outlook for Next Gen Metals Inc. and its subsidiaries (the "Company" or "Next Gen") for the year and quarter ended 31 March 2014, with comparisons to the year and quarter ended 31 March 2013. This MD&A is presented as of 17 July 2014 and should be read in conjunction with the Company's consolidated financial statements for the year ended 31 March 2014 and 2013 and the related notes thereto. Next Gen's consolidated financial statements for the year ended 31 March 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are in Canadian dollars unless otherwise stated. Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.nextgenmetalsinc.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CURRENT MARKET CONDITIONS

As a result of the uncertainty in the global economy, there is a serious shortage of available capital and significant exploration risk to the resource industry.

DESCRIPTION OF BUSINESS

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "M5BN" and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange.

The Company is a diversified public company focused on investments in the Medical Marijuana, Industrial Hemp and Alternative Medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

OVERVIEW, SIGNIFICANT EVENTS, TRANSACTION AND ACTIVITIES

On 20 March 2014 Next Gen establishes its wholly owned subsidiary GreenRush Financial Conferences Division: Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation.

PROPERTIES

Silver Chalice Property

On 05 November 2009, the Company entered into an agreement (the "Acquisition Agreement") with Anglo Alaska Gold Corp. ("AAG"), a privately owned Alaska corporation, to acquire a 100% interest in the Silver Chalice epithermal gold/silver project ("Silver Chalice Property"), consisting of 31 State of Alaska mining claims for 4,960 acres. The Silver Chalice Property is located in west-central Alaska approximately 345 miles northwest of Anchorage and 330 miles west southwest of Fairbanks.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 05 November 2010*	(paid)	US$20,000	-	-	-
On or before 05 November 2011*	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before December 31 of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the Silver Chalice Property to a third party, subject to the issuance of 33,333 shares of the Company.

Geology

The Silver Chalice Property occurs immediately east of the eastern margin of the Poison Creek Caldera in west-central Alaska. Gold-silver bearing polyphase quartz veins are associated with northeast structures that radiate from the caldera margin. The epithermal gold-silver veins are hosted within a zone of outer propylitic alteration and an inner zone of weak to moderate argillic alteration. Weak silicification is also noted in the country rocks adjacent to the veins. Country rocks consist of Cretaceous flysch units including lithic sandstone, siltstone and shale.

The Poison Creek Caldera consists of bimodal Eocene to Paleocene volcanic units that range from andesite to rhyolite in composition. The epithermal veins at the project appear to be intimately associated with this volcanic activity. Rock chip samples from surface rubble-crops and boulder trains return values up to 10 grams of gold per tonne and 462 grams of silver per tonne. Average silver:gold ratio is approximately 40:1. The main Silver Chalice vein ranges from 1.32 feet (0.4 metres) up to 25 feet (7.6 metres) in estimated true width in two historic drill holes and the south vein ranges from 0.66 feet (0.2 metres) up to 27 feet (8.2 metres) estimated true width in one historic drill hole. Fluid inclusion analysis suggest that if the hydrothermal fluids contained significant amounts of gold and silver, it is likely that gold-silver mineralization precipitated at boiling levels somewhere in the epithermal system. There remains potential for ore-grade gold and silver mineralization below the exposed surface in the two veins drilled, in the broader altered areas, and in the covered areas along strike of the veins.

The Tertiary Volcanic Caldera which hosts the Silver Chalice Property represents an excellent exploration target with potential to host significant epithermal gold and silver mineralization. Stream sediment samples anomalous in gold and indicator minerals and pan concentrate samples with anomalous gold and mercury strongly support the gold and silver potential of the caldera and adjacent areas. There has been no past lode mining on the project and there are no other active mining claims in the project area.

Exploration expenditures of $153,962 have been incurred on the Silver Chalice property since the property was acquired including $5,693 during the previous year ended 31 March 2013. A foreign currency translation adjustment of $3,646 was recorded on the Silver Chalice property during the previous year ended 31 March 2013. No exploration expenditures were incurred for the current year.

The Company plans to seek funding from a third party option/ joint venture partner on the Silver Chalice property.

Fate Claims

In December 2009, the Company acquired from Pacific North West Capital Corp. ("PFN"), (a company with two directors in common with the Company, at that time), 83 staked claims (the "Fate Claims") on strike with Alto Ventures Ltd. ("Alto Ventures") /PFN's Destiny Gold Joint Venture approximately 75 kilometres (km) north of the Val d'Or Malartic gold camp in Québec.

Due to the knowledge PFN and its management had gained in this area of Québec and the fact that PFN had acquired additional claims that met and exceeded its original objectives and budgets for this region, Management of PFN and the Company completed a Finder's Fee agreement over the Fate Claims whereby the Company issued to PFN 33,333 common shares and granted PFN a 1.5% Net Smelter Royalty on the Fate Project. The Company has the right to purchase 0.5% of the royalty for $500,000 leaving PFN with 1%.

The Fate Claims are located in the Abitibi Greenstone Belt of Northwest Québec, one of the most famous gold and base metals regions in the world. Underlying stratigraphy and potential mineralization extends approximately 20 km along the major Chicobi Deformation Fault Zone.

The Chicobi Deformation Fault Zone parallels the prolific Cadillac Larder (Val d'Or Malartic, Bousquet, Kirkland Lake gold camps) and Destor Porcupine (Timmins, Holloway, Duparquet gold camps) Deformation Zones to the south as well as the Casa Berardi (Aurizon, Joutel gold areas) Deformation Zone to the North.

In September 2010, the Company contracted Geos Sciences Consulting and Exploration of Québec, to conduct a Mobile Metal Ion (MMI™) Geochemistry exploration program on the Fate Claims and to interpret the results. MMI™ is an advanced surface exploration technique for finding mineral deposits and is a cost effective surface exploration tool. This technology measures mobile metal ions in surface soils. These mobile metal ions are released from ore bodies and travel upward toward the surface. Using sophisticated chemical processes and instrumentation, MMI™ is able to measure these ions, in surface soils, to determine accurately where buried mineralization is located. The exploration program consisted of:

- MMI™ geochemical sampling for a total of 2000 samples
- Sample spacing to be 25m apart
- Samples to be taken at a depth of 15cm (range is between 10cm and 25cm depths) from the organic-inorganic soil interface and will be dispatched to SGS laboratory in Toronto
- Compilation of results, statistical processing and preparation of a geochemical map and report

Regional gravity and magnetic surveys confirm the location of the Chicobi Fault and also indicate the presence of several offsets.

During the previous year ended 31 March 2013, a total amount of $15,747 was incurred on the property consisting of $242 in geology and field expenses, $600 in consulting and $14,905 in mineral property fees.

During the previous year ended 31 March 2013, the Company allowed the Fate Claims to laps resulting in a write-down of exploration and evaluation properties of $152,300.

Destiny Gold

On 26 September 2011, the Company exercised its option to acquire a 60% option interest in the Destiny Gold property and issued 3,033,333 common shares and warrants to purchase up to 2,666,667 common shares of the Company until 26 September 2015.

Under the terms of the letter agreement ("LA"), PFN was to grant to the Company an irrevocable right and option to acquire all right, title and interest of PFN in and to the option interest in the Destiny Gold property (the "Next Gen Option"), for an aggregate purchase price of (i) a total of $675,000 in cash; (ii) 10,000,000 Next Gen common shares ("Next Gen Shares"); and (iii) 2,666,667 Next Gen share purchase warrants ("Next Gen Warrants") exercisable into 2,666,667 common shares of Next Gen at varying prices for four years from the date of issuance; all of which were due as follows:

- Cash: the Company paid $50,000 to PFN on signing the LA and was to make the cash payments to PFN in tranches of: (i) $75,000 on or before the first anniversary of the LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.
- Next Gen Shares: 10,000,000 common shares of the Company were to be issued to PFN as fully paid and non-assessable common shares, in tranches, of: (i) 3,033,333 common shares upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option (issued) (Note 11); (ii) 3,483,333 common shares on or before the first anniversary of the LA; and (iii) 3,483,333 common shares on or before the second anniversary of the LA.
- Next Gen Warrants: 2,666,667 share purchase warrants were issued to PFN upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option, which expire on 26 September 2015. Further, (i) 666,667 Warrants are exercisable at $0.375 per share; (ii) 666,667 Warrants are exercisable at $0.45 per share; (iii) 666,667 Warrants are exercisable at $0.525 per share; and (iv) 666,667 Warrants are exercisable at $0.75 per share.

In addition to the cash, common shares and share purchase warrants under the terms of the LA, the Company was also responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under PFN's agreement with Alto Ventures, along with any costs and expenditures associated with any resultant joint venture that arises between the Company and Alto Ventures. PFN would continue to issue common shares to Alto Ventures under its agreement with Alto Ventures until the date of exercise of the Next Gen Option and the transfer and registration of the option interest from PFN to the Company in accordance with the terms of the LA.

Under the terms of the initial option between Alto Ventures and PFN, PFN would earn a 60% interest in the Destiny Gold property by paying to Alto Ventures $200,000 in cash (of which $100,000 has been paid); issuing to Alto Ventures an aggregate of 166,667 common shares of PFN (of which 100,000 common shares have been issued); and incurring an aggregate of $3,500,000 in exploration expenditures over a four-year period (of which $1,557,000 has been incurred). Subsequent to the vesting of its option interest, PFN would form a joint venture with Alto Ventures to further develop the Destiny Gold property. Certain claims comprising the Destiny Gold property are subject to underlying net smelter return royalties ranging from 1% to 3.5%, with varying buy-back provisions.

During the previous year ended 31 March 2013, after a disappointing round of exploration, the Company terminated the LA with PFN resulting in a write up of $123,963 related to the Destiny Gold property. This has been recorded as a recovery of exploration and evaluation properties during the previous year ended 31 March 2013.

Qualified Person Statement

"Properties" sections of this report have been reviewed and approved for technical content by Ali Hassanalizadeh MSc. P. Geo, MBA, Senior geologist advisor for Next Gen and a Qualified Person under the provisions of National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

SELECTED ANNUAL AND QUARTERLY FINANCIAL INFORMATION

Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for NextGen for each of the three most recently completed financial years. These information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

	Years Ended 31 March (audited)		
	2014	2013	2012
Total revenues	$ -	$ -	$ -
General and administrative expenses	350,177	427,530	786,846
Mineral property cash costs incurred	-	-	95,203
Income (loss) before other items in total	(314,815)	(478,389)	(2,213,258)
Net income (loss)	(314,815)	(476,267)	(2,206,790)
Net Loss per share – Basic & fully diluted	(0.018)	(0.028)	(0.141)
Totals assets	749,268	1,019,272	1,543,689
Total long term liabilities	Nil	Nil	Nil
Cash dividends declared per share	Nil	Nil	Nil

RESULTS OF OPERATIONS

For the year ended 31 March 2014 compared to the year ended 31 March 2013.

Comprehensive loss for the year ended 31 March 2014 was $279,542 as compared to $476,267 for the same period in 2013. Being at the exploration stage, the Company did not generate any revenue from operations. The decrease in comprehensive loss of $196,725 was mainly attributable to the net effect of:

- Decrease of $67,905 in administration and management fees, from $101,711 in 2013 to $33,806 in 2014 due to a reduction in administration costs and cut in management fees;
- Increase of $30,042 in consulting, from $61,437 in 2013 to $91,479 in 2014 due to increased activity in the Company for the GreenRush Conference;
- Decrease of $13,666 in investor relation expenses, from $55,418 in 2013 to $41,752 in 2014 due to decreased activity in the Company;
- Increase of $11,247 in rent expense, from $60,994 in 2013 to $49,747 in 2014 associated with the lease payment commitment of the current office;
- Decrease of $1,441 in share-based payments, from $18,738 in 2013 to $17,297 in 2014 in the total non-cash fair value of stock based compensation.

- Decrease of $6,204in transfer agent and filing fees, from $36,653 in 2013 to $30,449 in 2014 due to decreased activity in the Company;
- Decrease of $5,236 finance income from $6,982 in 2013 to $1,746 in 2014. Finance income is comprised of interest income from the short-term temporary investment included in the cash equivalents in the previous year.
- A write-down of exploration and evaluation costs for $58,337 in 2013 compared to $Nil in 2014 as the previous year recorded the write-down when the Company terminated the option agreement for the Destiny Gold project.

At 31 March 2014 the Company had working capital amounting to $185,960 (2013: $461,139) including cash of $167,866 (2013: $306,796). During the year ended 31 March 2014, operating activities have been principally funded through existing working capital.

Net decrease in cash during the year ended 31 March 2014 amounted to $138,930 (2013:429,495).

Selected Quarterly Information

The following selected financial information is derived from the unaudited consolidated financial statements of the Company prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013	31 Dec 2012	30 Sep 2012	30 Jun 2012
Total assets	$ 749,268	$ 798,007	$ 839,186	$ 960,587	$ 1,019,272	$ 1,072,842	$ 1,166,781	$ 1,289,809
Resource prop. & deferred costs	453,747	417,374	417,374	417,374	417,374	631,598	621,290	635,015
Working capital	185,660	308,658	335,482	400,230	461,139	307,993	387,991	496,713
Shareholders' equity	708,104	797,207	826,506	893,730	957,116	1,020,852	1,093,200	1,218,307
Total revenues	-	-	-	-	-	-	-	-
Net loss	(151,844)	(29,875)	(68,369)	(64,727)	(67,357)	(79,503)	(113,592)	(217,937)
Net loss and comprehensive loss	(116,571)	(29,875)	(68,369)	(64,727)	(62,907)	(73,690)	(119,230)	(220,440)
Net loss per share	(0.008)	(0.002)	(0.004)	(0.004)	(0.004)	(0.005)	(0.007)	(0.013)

For the three-month period ended 31 March 2014 compared to the three-month period ended 31 March 2013.

Comprehensive loss for the three-month period ended 31 March 2014 was $116,571 as compared to $62,907 for the same period in 2013. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of $53,664 was mainly attributable to net effect of:

- Decrease of $2,250 in accounting fees, from $18,750 in 2013 to $16,500;
- Decrease of $6,148 in administration and management fees, from $22,413 in 2013 to $16,265 in 2014 due to account reclassification adjustment during the current period;
- Increase of $29,512 in consulting, from $10,250 in 2013 to recovery of $39,762 in 2014 due to account reclassification adjustment during the current period;
- Increase of $26,732 in investor relation expenses, from $1,918 in 2013 to $28,650 in 2014 due to account reclassification adjustment during the current period;

- Decrease of $17,054 in transfer agent and filing fees, from $31,956 in 2013 to $14,902 in 2014 due to account reclassification adjustment during the current period;
- Increase of $4,486 in travel expense, from $2,339 in 2013 to $6,825 in 2014 due to account reclassification adjustment during the current period;
- A mineral tax credit of $31,288 was received from the Revenue Quebec.

The Company has historically relied upon equity financings and loans from directors to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

The Company has limited financial resources, no source of operating income and no assurance that additional funding will be available to it for future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its exploration success. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

CAPITAL RESOURCES

As at 31 March 2014, the Shareholders' equity of $708,104 (2013: $957,116) consisted of share capital of $5,649,388 (2013: $5,636,155), reserves of $539,696 (2013: $487,126), contributed surplus of $76,431 (2013: $76,431) and deficit of $5,557,411 (2013: $5,242,596).

RELATED PARTY TRANSACTIONS

Key management personnel compensation for the year ended 31 March 2014 was $50,194 (2013: $133,264) comprised of short-term benefits of $37,600 (2013: $115,042) and share-based payments of $12,594 (2013: $18,222).

Key management personnel compensation for the three-month period ended 31 March 2014 was $33,515 (2013: $21,280) comprised of short-term benefits of $23,983 (2013: $22,625) and share-based payments of $9,532 (2013: $1,341).

During the year ended 31 March 2014, the Company paid $111,923 (2013: $111,587) to PFN, a company with directors in common, for shared office costs. The expenses are broken down as follows:

Administration and management fees of $Nil (2013: $15,000), office rent of $49,747 (2013: $45,594), consulting fees of $37,450 (2013: $75,039).

During the year ended 31 March 2014, the amount due to PFN was $4,106 (31 March 2013:$49,482) while due to other related parties was $9,140 (31 March 2013:$249).

The above transactions were recorded at exchange amounts agreed between the parties, which management asserts approximate fair values.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations and Deficit included in its Financial Statements for the years ended 31 March 2014 and 2013, which are available on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA AS AT 31 MARCH 2014

	Number issued and outstanding	Exercise Price	Expiry Date
Common shares	17,454,227		
Common shares issuable on exercise:			
Stock Options	800,000	$0.110	26 February 2019
Stock Options	100,000	$0.210	12 March 2019
Stock Options	25,000	$0.25	17 March 2019
Stock Options	616,668	$0.375	09 August 2016
Stock Options	44,444	$0.240	07 September 2014
Stock Options	44,444	$0.240	07 September 2015
Stock Options	44,444	$0.240	07 September 2016
Warrants	666,667	$0.375	26 September 2015
Warrants	666,667	$0.450	26 September 2015
Warrants	666,667	$0.525	26 September 2015
Warrants	666,666	$0.750	26 September 2015

Share Consolidation

On 25 February 2014, the Company consolidated its capital on the basis of one and half old common shares for one new common share.

INVESTOR RELATIONS

Total investor relations expense for the year ended 31 March 2014 was $41,752 a decrease of $13,666 from $55,418 due to no equity financing have been raised and the termination of the option on the Destiny Gold property.

Total investor relations expense for the three-month period ended 31 March 2014 was $28,650, an increase of $30,568 from $1,918 due to account reclassification adjustment.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration, with the intent to further develop projects with sufficient financing. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, politics and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The high degree of volatility in the prices of metal and other resource commodities
- The demand of commodities can be dependent on global consumption
- An increasing competition to acquire resource properties throughout the world
- No assurance about the economic viability, it is speculative
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control
- Additional costs can be incurred such as availability of experts, work force and equipment

- Additional expenditures will be required to establish resources or reserves on mineral properties, if any resources or reserves exist on the properties
- The rights to the resource properties must be maintained in accordance with various regulations and agreements
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and judgments used in the preparation of these consolidated financial statements include, amongst other things, depreciation, determination of net recoverable value of assets, determination of fair value on taxes, and share-based payments. These estimates are reviewed periodically (at least annually), and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 of the consolidated financial statements for the year 31 March 2014.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Short term and long term investments in other companies are classified as available-for-sale, which is measured at fair value. Trade payables and amounts due to related parties are classified as other financial liabilities which are measured at amortized cost.

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits, with major financial institutions.

Liquidity risk

The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities in mining/exploration . There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income except for limited revenue through its GreenRush Conference division and has no assurance that additional funding will be available to it for both future exploration and development of its projects as well as its diversified interests in the Medical Marijuana, Industrial Hemp and Alternative Medicine business sectors, although the Company has been successful in the past in financing its activities through the sale of equity securities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

MANAGEMENT OF CAPITAL

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

SUBSEQUENT EVENTS

Following are events that occurred subsequent to 31 March 2014.

26 May 2014, the Company under its 100% wholly owned subsidiary, Greenrush Financial Conferences Inc. held its inaugural Greenrush Financial Conference in Vancouver, which it exceeded the expectation.

- Over 1,200 attendees
- Over 35 exhibitors
- Expert speakers from across North America
- Media coverage from the major outlets across Canada

6 May 2014, the Company established its second 100% wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The Mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results to our clients.

23 June 2014, The Company announced that it has established its wholly owned Business Unit, GreenRush Business Brokerage (GBB).

NextGen's vision is to utilize its new Business unit, GreenRush Business Brokerage, to introduce business-to-business, complete transactions and for this unit be an additional profit centre for NextGen. GreenRush Business Brokerage will allow companies needing further financial assistance to utilize GBB's vast database of Venture Capitalists, Financial Institutions, Industry Financial Specialists, Financial Advisors, interested Public and Private companies and High net-worth investors with the ability to provide additional financing for these new business sectors".

The Mission of GreenRush Business Brokerage is to broker NextGen's growing business inventory utilizing a standard agreement with businesses that require finance to interested parties who can provide Professional Management, Investment Expertise, and Venture Capital for the Medical Marijuana, industrial Hemp, and Alternative Medicine business sectors.

26 June 2014, the Company under its 100% wholly owned subsidiary, Greenrush Financial Conferences Inc. held its second Greenrush Financial Conference in Toronto. Toronto conference also exceeded expectations and continues to establish the GreenRush Financial Conferences as the premier investment/business conference in the Industry. Next Gen also formally invites interested investors, industry participants, stakeholders and exhibitors to our third and first international GreenRush Financial Conference being held in Seattle, Washington on September 23, 2014

3 July 2014, The Company announced a non-brokered private placement of up to 3,000,000 units for gross proceeds of up to $300,000.

OUTLOOK

The Company currently has $185,660 in working capital and will need to obtain additional equity financing to fund any further mineral property projects. The Company is reviewing properties for acquisition on an ongoing basis.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

The accompanying condensed consolidated interim financial statements of the Company have been prepared by management in accordance with IFRS, and contain estimates based on management's judgment. Management maintains an appropriate system of internal control to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

"Harry Barr"

Harry Barr
Chief Executive Officer and Director

"Robert Guanzon"

Robert Guanzon
Chief Financial Officer

Next Gen

Next Gen Metals Inc.
Consolidated Financial Statements
31 March 2014
(Expressed in Canadian dollars)

JAMES STAFFORD

James Stafford, Inc.
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Next Gen Metals Inc.

We have audited the accompanying consolidated financial statements of Next Gen Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at 31 March 2014 and 2013, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's 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 the Company as at 31 March 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

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

James Stafford

Chartered Accountants

Vancouver, Canada
17 July 2014

Next Gen Metals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at 31 March 2014	As at 31 March 2013
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	**167,866**	306,796
Amounts receivable	6	**6,784**	206,144
Short-term investments	7	**800**	1,900
Prepaid expenses		**51,374**	8,455
		226,824	523,295
Long-term investments	7	**1**	1
Exploration and evaluation properties	8	**453,747**	417,374
Property and equipment	9	**68,696**	78,602
Total assets		**749,268**	1,019,272
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	10	**27,918**	12,425
Due to related parties	18	**13,246**	49,731
Total liabilities		**41,164**	62,156
Equity			
Share capital	11	**5,649,388**	5,636,155
Reserves		**539,696**	487,126
Contributed surplus		**76,431**	76,431
Deficit		**(5,557,411)**	(5,242,596)
Total equity		**708,104**	957,116
Total equity and liabilities		**749,268**	1,019,272

APPROVED BY THE BOARD:

"Harry Barr"	*"Kevin Lawrence"*
Director	Director

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

Next Gen Metals Inc.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

		Year ended 31 March	
	Notes	**2014**	2013
		$	$
Expenses			
Accounting and audit fees		**48,897**	50,678
Administration and management fees		**33,806**	101,711
Bank charges and interest		**101**	539
Consulting		**91,479**	61,437
Depreciation	9	**9,906**	10,634
Insurance		**12,032**	13,411
Investor relations		**41,752**	55,418
Legal and professional fees		**2,433**	2,753
Rent		**49,747**	60,994
Share-based payments	12	**17,297**	18,738
Transfer agent and filing fees		**30,449**	36,653
Travel		**12,278**	14,564
Loss before other items		**(350,177)**	(427,530)
Other items			
Finance income	13	**1,746**	6,982
Foreign exchange gain		**2,328**	496
Recovery (write-down) of exploration and evaluation property	8	**31,288**	(58,337)
Net loss for the year		**(314,815)**	(478,389)
Other comprehensive loss			
Unrealized loss on available-for-sale assets	7	**(1,100)**	(8,100)
Foreign currency translation adjustment		**36,373**	10,222
Net comprehensive loss		**(279,542)**	(476,267)
Loss per share			
Basic	15	**(0.018)**	(0.028)
Diluted	15	**(0.018)**	(0.028)

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

Next Gen Metals Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

		Year ended 31 March	
	Notes	**2014**	2013
		$	$
OPERATING ACTIVITIES			
Net loss for the year		**(314,815)**	(478,389)
Adjustments for:			
Write-down of exploration and evaluation property	8	**-**	58,337
Depreciation	9	**9,906**	10,634
Flow-through share income	13	**-**	(3,570)
Share-based payments	12	**17,297**	18,738
Shares issued for services	11	**13,233**	-
Operating cash flows before movements in working capital			
Decrease in amounts receivables		**199,360**	179,141
(Increase) decrease in prepaid expenses		**(42,919)**	37,789
Increase (decrease) in trade payables and accrued liabilities		**15,493**	(10,006)
Decrease in due to related parties		**(36,485)**	(53,312)
Cash used in operating activities		**(138,930)**	(598,920)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	8	**-**	143,397
Purchase of property and equipment	9	**-**	(1,089)
Cash provided by investing activities		**-**	142,308
Decrease in cash and cash equivalents		**(138,930)**	(456,612)
Effect of foreign currency on cash and cash equivalents		**-**	99
Cash and cash equivalents, beginning of year		**306,796**	763,309
Cash and cash equivalents, end of year		**167,866**	306,796

Supplemental cash flow information (Note 19)

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

Next Gen Metals Inc.

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Number of shares	Share capital	Stock option reserve	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Contributed surplus	Deficit	Total
		$	$	$	$	$	$	$	$
Balances, 31 March 2012	17,365,946	5,636,155	338,107	312,431	(80,146)	(27,695)	-	(4,764,207)	1,414,645
Share-based payments	-	-	18,738	-	-	-	-	-	18,738
Expired warrants	-	-	-	(76,431)	-	-	76,431	-	-
Unrealized loss on available-for-sale assets	-	-	-	-	(8,100)	-	-	-	(8,100)
Foreign currency translation adjustment	-	-	-	-	-	10,222	-	-	10,222
Net loss for the year	-	-	-	-	-	-	-	(478,389)	(478,389)
Balances, 31 March 2013	17,365,946	5,636,155	356,845	236,000	(88,246)	(17,473)	76,431	(5,242,596)	957,116
Share-based payments	-	-	17,297	-	-	-	-	-	17,297
Shares issued for services	88,281	13,233	-	-	-	-	-	-	13,233
Unrealized loss on available-for-sale assets	-	-	-	-	(1,100)	-	-	-	(1,100)
Foreign currency translation adjustment	-	-	-	-	-	36,373	-	-	36,373
Net loss for the year	-	-	-	-	-	-	-	(314,815)	(314,815)
Balances, 31 March 2014	**17,454,227**	**5,649,388**	**374,142**	**236,000**	**(89,346)**	**18,900**	**76,431**	**(5,557,411)**	**708,104**

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

1. CORPORATE INFORMATION

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "M5BN" and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange (the "TSX-V").

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

The head office, principal address and registered and records office is located at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7.

The Company's ability to continue operations is dependent upon successfully raising the necessary financing to complete future acquisition, exploration and development. These pursuits may be delayed if the Company encounters challenges faced by seeking to raise acquisition and exploration funds through the issuance of shares.

Based on the above factors, there is substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements for the years ended 31 March 2014 and 31 March 2013 have been prepared on the basis of accounting principles applicable to a going concern, and accordingly, do not purport to give effect to adjustments which may be required should the Company be unable to achieve its objectives above as a going concern. The net realizable value of the Company's assets may be materially less than the amounts recorded in these consolidated financial statements should the Company be unable to realize its assets and discharge its liabilities in the normal course of business. The Company had a net loss of $314,815 for the year ended 31 March 2014 (2013 - $478,389) and had working capital of $185,660 as at 31 March 2014 (2013 - $461,139).

The Company had cash and cash equivalents of $167,866 at as 31 March 2014 (2013 - $306,796) but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

1. CORPORATE INFORMATION, continued

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 11).

2. BASICS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of Next Gen and its wholly-owned subsidiaries, Next Gen USA Inc. ("Next Gen USA") and GreenRush Financial Conferences Inc. ("GreenRush Financial Conferences").

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

2.2 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 17, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with using accounting policies in full compliance with International Accounting Standards ("IFRS") and International Accounting Standards (IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 New and revised standards and interpretations

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the year ended 31 March 2014.

- IFRS 9 '*Financial Instruments: Classification and Measurement'* is a new financial instruments standard effective for annual periods beginning on or after 1 January 2015 that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

2.4 New and revised standards and interpretations, continued

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

3.2 Cash and cash equivalents

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

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and 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.

Deprecation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance method or straight-line method using the following rates:

Furniture and equipment	20% to 30%
Software	100%
Leasehold improvements	10 years

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and

3.5 Decommissioning, restoration and similar liabilities, continued

control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.6 Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional currency of Next Gen is the Canadian dollar. The functional currency of Next Gen USA is the U.S. dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

On consolidation, each respective entity's financial statements are translated into the presentation currency, being the Canadian dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in other comprehensive income as a separate component of equity.

3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Taxation

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3.9 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss (“FVTPL”), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are

3.9 Financial assets, continued

included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.10 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.11 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.12 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.13 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset

3.13 Impairment of non-financial assets, continued

group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.14 Comparative figures

Certain comparative figures have been adjusted to conform to the current year's presentation.

3.15 Flow-through shares

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through liability will be reversed. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a deferred tax recovery.

3.16 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

4. SEGMENTED INFORMATION

At 31 March 2014, the Company operates in two geographical areas, being Canada and the United States. The following is an analysis of the net loss, current assets and non-current assets by geographical area:

	Canada	United States	Total
	$	$	$
Net loss			
For the year ended 31 March 2014	**314,815**	**-**	**314,815**
For the year ended 31March 2013	478,389	-	478,389
Current assets			
As at 31 March 2014	**226,824**	**-**	**226,824**
As at 31 March 2013	523,295	-	523,295
Long-term investments			
As at 31 March 2014	**1**	**-**	**1**
As at 31 March 2013	1	-	1
Exploration and evaluation properties			
As at 31 March 2014	**-**	**453,747**	**453,747**
As at 31 March 2013	-	417,374	417,374
Property and equipment			
As at 31 March 2014	**68,696**	**-**	**68,696**
As at 31 March 2013	78,602	-	78,602

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 31 March 2014	As at 31 March 2013
	$	$
Denominated in Canadian dollars	**138,988**	279,940
Denominated in U.S. dollars	**28,878**	26,856
Total cash and cash equivalents	**167,866**	306,796

(Expressed in Canadian dollars)

6. AMOUNTS RECEIVABLE

As at 31 March 2014, the amounts receivable consist of $6,284 (2013: $8,295) related to Goods and Services Tax input tax credit, advance receivable $500 (2013: $Nil), and $Nil (2013: $197,849) related to Resources Tax Credits.

7. INVESTMENTS

The Company's investments are as follows:

	As at 31 March 2014	As at 31 March 2013
	$	$
Short term investments		
Investment in AirTrona International Inc.	**800**	1,900
Long term investments		
Investment in Midland Exploration Corporation	**1**	1

Short term investments

On 6 November 2008, the Company received 1,000,000 common shares in AirTrona International Inc. (previously "Chancery Resources Inc."), (OTCPink: ARTR (previously "CCRY"), in consideration for the disposal of a 100% interest in several claims within the Nicola Volcanic Belt, around the Douglas Lake region of British Columbia, which the Company had staked in October 2008.

Long-term investments

During the year ended 31 March 2008, the Company received 3,000,000 common shares of Midland Exploration Corporation ("Midland"), a private company, as settlement for the Company's 30% interest in the Ketchan Property on 14 August 2007.

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2014 are as follows:

	Silver Chalice Property	Total
	$	$
ACQUISITION COSTS		
Balance, 31 March 2013	263,412	263,412
Foreign currency translation	22,955	22,955
Balance, 31 March 2014	**286,367**	**286,367**
EXPLORATION AND EVALUATION COSTS		
Balance, 31 March 2013	153,962	153,962
Foreign currency translation	13,418	13,418
Balance, 31 March 2014	**167,380**	**167,380**
Total costs	**453,747**	**453,747**

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES, continued

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2013 are as follows:

	Silver Chalice Property	Fate Property	Destiny Gold Property	Total
	$	$	$	$
ACQUISITION COSTS				
Balance, 31 March 2012	256,935	30,000	-	286,935
Foreign currency translation	6,477	-	-	6,477
Impairment	-	(30,000)	-	(30,000)
Balance, 31 March 2013	263,412	-	-	263,412
EXPLORATION AND EVALUATION COSTS				
Balance, 31 March 2012	144,623	177,427	-	322,050
Assaying	-	-	31,795	31,795
Drilling	-	-	4,425	4,425
Engineering and consulting	-	600	36,519	37,119
Geological and field expenses	-	242	1,146	1,388
Property fees	5,693	14,905	-	20,598
Foreign currency translation	3,646	-	-	3,646
Cost recovery	-	(40,874)	(197,848)	(238,722)
Write-up (Impairment)	-	(152,300)	123,963	(28,337)
Balance, 31 March 2013	153,962	-	-	153,962
Total costs	417,374	-	-	417,374

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES, continued

Silver Chalice Property, Alaska, USA

By agreement dated 5 November 2009 and subsequent payments and share issuances, the Company acquired an option to earn a 100% interest in certain mineral claims located in west-central Alaska, known as the Silver Chalice Property as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 5 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 5 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before 31 December of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the property to a third party, subject to the issuance of 33,333 shares of the Company.

Fate Property, Québec, Canada

On 15 December 2009, the Company acquired certain mineral claims known as the Fate Gold/Base Metals Project, in Québec, Canada. The Company issued 33,333 shares to Pacific North West Capital Corp. ("PFN"), a company with directors in common, as a finder's fee and a 1.5% NSR. During the year ended 31 December 2013, the Company allowed the Fate mineral claims to lapse resulting in a write-down of exploration and evaluation properties of $223,173

During the year ended 31 March 2014, the Company received $31,288 (2013: $40,874) from Revenu Québec related to Resource Tax Credits for exploration expenses incurred on the Fate Property. This has been recorded as a recovery of exploration and evaluation properties during the years ended 31 March 2014 and 2013.

8. EXPLORATION AND EVALUATION PROPERTIES, continued

Destiny Gold Property, Québec, Canada

On 26 September 2011, the Company exercised its option to acquire a 60% option interest in the Destiny Gold property and issued 3,033,333 common shares and warrants to purchase up to 2,666,667 common shares of the Company until 26 September 2015.

Under the terms of the letter agreement (“LA”), PFN was to grant to the Company an irrevocable right and option to acquire all right, title and interest of PFN in and to the option interest in the Destiny Gold property (the "Next Gen Option"), for an aggregate purchase price of (i) a total of $675,000 in cash; (ii) 10,000,000 Next Gen common shares (“Next Gen Shares”); and (iii) 2,666,667 Next Gen share purchase warrants (“Next Gen Warrants”) exercisable into 2,666,667 common shares of Next Gen at varying prices for four years from the date of issuance; all of which were due as follows:

- Cash: the Company paid $50,000 to PFN on signing the LA and was to make the cash payments to PFN in tranches of: (i) $75,000 on or before the first anniversary of the LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.

- Next Gen Shares: 10,000,000 common shares of the Company were to be issued to PFN as fully paid and non-assessable common shares, in tranches, of: (i) 3,033,333 common shares upon the Company’s delivery to PFN of a notice of commencement of the Next Gen Option (issued); (ii) 3,483,333 common shares on or before the first anniversary of the LA; and (iii) 3,483,333 common shares on or before the second anniversary of the LA.

- Next Gen Warrants: 2,666,667 share purchase warrants were issued to PFN upon the Company’s delivery to PFN of a notice of commencement of the Next Gen Option, which expire on 26 September 2015 (Note 11). Further, (i) 666,667 Warrants are exercisable at $0.375 per share; (ii) 666,667 Warrants are exercisable at $0.45 per share; (iii) 666,667 Warrants are exercisable at $0.525 per share; and (iv) 666,667 Warrants are exercisable at $0.75 per share.

In addition to the cash, common shares and share purchase warrants under the terms of the LA, the Company was also responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under PFN’s agreement with Alto Ventures Ltd. (“Alto”), along with any costs and expenditures associated with any resultant joint venture that arises between the Company and Alto. PFN would continue to issue common shares to Alto under its agreement with Alto until the date of exercise of the Next Gen Option and the transfer and registration of the option interest from PFN to the Company in accordance with the terms of the LA.

8. EXPLORATION AND EVALUATION PROPERTIES, continued

Under the terms of the initial option between Alto and PFN, PFN would earn a 60% interest in the Destiny Gold property by paying to Alto $200,000 in cash (of which $100,000 has been paid); issuing to Alto an aggregate of 166,667 common shares of PFN (of which 100,000 common shares have been issued); and incurring an aggregate of $3,500,000 in exploration expenditures over a four-year period (of which $1,557,000 has been incurred). Subsequent to the vesting of its option interest, PFN would form a joint venture with Alto to further develop the Destiny Gold property. Certain claims comprising the property are subject to underlying net smelter return royalties ranging from 1% to 3.5%, with varying buy-back provisions.

During the year ended 31 March 2014, the company had a receivable of $Nil (2013: $197,848) from Revenu Québec related to Resource Tax Credits for the exploration expenses incurred on Destiny Gold Property.

During the year ended 31 March 2013, the Company terminated the LA with PFN resulting in a write-down of $73,885, net of Resource Tax Credits for exploration expenses, related to the Destiny Gold property. This has been recorded as a write-down of exploration and evaluation properties during the year ended 31 March 2013.

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the year ended 31 March 2014 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2013	12,809	1,458	76,870	91,137
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2014	**12,809**	**1,458**	**76,870**	**91,137**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2013	3,390	1,458	7,687	12,535
Depreciation	2,219	-	7,687	9,906
As at 31 March 2014	**5,609**	**1,458**	**15,374**	**22,441**
NET BOOK VALUE				
As 31 March 2013	9,419	-	69,183	78,602
Total changes during the year	(2,219)	-	(7,687)	(9,906)
As at 31 March 2014	**7,200**	**-**	**61,496**	**68,696**

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT, continued

The changes in the Company's property and equipment for the year ended 31 March 2013 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2012	11,720	1,458	76,870	90,048
Additions	1,089	-	-	1,089
Disposals	-	-	-	-
As at 31 March 2013	12,809	1,458	76,870	91,137
DEPRECIATION AND IMPAIRMENT				
As 31 March 2012	1,172	729	-	1,901
Depreciation	2,218	729	7,687	10,634
As at 31 March 2013	3,390	1,458	7,687	12,535
NET BOOK VALUE				
As 31 March 2012	10,548	729	76,870	88,147
Total changes during the year	(1,129)	(729)	(7,687)	(9,545)
As at 31 March 2013	9,419	-	69,183	78,602

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILTIIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to exploration and evaluation activities and amounts payable for financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. These are broken down as follows:

	As at 31 March 2014	As at 31 March 2013
	$	$
Trade payables	**19,418**	425
Accrued liabilities	**8,500**	12,000
Total trade and other payables	**27,918**	12,425

11. SHARE CAPITAL

11.1 Authorized share capital

The Company has authorized for issuance an unlimited number of common shares. At 31 March 2014, the Company had 17,454,227 common shares outstanding (2013: 17,365,946).

11.2 Share issuances

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by Agora Internet Relation Corp. (Note 19).

11.3 Share consolidation

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 1).

(Expressed in Canadian dollars)

11.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 31 March 2014 and 2013:

	31 March 2014		31 March 2013	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of year	**2,666,667**	**0.525**	5,160,111	0.540
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	(2,493,444)	0.555
Outstanding, end of year	**2,666,667**	**0525**	2,666,667	0.525

The following table summarizes information regarding share purchase warrants outstanding as at 31 March 2014:

Date issued	**Number of warrants**	**Exercise price**	**Expiry date**
		$	
26 September 2011	666,667	0.375	26 September 2015
26 September 2011	666,667	0.450	26 September 2015
26 September 2011	666,667	0.525	26 September 2015
26 September 2011	666,666	0.750	26 September 2015
	2,666,667		

11.5 Stock options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the Discounted Market Price policies of the CSE. The aggregate number of common shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued common shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

(Expressed in Canadian dollars)

11.5 Stock options, continued

The following is a summary of the changes in the Company's stock option plan for the years ended 31 March 2014 and 2013:

	31 March 2014		31 March 2013	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Outstanding, beginning of year	**1,000,000**	**0.360**	1,126,667	0.360
Granted	**925,000**	**0.190**	-	-
Exercised	**-**	**-**	-	-
Forfeited	**(250,000)**	**0.375**	(126,667)	0.375
Outstanding, end of year	**1,675,000**	**0.230**	1,000,000	0.360

The weighted average fair value of the options granted during the year ended 31 March 2014 was estimated at $67,747 (2013: $Nil) at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	Year ended 31 March 2014	Year ended 31 March 2013
Risk free interest rate	**1.63%**	-
Expected life	**5 years**	-
Expected volatility	**124.08%**	-
Expected dividend per share	**0.00%**	-

(Expressed in Canadian dollars)

11.5 Stock options, continued

The following table summarizes information regarding stock options outstanding and exercisable as at 31 March 2014:

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise price
			$
Options outstanding			
$0.015 - $0.285	925,000	4.91	0.190
$0.020 - $0.290	133,333	2.44	0.240
$0.300 - $0.585	616,667	2.36	0.375
Total options outstanding	**1,675,000**	**3.72**	**0.220**
Options exercisable			
$0.015 - $0.285	122,984	4.91	0.110
$0.160 - $0.160	89,333	1.42	0.240
$0.300 - $0.585	616,667	2.36	0.375
Total options exercisable	**828,984**	**2.77**	**0.220**

11.6 Escrow shares

On 18 October 2010, the Company entered into an escrow agreement in connection with the listing of the Company’s common shares on the TSX-V. The escrow shares are released over 36 months from the date the Company’s common shares are listed on the TSX-V. For the year ended 31 March 2014, a total of 574,600 common shares were held in escrow.

(Expressed in Canadian dollars)

12. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $17,297 was recognized in the year ended 31 March 2014 (2013: $18,738):

Grant date	Fair value	**Amount vested to 31 March 2014**	Amount vested to 31 March 2013
	$	**$**	$
9 August 2011	108,696	**-**	10,888
7 September 2011	18,732	**3,638**	7,850
26 February 2014	67,747	**13,659**	-
Total	195,175	**17,297**	18,738

13. FINANCE INCOME

The finance income for the Company is broken down as follows:

	2014	2013
	$	$
Interest income	**1,746**	3,412
Flow-through share income	**-**	3,570
Total finance income	**1,746**	6,982

(Expressed in Canadian dollars)

14. TAXES

14.1 Provision for income taxes

Year ended 31 March	**2014**	2013
	$	$
Loss before tax	**314,815**	478,389
Statutory tax rate	**25.25%**	25.00%
Expected tax recovery	**79,491**	119,597
Difference in foreign tax rates	**-**	-
Non-deductible items	**(7,709)**	(4,685)
Change in prior year provision to actual	**(3,919)**	76,738
Change in future tax rates	**10,263**	-
Change in valuation allowance	**(78,126)**	(191,650)
Tax recovery for the year	**-**	-

14.2 Deferred tax balances

The tax effects of temporary differences that give rise to future income tax assets and liabilities are as follows:

As at 31 March	**2014**	2013
	$	$
Tax loss carry-forwards	**679,794**	538,582
Property and equipment	**9,341**	14,576
Exploration and evaluation properties	**4,590**	6,838
Share issue costs	**412,120**	467,723
	1,105,845	1,027,719
Valuation allowance	**(1,105,845)**	(1,027,719)
Deferred tax assets (liabilities)	**-**	-

(Expressed in Canadian dollars)

14.3 Expiry dates

The Company's recognized and unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

As at 31 March	2014
	$
Non-capital losses	
2026	**183,998**
2027	**243,922**
2028	**165,424**
2029	**70,240**
2030	**174,093**
2031	**452,168**
2032	**689,782**
2033	**415,559**
2034	**295,689**
Total non-capital losses	**2,690,875**
Total resource-related deduction, no expiry	**1,632,160**

15. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 31 March	2014	2013
	$	$
Net loss for the year	**314,815**	478,389
Weighted average number of shares – basic and diluted	**17,371,988**	17,365,946
Loss per share, basic and diluted	**(0.018)**	(0.028)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the years ended 31 March 2014 and 2013.

(Expressed in Canadian dollars)

16. CAPITAL SHARE MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

17. FINANCIAL INSTRUMENTS

17.1 Categories of financial instruments

	As at 31 March 2014	As at 31 March 2013
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	**167,866**	306,796
Available-for-sale, at fair value		
Short term investments	**800**	1,900
Long term investments	**1**	1
Total financial assets	**168,667**	308,697
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**19,418**	425
Due to related parties	**13,246**	49,731
Total financial liabilities	**32,664**	50,156

(Expressed in Canadian dollars)

17.2 Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at 31 March 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	167,866	-	-	167,866
Short-term investments	800	-	-	800
Long-term investments	-	-	1	1
Total	**168,666**	**-**	**1**	**168,667**

As at 31 March 2013	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	306,796	-	-	306,796
Short-term investments	1,900	-	-	1,900
Long-term investments	-	-	1	1
Total	308,696	-	1	308,697

There were no transfers between Level 1, 2 and 3 in the years ended 31 March 2014 and 2013.

17.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits, with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

(Expressed in Canadian dollars)

17.3 Management of financial risks, continued

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

18. RELATED PARTY TRANSACTIONS

For the years ended 31 March 2014 and 2013, the Company had related party transactions with PFN, a company with directors in common with the Company. The Company pays shared office costs to PFN on a month-to-month basis.

18.1 Related party expenses

The Company's related party expenses are broken down as follows:

Year ended 31 March	**2014**	2013
	$	$
Administration and management fees	**21,862**	89,385
Accounting	**7,200**	-
Rent	**49,747**	60,993
Consulting	**45,223**	5,410
Insurance	**-**	3,246
Investor relation	**1,564**	-
Office furniture and equipment	**-**	1,089
Transfer agent and filing fees	**394**	-
Travel expenses	**4,664**	-
Total related party expenses	**130,654**	160,123

(Expressed in Canadian dollars)

18.2 Due from/to related parties

The Company has the following amounts due to related parties:

Year ended 31 March	2014	2013
	$	$
PFN	4,106	49,482
Key management personnel	9,140	249
Total amount due to related parties	**13,246**	49,731

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

18.3 Key management personnel compensation

The remuneration of directors and other members of key management were as follows:

Year ended 31 March	2014	2013
	$	$
Short-term benefits	37,600	115,042
Share-based payments	12,594	18,222
Total key management personnel compensation	**50,194**	133,264

19. SUPPLEMENTAL CASH FLOW INFORMATION

Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Year ended 31 March	2014	2013
	$	$
Interest paid	-	-
Taxes paid	-	-
Total cash payments	-	-

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by Agora Internet Relation Corp. (Note 11).

(Expressed in Canadian dollars)

20. COMMITMENTS

As at 31 March 2014, the Company had the following commitments:

	< 1 year	2-5 years	> 5 years	Total
	$	$	$	$
Rent and lease payments	57,428	247,487	205,788	510,703
Total commitments	**57,428**	**247,487**	**205,788**	**510,703**

The Company has a sub-lease agreement with PFN under which the Company pays 25% of the total lease payments of the current office space at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7 (Note 18).

21. EVENTS AFTER THE REPORTING PERIOD

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results to our clients.

On 3 July 2014, the Company announced a non-brokered private placement of up to 3,000,000 units for gross proceeds of up to $300,000.

22. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the year ended 31 March 2014 were approved and authorized for issue by the Board of Directors on 17 July 2014.