

**MINNOVA CORP.
(FORMERLY AURIGA GOLD CORP.)
CONDENSED INTERIM**

FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED

SEPTEMBER 30, 2014 AND 2013

(UNAUDITED)

(Expressed in Canadian Dollars)

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three and six months ended September 30, 2014, have not been reviewed by the Company's auditors.

MINNOVA CORP.
(Formerly Auriga Gold Corp.)

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(UNAUDITED)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	September 30, 2014	March 31, 2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 147,411	\$ 402,312
Amounts receivable	200,723	144,295
Prepaid expenses	5,197	28,272
TOTAL CURRENT ASSETS	353,331	574,879
NON-CURRENT ASSETS		
Restricted cash equivalents (Note 3)	75,736	75,000
Equipment (Note 4)	279,898	287,075
Exploration properties and deferred exploration expenditures (Note 5)	13,862,139	13,218,614
TOTAL NON-CURRENT ASSETS	14,217,773	13,580,689
TOTAL ASSETS	\$ 14,571,104	\$ 14,155,568
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Notes 6 and 12)	\$ 2,067,135	\$ 2,044,089
Flow-through premium liability	-	50,685
Debentures (Note 7)	1,380,136	1,322,479
TOTAL CURRENT LIABILITIES	3,447,271	3,417,253
NON-CURRENT LIABILITIES		
Provision for closure and reclamation (Note 8)	3,319,210	2,886,576
TOTAL LIABILITIES	6,766,481	6,303,829
EQUITY		
Share capital (Note 9(b))	14,105,280	13,755,280
Share-based payment reserves (Note 10)	1,197,017	1,092,012
Deficit	(7,497,674)	(6,995,553)
TOTAL EQUITY	7,804,623	7,851,739
TOTAL LIABILITIES AND EQUITY	\$ 14,571,104	\$ 14,155,568

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Notes 3,8,13 and 14)

APPROVED ON BEHALF OF THE BOARD:

Signed "James White" Director
Signed "Gorden Glenn" Director

See accompanying notes to the unaudited condensed interim financial statements

MINNOVA CORP.

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(Formerly Auriga Gold Corp.)**CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

(UNAUDITED)

(Expressed in Canadian Dollars)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
EXPENSES				
Other losses	\$ -	\$ 144,248	\$ -	\$ 144,248
(Gain) loss on debt settlement with shares (Note 9(b)(i)(ii))	-	(336,164)	100,000	(336,164)
Stock-based payments (Note 10(a)(i)(ii))	287,608	-	299,513	-
General and administrative (Note 11)	45,565	24,268	97,286	76,843
Management and directors' compensation (Note 12(b))	47,000	47,000	94,000	94,000
Professional and consulting fees (Note 12(a))	20,995	35,513	56,524	62,749
Amortization (Note 4)	<u>3,588</u>	<u>4,100</u>	<u>7,177</u>	<u>17,752</u>
(LOSS) INCOME BEFORE BELOW ITEMS	<u>(404,756)</u>	<u>81,035</u>	<u>(654,500)</u>	<u>(59,428)</u>
Reversal of flow-through premium liability	23,853	-	50,685	-
Finance cost	<u>(46,764)</u>	<u>(120,654)</u>	<u>(92,814)</u>	<u>(210,271)</u>
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	<u>\$ (427,667)</u>	<u>\$ (39,619)</u>	<u>\$ (696,629)</u>	<u>\$ (269,699)</u>
Net loss per common share - basic and diluted	\$ (0.03)	\$ (0.00)	\$ (0.05)	\$ (0.00)
Weighted average number of shares outstanding - basic and diluted	15,428,253	62,542,311	15,166,729	60,706,907

See accompanying notes to the unaudited condensed interim financial statements

(UNAUDITED)

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Six Months Ended September 30,	
	2014	2013
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss for the period	\$ (696,629)	\$ (269,699)
Items not involving cash:		
Amortization	7,177	17,752
Other losses	-	144,248
Accretion of provision for closure and reclamation	35,156	35,239
Accretion of debentures	-	74,040
Loss (gain) on debt settlement with shares	100,000	(336,164)
Reversal of flow-through premium liability	(50,685)	-
Interest expense	57,657	57,654
Stock-based payments	299,513	-
	<u>(247,811)</u>	<u>(276,930)</u>
Changes in non-cash working capital balances:		
(Increase) decrease in amounts receivable	(56,428)	3,468
Decrease in prepaid expenses	23,075	45,660
Increase in accounts payable and accrued liabilities	82,395	220,062
	<u>49,042</u>	<u>269,190</u>
Cash flows used in operating activities	<u>(198,769)</u>	<u>(7,740)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Increase in exploration properties and deferred exploration expenditures	(55,396)	(100,320)
Increase in restricted cash equivalents	(736)	-
Cash flows used in investing activities	<u>(56,132)</u>	<u>(100,320)</u>
Decrease in cash and cash equivalents	(254,901)	(108,060)
Cash and cash equivalents, beginning of period	402,312	119,046
Cash and cash equivalents, end of period	<u>\$ 147,411</u>	<u>\$ 10,986</u>
Supplemental Information:		
Cash, end of period	147,411	986
Cash equivalents, end of period	-	10,000
Cash and cash equivalents, end of period	<u>\$ 147,411</u>	<u>\$ 10,986</u>
Shares issued for settlement of debt (Note 9(b)(i)(ii))	\$ 350,000	\$ 138,600
Change in accrued property expenditures	\$ 190,650	\$ 42,580

See accompanying notes to the unaudited condensed interim financial statements

MINNOVA CORP.**(Formerly Auriga Gold Corp.)**

(UNAUDITED)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

	<u>Share Capital</u>		<u>Share-based Payment Reserves</u>			<u>Total</u>
	<u>Number</u>	<u>Amount</u>	<u>Stock options</u>	<u>Share purchase warrant reserve</u>	<u>Deficit</u>	
Balance, March 31, 2013	5,885,134	\$ 12,244,862	\$ 450,756	\$ 967,557	\$ (6,538,316)	\$ 7,124,859
Common shares issued for debt settlement	693,000	138,600	-	-	-	138,600
Warrants expired	-	-	-	(68,998)	68,998	-
Loss for the period	-	-	-	-	(269,699)	(269,699)
Balance, September 30, 2013	<u>6,578,134</u>	<u>\$ 12,383,462</u>	<u>\$ 450,756</u>	<u>\$ 898,559</u>	<u>\$ (6,739,017)</u>	<u>\$ 6,993,760</u>
Balance, March 31, 2014	14,713,968	\$ 13,755,280	\$ 558,504	\$ 533,508	\$ (6,995,553)	\$ 7,851,739
Common shares issued for debt settlement	714,285	350,000	-	-	-	350,000
Stock-based payments	-	-	299,513	-	-	299,513
Warrants expired	-	-	-	(194,508)	194,508	-
Loss for the period	-	-	-	-	(696,629)	(696,629)
Balance, September 30, 2014	<u>15,428,253</u>	<u>\$ 14,105,280</u>	<u>\$ 858,017</u>	<u>\$ 339,000</u>	<u>\$ (7,497,674)</u>	<u>\$ 7,804,623</u>

See accompanying notes to the unaudited condensed interim financial statements

(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Minnova Corp. (formerly Auriga Gold Corp.) (the "Company") was a public company incorporated on July 19, 1994 pursuant to the laws of the Companies Act of Barbados. Since the Company's management and the principal office of the Company are located in Toronto, Ontario, a continuance (the "Continuance") of the Company from the laws of Barbados to the laws of the Province of Ontario was filed on April 21, 2010. As a result of the Continuance, the corporate legislation that governs the Company ceased to be the Barbados Act and the Company is now governed by the Business Corporations Act (Ontario). The registered office of the Company is located at 365 Bay Street, Suite 400, Toronto, Ontario, M5H 2V1. On June 26, 2014, the Company changed its name to "Minnova Corp." and commenced trading on the Toronto Stock Exchange at the opening on June 27, 2014 under the new symbol "MCI".

On January 15, 2014, the Company completed a share consolidation of its common shares of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares (the "Share Consolidation"). As part of the Share Consolidation, the stock options and warrants were also consolidated and the exercise price adjusted to reflect the consolidation. The Share Consolidation has been reflected in these unaudited condensed interim financial statements and all applicable references to the number of shares, warrants and stock options and their strike price and per share information has been adjusted.

The Company's exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its exploration activities, the Company is required to hold certain permits. There is no assurance that the Company's existing permits will be renewed or that new permits that have been or will be applied for will be granted.

Major expenditures are required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. The recoverability of valuations assigned to mineral properties is dependent upon discovery of economically recoverable reserves, the ability to obtain necessary financing to complete development and future profitable production or proceeds from disposition.

Although the Company has taken steps to verify title to exploration properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to other licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal land claims and non-compliance with regulatory requirements.

In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. The Company has a working capital deficiency of \$3,093,940 and a deficit of \$7,497,674 as at September 30, 2014 and will require additional financing to fund its continuing exploration efforts and meet its flow-through commitment. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms acceptable to the Company. These unaudited condensed interim financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities in the normal course of business. In the event the Company is not able to obtain adequate funding, there is uncertainty as to whether the Company will be able to maintain its property interests. These unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. Such adjustments could be material. Changes in future conditions could require material write downs of the carrying values of certain assets.

(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies applied in these unaudited condensed interim financial statements are based on IFRS issued and outstanding as at October 28, 2014, the date the Board of Directors approved these unaudited condensed interim financial statements for issue. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended March 31, 2014. Any subsequent changes to IFRS that are issued and effective as at March 31, 2015 could result in a restatement of these unaudited condensed interim financial statements.

Change in Accounting Policies

(i) IAS 32 – Financial Instruments: Presentation was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. At April 1, 2014, the Company adopted this amendment and there was no material impact on the Company's unaudited condensed interim financial statements.

(ii) IAS 36 – Impairments of Assets was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. At April 1, 2014, the Company adopted this amendment and there was no material impact on the Company's unaudited condensed interim financial statements.

(iii) IAS 39 – Financial Instruments: Recognition and Measurement was amended by the IASB in June 2013 to clarify that novation of a hedging derivative to a clearing counterparty as a consequence of laws or regulations or the introduction of laws or regulations does not terminate hedge accounting. At April 1, 2014, the Company adopted this amendment and there was no material impact on the Company's unaudited condensed interim financial statements.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after April 1, 2014 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

Continued...

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013
(Expressed in Canadian Dollars)

3. RESTRICTED CASH EQUIVALENTS

The Company has guaranteed by pledge of a guaranteed investment certificate an irrevocable standby letter of credit for \$75,000 to the Government of Manitoba as a financial assurance guarantee in connection with the PL Property closure plan (see Note 8).

4. EQUIPMENT

Cost

	Mine Buildings
Balance, March 31, 2014 and September 30, 2014	\$ 305,096

Accumulated Amortization

	Mine Buildings
Balance, March 31, 2014	\$ 18,021
Amortization for the period	7,177
Balance, September 30, 2014	\$ 25,198

Carrying Amount

	Mine Buildings
Balance, March 31, 2014	\$ 287,075
Balance, September 30, 2014	\$ 279,898

(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

5. EXPLORATION PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

As at September 30, 2014

	March 31, 2014	Expenditures	September 30, 2014
<i>Exploration and Evaluation Properties</i>			
Nokomis Property	\$ 2,447,341	\$ 30,652	\$ 2,477,993
PL Property	10,771,273	612,873	11,384,146
	\$ 13,218,614	\$ 643,525	\$ 13,862,139

As at March 31, 2014

	March 31, 2013	Expenditures	March 31, 2014
<i>Exploration and Evaluation Properties</i>			
Nokomis Property	\$ 2,359,765	\$ 87,576	\$ 2,447,341
PL Property	10,392,136	379,137	10,771,273
	\$ 12,751,901	\$ 466,713	\$ 13,218,614

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2014	March 31, 2014
Trade payables	\$ 1,654,645	\$ 1,674,054
Accrued and payroll liabilities	412,490	370,035
Total	\$ 2,067,135	\$ 2,044,089

The following is an aged analysis of the accounts payable and accrued liabilities:

	September 30, 2014	March 31, 2014
Less than 1 month	\$ 384,195	\$ 398,913
1 to 3 months	144,185	209,024
Over 3 months	1,538,755	1,436,152
Total	\$ 2,067,135	\$ 2,044,089

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(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

7. DEBENTURES

On August 27, 2012, the Company completed a \$900,000 non-brokered private placement debenture financing with private arm's length individuals. The debenture is unsecured, yields 10% and was due on August 21, 2013 (The debenture has not been repaid). The holders of the debenture received 65,250 common shares and the value of these shares was \$123,972. The value of the 65,250 shares was calculated by applying the market price of the shares at the time of issue. During the three and six months ended September 30, 2014, the Company recorded an accretion expense of \$nil in the unaudited condensed interim statement of operations (three and six months ended September 30, 2013 - \$17,809 and \$48,974, respectively).

On February 1, 2013, the Company completed a private placement of 250 units raising proceeds of \$250,000. The units are comprised of an unsecured debenture with a one year term in the principal amount of \$1,000, bearing a coupon of 10%, payable monthly and 333 common shares of the Company. The holders of the debenture received 83,325 common shares and the value of these shares was \$49,995. The value of the 83,325 shares was calculated by applying the market price of the shares at the time of issue. During the three and six months ended September 30, 2014, the Company recorded an accretion expense of \$nil in the unaudited condensed interim statement of operations (three and six months ended September 30, 2013 - \$12,601 and \$25,066, respectively).

On September 10, 2014, lenders extended the maturities of the two debentures to March 31, 2015 and the extension was approved by Toronto Stock Exchange.

8. PROVISION FOR CLOSURE AND RECLAMATION

The Company has provided a letter of credit in the amount of \$75,000 to the Government of Manitoba under the terms of the closure plan on the PL Property (See Note 3). The Company further provided all assets, goods and personal property involved in the operation of the PL Property, as a security of up to \$5,000,000 for the performance of the closure plan and the rehabilitation program.

The Company's provision for closure and reclamation costs is based on management's estimates of costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred. The Company has estimated its total provision for closure and reclamation to be \$3,319,210 at September 30, 2014, based on a total future liability of approximately \$3,073,160, an inflation rate of 2.1% and a discount rate of 2.15%. Reclamation is expected to occur in approximately 9 years.

The following is an analysis of the provision for closure and reclamation:

Balance, March 31, 2014	\$ 2,886,576
Effect of changes in the discount rate	397,478
Accretion incurred in the period	35,156
Balance, September 30, 2014	\$ 3,319,210

During the three and six months ended September 30, 2014, the Company expensed \$17,777 and \$35,156, respectively, in accretion to the unaudited condensed interim statement of operations (three and six months ended September 30, 2013 - \$17,939 and \$35,239, respectively).

Continued...

(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

9. SHARE CAPITAL

(a) Authorized:

Unlimited number of common shares with no par value.

(b) Common Shares Issued:

	Number of Shares	Amount
Balance, March 31, 2013	5,885,134	\$ 12,244,862
Common shares issued for debt settlement (i)	693,000	138,600
Balance, September 30, 2013	6,578,134	\$ 12,383,462
Balance, March 31, 2014	14,713,968	\$ 13,755,280
Common shares issued for debt settlement (ii)	714,285	350,000
Balance, September 30, 2014	15,428,253	\$ 14,105,280

- (i) On August 12, 2013, the Company settled \$474,764 in debt with arm's length and non-arm's length parties, resulting in a gain on debt settlement of \$336,164. The indebtedness relates to the provision of services, supplies and consulting. A total of 693,000 shares priced at \$0.20 per share were issued to creditors in full or partial settlement, as the case may be, of outstanding indebtedness, including 250,000 shares issued to the former Chief Executive Officer ("CEO") to settle \$180,215 of indebtedness and 160,000 shares issued to a former employee of the Company to settle \$116,675 of indebtedness. The value of the 693,000 shares was calculated by applying the market price of the shares at the time of issue.
- (ii) On June 6, 2014, the Company issued 714,285 common shares of the Company to an officer of the Company in settlement of \$250,000 accounts payable owed to the officer's company. The common shares issued were valued at \$350,000 on the date of issuance based on \$0.49 per share in accordance with the fair market value. The settlement resulted a loss of \$100,000 which was recorded in the unaudited condensed interim statements of operations for the six months ended September 30, 2014.

10. SHARE-BASED PAYMENT RESERVES

(a) Stock Options

The Company has granted options for the purchase of common shares to its directors, officers, employees and certain consultants. The purpose of the plan is to attract, retain and motivate these parties by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and to benefit from its growth. These options are valid for a maximum of 5 years from the date of issue. Vesting terms and conditions are determined by the Board of Directors at the time of the grant. The maximum number of options to be issued under the plan shall not exceed 10% of the total number of common shares issued and outstanding.

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(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

10. SHARE-BASED PAYMENT RESERVES (Continued)

(a) Stock Options (continued)

The following table shows the continuity of stock options for the periods ended September 30, 2014 and 2013:

	Number of Stock Options	Weighted Average Exercise Price
Balance, March 31, 2013 and September 30, 2013	233,500	\$ 2.70
Balance, March 31, 2014	782,500	\$ 0.90
Granted (i)(ii)	755,000	0.40
Balance, September 30, 2014	1,537,500	\$ 0.65

- (i) On April 17, 2014, the Company granted 30,000 stock options to CHF Investor Relations ("CHF") with each option exercisable for one common share of the Company at an exercise price of \$0.45 per common share. These options vested immediately upon grant. The grant date fair value of \$11,905 was assigned to the stock options as estimated by using the Black-Scholes option valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 238.18% based on historical prices of the Company's stock, risk-free rate of return of 1.46% and an expected life of 5 years. For the three and six months ended September 30, 2014, the impact on expenses was \$nil and \$11,905, respectively.
- (ii) On September 26, 2014, the Company granted 725,000 stock options to certain employees, consultants and director to purchase common shares of the Company exercisable at a price of \$0.40 per common share for a period of 5 years. These options vested immediately upon grant. The grant date fair value of \$287,608 was assigned to the stock options as estimated by using the Black-Scholes option valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 235.48% based on historical prices of the Company's stock, risk-free rate of return of 1.51% and an expected life of 5 years. For the three and six months ended September 30, 2014, the impact on expenses was \$287,608.

The following are the stock options outstanding at September 30, 2014:

Number of Options Issued	Grant Date Fair Value (\$)	Number of Options Exercisable	Weighted Average Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Expiry Date
10,000	4,000	10,000	2.00	0.46	March 18, 2015
17,500	26,250	17,500	2.00	0.56	April 23, 2015
30,000	80,100	30,000	3.55	1.17	December 2, 2015
125,000	225,000	125,000	2.50	2.92	August 29, 2017
600,000	223,154	600,000	0.38	4.33	January 27, 2019
30,000	11,905	30,000	0.45	4.55	April 17, 2019
725,000	287,608	725,000	0.40	4.99	September 26, 2019
1,537,500	858,017	1,537,500	0.65	4.40	

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(UNAUDITED)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

(Expressed in Canadian Dollars)

10. SHARE BASED PAYMENT RESERVES (Continued)

(b) Share Purchase Warrants

The following table shows the continuity of share purchase warrants for the periods ended September 30, 2014 and 2013:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2013	949,093	\$ 4.50
Expired	(37,270)	5.00
Balance, September 30, 2013	911,823	\$ 4.40
Balance, March 31, 2014	517,294	\$ 4.67
Expired	(367,294)	2.50
Balance, September 30, 2014	150,000	\$ 10.00

The following are the share purchase warrants outstanding at September 30, 2014:

Number of Warrants Issued	Grant Date Fair Value (\$)	Weighted Average Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Expiry Date
150,000	339,000	10.00	2.34	January 30, 2017

11. GENERAL AND ADMINISTRATIVE

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
Office and general	\$ 34,731	\$ 11,598	\$ 37,348	\$ 32,120
Salaries and benefits	-	-	-	11,078
Travel	11,974	-	11,974	11,836
Business development	(3,250)	-	25,500	-
Stock exchange and transfer agent fees	2,124	12,670	9,160	20,657
Shareholder information	(14)	-	12,804	-
Bank charges and interest	-	-	-	1,152
Part XII.6 tax	-	-	500	-
General and administrative	\$ 45,565	\$ 24,268	\$ 97,286	\$ 76,843

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013
(Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

(a) The Company entered into the following transactions with related parties recorded as professional and consulting fees:

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
Irwin Lowy LLP (i)	\$ -	\$ 14,431	\$ 31,076	\$ 14,431

(i) A director of the Company is a partner at Irwin Lowy LLP, a law firm, and the fees relate to professional services provided by the firm. As at September 30, 2014, the Company owed \$6,092 (March 31, 2014 - \$24,132) to this firm and this amount is included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing with no fixed terms of repayment.

(ii) See Note 9(b)(i)(ii).

(iii) To the knowledge of the directors and senior officers of the Company, as at September 30, 2014, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all of the common shares of the Company. The holdings can change at any time at the discretion of the owners.

None of the Company's major shareholders have different voting rights other than holders of the Company's common shares.

The Company is not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, the Company is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

(b) Remuneration of directors and key management personnel of the Company was as follows:

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
Directors fees	\$ 17,000	\$ 17,000	\$ 34,000	\$ 34,000
Amounts paid or accrued to CEO for salaries, consulting and benefits	\$ 60,000	\$ 60,000	\$ 120,000	\$ 120,000
Stock-based payments	\$ 165,202	\$ -	\$ 165,202	\$ -

Director fees - The Board of Directors do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services.

Salaries and benefits - officers are entitled to stock options, consulting fees or salaries and benefits where employment or service contracts are in place with the Company for their services.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013
(Expressed in Canadian Dollars)

13. ENVIRONMENTAL CONTINGENCIES

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

14. COMMITMENTS

Pursuant to the terms of the flow-through share agreements, the Company needs to comply with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada). The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments. The Company has fulfilled all of its flow-through expenditure commitments as at September 30, 2014.

The Company is party to a management contract. This contract contains clauses requiring additional payments of up to \$480,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not occurred, the contingent payments have not been reflected in these unaudited condensed interim financial statements. Additional minimum management contractual commitments remaining under the agreement are approximately \$480,000, of which \$240,000 is due within one year.