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Condensed Consolidated Interim Financial Statements
Nine Months Ended January 31, 2015 and 2014
(Expressed in Canadian Dollars)
(Unaudited)

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NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of the Company for the nine months ended January 31, 2015 and comparatives for the nine months ended January 31, 2014 were prepared by management and have not been reviewed or audited by the Company's auditors.

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian Dollars, Unaudited)

		Three Months Ended January 31,		Nine Months Ended January 31,	
	Note	**2015**	**2014**	**2015**	**2014**
Expenses					
Administration		$ 60,000	$ 31,500	$ 60,000	$ 94,500
Consulting		41,278	32,869	128,673	112,005
Exploration and evaluation, net of recoveries	6(e)	230,656	(938)	268,259	(185,171)
Independent directors' fees		-	8,337	6,000	26,008
Investor relations		6,733	27,770	39,012	131,301
Office and general		5,871	7,925	10,791	26,095
Professional fees		60,585	43,503	132,154	172,398
Regulatory fees and taxes		7,589	772	10,819	5,128
Shareholders' communications		1,958	619	3,834	2,485
Transfer agent		1,866	225	9,549	5,812
Travel and promotion		-	-	3,262	2,126
		416,536	**152,582**	**672,353**	**392,687**
Foreign exchange loss		17,826	17,010	37,376	31,018
Interest and other income		(8,909)	(77)	(8,909)	(232)
Loan interest accretion		32,508	599	33,705	1,802
Mineral property impairment	6	-	-	27,190	369,010
Realized gain on sale of marketable securities		-	-	(4,975)	-
		41,425	**17,532**	**84,387**	**401,598**
Net Loss for the Period		**$ 457,961**	**$ 170,114**	**$ 756,740**	**$ 794,285**
Other Comprehensive Loss					
Reclassification adjustment for realized gain on sale of marketable securities included in net loss		-	-	4,975	-
Unrealized loss (gain) on marketable securities, net of taxes		-	-	25	(8,000)
Net Loss and Comprehensive Loss for the Period		**$ 457,961**	**$ 170,114**	**$ 761,740**	**$ 786,285**
Loss per share - basic and diluted		$ 0.03	$ 0.01	$ 0.04	$ 0.05
Weighted average number of common shares outstanding		17,803,284	16,897,906	17,281,813	15,537,109

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

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars, Unaudited)

As at	**Note**	**January 31, 2015**	**April 30, 2014**
Current Assets			
Cash		$ 61,990	$ 121,247
Taxes and other receivables		2,508	132,031
Marketable securities	5	-	16,000
Prepaids		368	32,692
		64,866	**301,970**
Non-Current Assets			
Reclamation bonds		44,360	43,881
Mineral properties	6	2,051,619	1,378,892
		2,095,979	**1,422,773**
		$ 2,160,845	**$ 1,724,743**
Current Liabilities			
Accounts payable and accrued liabilities		$ 636,760	$ 619,335
Due to related parties	7	442,906	207,407
Loans payable	8	97,178	51,430
Convertible loan payable	8	755,430	-
		1,932,274	**878,172**
Equity			
Share capital	9	29,647,415	29,551,475
Subscriptions received		47,800	-
Share-based payments reserve		337,276	891,522
Warrants reserve		66,270	66,270
Accumulated other comprehensive income		-	5,000
Deficit		(29,870,190)	(29,667,696)
		228,571	**846,571**
		$ 2,160,845	**$ 1,724,743**

Approved on behalf of the Board “*Lawrence Page*” **Lawrence Page, Q.C.** “*Eugene Spiering*” **Eugene Spiering**

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

Southern Silver Exploration Corp.

(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Changes in Equity
Nine Months Ended January 31, 2015 and 2014
(Expressed in Canadian Dollars, Unaudited)

	Share Capital			Share-based		Accumulated Other		
	Number of Shares	Amount	Subscriptions Received	Payments Reserve	Warrants Reserve	Comprehensive Income (Loss)	Deficit	Total
Balance as at April 30, 2013	**14,469,891**	**$ 29,073,186**	**$ -**	**$ 1,054,446**	**$ 66,270**	**$ (2,000)**	**$ (27,739,367)**	**$ 2,452,535**
Issued								
Private placement	2,428,015	485,603	-	-	-	-	-	485,603
Share issue costs	-	(57,314)	-	17,901	-	-	-	(39,413)
Fair value of options and warrants expired	-	-	-	(181,289)	-	-	181,289	-
Unrealized gain on marketable securities	-	-	-	-	-	8,000	-	8,000
Net loss for the period	-	-	-	-	-	-	(794,285)	(794,285)
Balance as at January 31, 2014	**16,897,906**	**29,501,475**	**-**	**891,058**	**66,270**	**6,000**	**(28,352,363)**	**2,112,440**
Balance as at April 30, 2014	**16,997,436**	**$ 29,551,475**	**$ -**	**$ 891,522**	**$ 66,270**	**$ 5,000**	**$ (29,667,696)**	**$ 846,571**
Issued								
Shares for services	50,000	25,000	-	-	-	-	-	25,000
Shares for loan finder	1,350,000	67,500	-	-	-	-	-	67,500
Shares for loan bonus	86,000	3,440	-	-	-	-	-	3,440
Subscriptions received	-	-	47,800	-	-	-	-	47,800
Fair value of options and warrants expired	-	-	-	(554,246)	-	-	554,246	-
Other comprehensive loss	-	-	-	-	-	(5,000)	-	(5,000)
Net loss for the period	-	-	-	-	-	-	(756,740)	(756,740)
Balance as at January 31, 2015	**18,483,436**	**$ 29,647,415**	**$ 47,800**	**$ 337,276**	**$ 66,270**	**$ -**	**$ (29,870,190)**	**$ 228,571**

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

Southern Silver Exploration Corp.
(An Exploration Stage Company)
Condensed Consolidated Interim Statements of Cash Flows
Nine Months Ended January 31, 2015 and 2014
(Expressed in Canadian Dollars, Unaudited)

	2015	2014
Operating Activities		
Net loss for the period	$ (756,740)	$ (794,285)
Items not involving cash:		
Interest accretion	33,705	1,802
Mineral property impairment	27,190	369,010
Realized gain on sale of marketable securities	(4,975)	-
Shares issued for services	25,000	-
Unrealized foreign exchange (gain) loss	(17,682)	2,622
	(693,502)	(420,851)
Changes in non-cash working capital		
Taxes and other receivables	129,523	20,755
Prepaids	32,324	(33,041)
Accounts payable and accrued liabilities	17,425	(155,785)
Due to related parties	235,499	45,698
	414,771	(122,373)
Cash Used in Operating Activities	(278,731)	(543,224)
Investing Activities		
Mineral property (acquisition) recovery	(699,917)	62,125
Proceeds on sale of marketable securities	15,975	-
Reclamation bond recovery	-	75,574
Cash (Used in) Provided by Investing Activities	(683,942)	137,699
Financing Activities		
Proceeds from issuance of shares, net	-	446,190
Subscriptions received	47,800	-
Loans received, net	838,413	-
Cash Provided by Financing Activities	886,213	446,190
Foreign Exchange Effect on Cash	17,203	(2,795)
(Decrease) Increase in Cash During the Period	(59,257)	37,870
Cash, Beginning of Period	121,247	16,054
Cash, End of Period	$ 61,990	$ 53,924

Supplemental cash flow information (Note 11)

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

1. Nature of Operations and Going Concern

Southern Silver Exploration Corp. (the "Company") is an exploration stage company incorporated under the laws of British Columbia, Canada. The Company's principal business activities include the acquisition, exploration, and development of natural resource properties for enhancement of value and disposition pursuant to sales agreements or development by way of third party option and/or joint venture agreements. The Company's registered office is 1710 - 1177 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2L3.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale. The carrying value of the Company's mineral properties does not reflect present or future value.

These condensed consolidated interim financial statements were prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at January 31, 2015, the Company had a working capital deficiency of $1,867,408 (April 30, 2014 - $576,202). The Company incurred a net loss of $756,740 for the nine months ended January 31, 2015 (2014 - $794,285) and had an accumulated deficit of $29,870,190 as at January 31, 2015 (April 30, 2014 - $29,667,696).

As at January 31, 2015, the Company does not have sufficient working capital to meet its administrative overheads, continue its exploration programs or repay its short-term borrowings. The Company has relied mainly upon the issuance of share capital to finance its activities. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company will be required to issue share capital to finance future activities through private placements and the exercise of options and warrants (Note 12). There can be no assurance that further financing will be available to the Company and, therefore, a material uncertainty exists that casts substantial doubt over the Company's ability to continue as a going concern.

These condensed consolidated interim financial statements do not include the adjustments to assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

2. Basis of Preparation

These condensed consolidated interim financial statements were prepared in accordance with International Accounting Standards 34: *Interim Financial Reporting* on a historical cost basis using the accrual basis of accounting, except for cash flow information and financial instruments measured at fair value.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries: Minera Plata del Sur S.A de C.V. and Exploraciones Magistral S.A de C.V., both incorporated in Mexico, Southern Silver Exploration (US) Corp., incorporated in the United States, and Southern Silver Projects Ltd. and Southern Silver Holdings Ltd., both incorporated in the British Virgin Islands.

2. Basis of Preparation, continued

All inter-company transactions and balances have been eliminated upon consolidation.

The Company's functional and presentation currency is the Canadian dollar.

These condensed consolidated interim financial statements do not include all of the information required for complete annual consolidated financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended April 30, 2014.

These condensed consolidated interim financial statements were approved by the Board of Directors for issue on March 31, 2015.

3. Summary of Significant Accounting Policies

Other than below, the same accounting policies have been used in the preparation of these condensed consolidated interim financial statements as for the most recent audited annual consolidated financial statements and reflect all the adjustments necessary for fair presentation in accordance with International Financial Reporting Standards ("IFRS") of the results for the interim periods presented.

Convertible Instruments

Proceeds received on the issuance of convertible instruments are initially recorded at fair value and allocated into their debt and equity components depending on the features included within the instrument.

Transaction costs are allocated between the various components on a pro-rata basis.

Subsequent to initial recognition, the debt component, net of apportioned transaction costs, is classified as other financial liabilities measured at amortized cost using the effective interest method such that upon maturity, the debt balance recorded will equal the maturity value of the remaining outstanding debt. The increase in the debt balance and amortization of related transaction costs are reflected as interest accretion expense in profit or loss.

Derivatives are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit or loss.

4. Financial Instruments

The carrying values of accounts payable and accrued liabilities, amounts due to related parties, loans payable and convertible loan payable approximates their fair values due to the short period to maturity. Reclamation bonds are non-interest-bearing, have no maturity date and their carrying values approximate fair value.

(Expressed in Canadian Dollars, Unaudited)

5. Marketable Securities

On May 16, 2014, the Company sold its entire holding of 100,000 common shares of Desert Star Resources Ltd. ("Desert Star") for gross proceeds of $15,795.

6. Mineral Properties

Mineral property acquisition costs as at January 31, 2015 were as follows:

	Mexico		**USA**		
	Cerro Las Minitas **$**	**Minas de Ameca** **$**	**Oro** **$**	**Dragoon** **$**	**Total** **$**
Balance as at April 30, 2013	1,459,225	363,205	1,133,280	103,911	3,059,621
Additions, net	(80,333)	6,405	3,767	14,792	(55,369)
Impairments	-	(369,610)	(1,137,047)	(118,703)	(1,625,360)
Balance as at April 30, 2014	1,378,892	-	-	-	1,378,892
Additions, net	672,727	-	27,190	-	699,917
Impairments	-	-	(27,190)	-	(27,190)
Balance as at January 31, 2015	**2,051,619**	**-**	**-**	**-**	**2,051,619**

Terms of the agreements for the above properties are described below:

(a) Cerro Las Minitas - Mexico

Pursuant to an agreement dated November 18, 2010, as amended, the Company acquired 19 mineral concessions located in Durango, Mexico.

Pursuant to an agreement dated October 19, 2012, the Company granted Freeport-McMoRan Exploration Corporation ("FMEC") the right to earn an indirect 70% interest in the property. On September 11, 2014, the Company received notice from FMEC of termination of the earn-in agreement.

As part of the termination, FMEC assigned to the Company, for no consideration, its option to acquire a 100% unencumbered interest in the El Sol Concession, which is situated contiguous to the northwest boundary of Cerro Las Minitas.

Remaining staged payments are due as follows (plus applicable local taxes):

(i) US $600,000 on June 28, 2015; and
(ii) US $850,000 on June 28, 2016.

6. Mineral Properties, continued

(b) Minas de Ameca (Magistral) - Mexico

Pursuant to an agreement dated July 4, 2006, as amended, the Company could earn a 65% interest in the Magistral I mining exploration concession ("Magistral") located in Mexico.

On October 18, 2006, the Company acquired the El Magistral mineral concession in the Ameca region in the State of Jalisco, Mexico. The mineral concession is subject to a 1% net smelter royalty ("NSR") payable to the Mexican government.

The Company has not been compliant with some underlying terms of the Magistral agreement since July 2011 and has been negotiating a revised agreement since that date, including sale to a third party.

(c) Oro - New Mexico, USA

Pursuant to an agreement dated August 28, 2006, as amended, the Company acquired certain unpatented mining claims in the Eureka Mining District, Grant County, New Mexico.

The claims are subject to a 2% NSR payable to the optionors whom have granted the Company an option to purchase the NSR at any time in 0.5% increments at US $500,000 for each increment.

Pursuant to an agreement effective December 1, 2007, as amended, the Company acquired eight patented lode mining claims, which are adjacent to the above claims, and surface rights to a contiguous property.

Pursuant to a lease with option to purchase agreement dated May 1, 2011, the Company can earn a 100% interest in six unpatented lode mining claims also located in the Eureka Mining District, Grant County, New Mexico.

Remaining lease payments are due as follows:

(i) US $6,000 annually from May 1, 2015 to May 1, 2017;
(ii) US $30,000 annually from May 1, 2018 to May 1, 2024; and
(iii) US $60,000 annually from May 1, 2025 to May 1, 2031.

The Company can purchase the property at any time by paying any amounts remaining under the lease, subject to a 1% NSR payable to the optionors, which terminates when aggregate payments thereunder equal US $500,000.

Pursuant to an agreement dated January 14, 2013, the Company granted Desert Star the right to earn up to an undivided 70% interest in the property. On July 8, 2014, the Company received notice of termination of this agreement.

(Expressed in Canadian Dollars, Unaudited)

6. Mineral Properties, continued

(d) Dragoon - Arizona, USA

Pursuant to an agreement dated August 28, 2007, as amended, the Company could earn a 100% interest in certain claims located in the state of Arizona.

The Company since relinquished its interest in the property.

(e) Exploration and Evaluation Expenses

Exploration expenditures incurred for the nine months ended January 31, 2015 and 2014, were as follows:

	Mexico		USA					
	Cerro Las Minitas		Oro		Dragoon		Total	
	$	$	$	$	$	$	$	$
	2015	2014	2015	2014	2015	2014	2015	2014
Assays and geochemistry	14,495	26,647	-	-	-	-	14,495	26,647
Camp, utilities and supplies	7,923	8,764	-	(652)	-	-	7,923	8,112
Drilling	64,172	445,675	-	-	-	-	64,172	445,675
Environmental	249	254	-	-	-	-	249	254
Equipment and field supplies	9,976	15,643	7	37	-	-	9,983	15,680
Geological and geophysics	50,122	175,254	584	1,426	-	-	50,706	176,680
Land fees	72,943	49,001	307	-	-	-	73,250	49,001
Project supervision	118,123	80,973	19,000	2,378	-	2,137	137,123	85,488
Project support	3,447	8,196	-	-	-	-	3,447	8,196
Taxes	196,333	179,964	-	-	-	-	196,333	179,964
Travel	2,757	2,759	-	-	-	-	2,757	2,759
Recoveries	(294,803)	(1,194,769)	-	-	-	-	(294,803)	(1,194,769)
	245,737	**(201,639)**	**19,898**	**3,189**	**-**	**2,137**	265,635	(196,313)
General exploration - other							2,624	11,142
							268,259	**(185,171)**

7. Related Party Balances and Transactions

Except as disclosed elsewhere in these condensed consolidated interim financial statements, the Company entered into the following related party transactions:

(a) Pursuant to a revised service agreement between the Company and a private company controlled by a director and officer of the Company, with a retrospective effective date of February 1, 2014, the Company was charged as follows:

- $60,000 (2014 - $94,500) for office space and general administration services;
- $39,000 (2014 - $51,013) for professional services;
- $10,000 (2014 - $16,614) for consulting services;
- $nil (2014 - $15,550) for investor relations services;
- $94,000 (2014 - $32,003) for geological consulting services in relation to mineral properties; and
- $941 (2014 - $1,314) for the mark-up on out-of-pocket expenses and office and general.

Amounts payable as at January 31, 2015 were $219,179 (April 30, 2014 - $25,577).

(b) Fees in the amount of $84,240 (2014 - $84,240) were charged by a director and officer of the Company for consulting services. Amounts payable as at January 31, 2015 were $182,002 (April 30, 2014 - $93,551).

(c) Fees in the amount of $nil (2014 - $37,356) were charged by a law firm controlled by a director and officer of the Company and included in professional fees, share issue costs and mineral property expenditures. Amounts payable as at January 31, 2015 were $22,225 (April 30, 2014 - $22,225).

(d) Fees in the amount of $nil (2014 - $2,500) were charged by a private company controlled by a former officer of the Company for consultancy services.

(e) Fees in the amount of $9,000 (2014 - $8,000) were charged by an officer of the Company for consultancy services. Amounts payable as at January 31, 2015 were $19,500 (April 30, 2014 - $10,500).

(f) Fees of $6,000 (2014 - $26,008) were payable with respect to independent directors' fees. Such fees ceased to be payable effective November 1, 2014. Accounts payable as at April 30, 2014 were $55,554).

These transactions were in the normal course of operations and were measured at the fair value of the services rendered. Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

The key management personnel of the Company are the directors and officers of the Company. One executive officer is entitled to termination benefits in the event of a change of control equal to one hundred percent of the compensation that would have been paid during the unexpired term of their agreement. The remaining balance payable under the agreement termination clause as at January 31, 2015 was $496,080.

(Expressed in Canadian Dollars, Unaudited)

7. Related Party Balances and Transactions, continued

The Company has no long-term employee or post-employment benefits. Compensation awarded to key management, included in (b), (d), (e) and (f) above, was as follows:

	2015	2014
Short-term benefits	$ 99,240	$ 120,748
Total	$ 99,240	$ 120,748

8. Loans

Loans payable

During August 2012, the Company entered into two loan agreements, one with a private company controlled by a former director and the other with a private company controlled by a consultant, for $33,000 and $15,000 respectively.

The initial term of the loans was for a period of six months with interest payable quarterly at prime plus two percent per annum. As further consideration for providing the loans, the lenders also received common shares equal to ten per cent of the value of each respective loan. The Company, in its sole discretion, can elect to repay all interest and loan balances by the issuance of common shares.

No principal amounts were repaid and all outstanding balances are repayable on demand.

On January 20, 2015, the Company entered into a six month loan agreement with a director and officer of the Company with respect to loans advanced during August and September 2014 totalling $43,000. All terms of additional consideration, interest and repayment are the same as above and on January 23, 2015, the Company issued 86,000 common shares with respect to the additional consideration (Note 9(b)).

Subsequent to the period end, all of the above loans, plus accrued interest, were fully repaid.

Convertible loans payable

On November 13, 2014, the Company entered into a loan arrangement with Radius Gold Inc.(“Radius”) for $800,000.

The loan is repayable on demand with provision that demand cannot be made for one year. Interest is payable annually at 8% per annum, and at Radius’ sole option, interest may be paid by the issuance of common shares of the Company.

Radius has the right at any time during the term of the loan to convert such portion into common shares of the Company to result in Radius holding no greater than 19.9% of the then issued and outstanding shares of the Company at a price of $0.05. In the event of such conversion election, the balance of the loan would remain due and payable for the remainder of the term.

8. Loans, continued

Convertible loans payable, continued

On December 11, 2014, the Company issued 1,350,000 common shares with respect to a finder's fee payable. (Note 9(b)).

As the convertible loan is a compound financial instrument which is convertible at Radius' sole option into a variable number of common shares, the instrument contains both a liability and a derivative liability. The liability, net of issue costs, is being accreted using the effective interest rate method over the term of the convertible loan.

No fair value was recognized with respect to the derivative liability on initial recognition and as at January 31, 2015, as the market price of the Company's common shares was equal to or below the conversion price of $0.05.

On March 17, 2015, the Company received a notice of conversion from Radius, whereby Radius elected to convert $300,000 of the convertible loan into common shares of the Company. On March 19, 2015, the Company issued 6,000,000 common shares and repaid the balance of the loan, plus accrued interest, in full.

9. Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. On September 17, 2014, the Company completed a capital consolidation of its issued and outstanding common shares on a one new share for ten old shares basis. All comparative figures have been adjusted retrospectively.

(a) Equity Financings

Nine Months ended January 31, 2014

On September 13, 2013, the Company closed the first tranche of a private placement and issued 683,015 units at a price of $0.20 per unit for gross proceeds of $136,603. Each unit consisted of one common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of three years at an exercise price of $0.50 per share.

The Company also issued 20,000 finders' share purchase warrants exercisable to purchase one common share for a period of three years at an exercise price of $0.50 per share. The warrants were fair valued at $8,005 using the Black-Scholes option pricing model (Note 9(e)).

On October 11, 2013, the Company closed the final tranche of a private placement and issued 1,745,000 units at a price of $0.20 per unit for gross proceeds of $349,000. Each unit consisted of one common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of three years at an exercise price of $0.50 per share.

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(a) Equity Financings, continued

The Company also issued 91,750 finders' share purchase warrants exercisable to purchase one common share for a period of three years at an exercise price of $0.50 per share. The warrants were fair valued at $9,896 using the Black-Scholes option pricing model (Note 9(e)).

(b) Shares Issued for Other Consideration

Nine months ended January 31, 2015

On August 5, 2014, in accordance with a shares for services consulting agreement, the Company issued 50,000 common shares valued at $25,000.

On December 11, 2014, in accordance with a finder's fee agreement, the Company issued 1,350,000 common shares with a fair value of $67,500 (Note 8).

On January 23, 2015, in accordance with a loan agreement, the Company issued 86,000 common shares with a fair value of $3,440 (Note 8).

(c) Stock Options

The Company has a rolling stock option plan (the "Plan") that allows for the reservation of common shares issuable under the Plan to a maximum of 10% of the number of issued and outstanding common shares of the Company at any given time. The term of stock options granted under the Plan may not exceed ten years and the exercise price may not be less than the closing price of the Company's shares on the last business day immediately preceding the date of grant, less any permitted discount. On an annual basis, the Plan requires approval by the Company's shareholders and submission for regulatory review and acceptance.

Stock options outstanding and exercisable as at January 31, 2015 were as follows:

Exercise Price	Grant Date Fair Value	Expiry Date	Balance April 30, 2014	Expired	Balance January 31, 2015
$1.60	$1.50	January 8, 2015	211,000	211,000	-
$1.70	$1.33	November 29, 2015	211,500	100,000	111,500
$1.70	$1.13	December 13, 2015	28,500	18,500	10,000
$1.00	$0.56	June 5, 2017	35,000	-	35,000
$1.00	$0.29	March 14, 2018	687,000	286,800	400,200
$0.50	$0.13	March 24, 2019	50,000	-	50,000
			1,223,000	**616,300**	**606,700**
Weighted average exercise price			$1.22	$1.34	$1.10
Weighted average remaining life in years			2.90		2.70

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(d) Share Purchase Warrants

Share purchase warrants outstanding as at January 31, 2015 were as follows:

Exercise Price	Expiry Date	Balance April 30, 2014	Expired	Balance January 31, 2015
$1.70	April 23, 2015	680,900	-	680,900
$3.00	*Note 1*	25,000	25,000	-
$4.00	*Note 2*	25,000	25,000	-
$1.00	January 31, 2016	845,200	-	845,200
$1.00	February 28, 2016	787,300	-	787,300
$0.50	September 13, 2016	703,015	-	703,015
$0.50	October 11, 2016	1,836,750	-	1,836,750
		4,903,165	**50,000**	**4,853,165**
Weighted average exercise price		$0.86	$3.50	$0.84
Weighted average remaining life in years		1.99		1.26

Note 1: Exercisable two years from the date on which FMEC exercises its option to acquire a 51% indirect interest in the Cerro Las Minitas property. Agreement expired September 11, 2014.

Note 2: Exercisable two years from the date on which FMEC gives notice of its election to acquire an additional 19% indirect interest in the Cerro Las Minitas property. Agreement expired September 11, 2014.

(e) Fair Value Determination

The fair value of finders' warrants issued were calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2015	2014
Risk-free interest rate	N/A	1.47%
Expected share price volatility	N/A	110.01%
Expected option/warrant life (years)	N/A	3.00
Expected dividend yield	N/A	0.00%

The expected volatility assumptions have been developed taking into consideration historical volatility of the Company's share price.

(Expressed in Canadian Dollars, Unaudited)

9. Share Capital, continued

(e) Fair Value Determination, continued

The total calculated fair value of share-based payments recognized was as follows:

	2015	2014
Consolidated Statements of Changes in Equity		
Finders' warrants	$ -	$ 17,901

10. Segmented Information

The Company conducts its business as a single operating segment, being the acquisition and exploration of mineral properties. The Company's non-current assets were distributed by geographic location as follows:

	January 31, 2015		April 30, 2014	
	$	%	$	%
Mexico	2,095,979	100%	1,422,773	100%
USA	-	0%	-	0%
	2,095,979	**100%**	**1,422,773**	**100%**

11. Supplemental Cash Flow Information

	2015	2014
Cash items		
Interest received	$ -	$ 232
Income tax paid	$ -	$ -
Interest paid	$ -	$ -

12. Events After the Reporting Period

In addition to the events disclosed elsewhere in these condensed consolidated interim financial statements, the following occurred subsequent to January 31, 2015:

- The Company closed three tranches of a private placement on March 4, March 5 and March 11, 2015, and issued a total of 20,000,000 units at a price of $0.08 per unit for gross proceeds of $1,600,000. Each unit consisted of one common share and one share purchase warrant, with each warrant exercisable to purchase one additional common share for a period of five years at an exercise price of $0.08 per share.

12. Events After the Reporting Period, continued

- On March 26, 2015, the Company granted 3,503,500 stock options to directors, officers and consultants exercisable for a period of five years at an exercise price of $0.08 per share.

  In addition, the Company intends to re-price an aggregate amount of 281,700 stock options from exercise prices of $1.00 and $1.70 per share to an exercise price of $0.08 per share.

  The granting and re-pricing of stock options are subject to TSX Venture Exchange acceptance.