BARKER MINERALS LTD.

INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

THREE MONTHS ENDED FEBRUARY 28, 2015

(Unaudited – see Notice to Reader)

BARKER MINERALS LTD.
INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

Management's Responsibility for Interim Financial Statements

The unaudited interim financial statements and the notes thereto for the three months ended February 28, 2015 are the responsibility of the management of Barker Minerals Ltd. These unaudited interim financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) for Interim Financial Reporting under International Financial Reporting Standards using management's best estimates and judgments where appropriate.

Management has developed and maintained a system of internal controls to provide reasonable assurance that all assets are safeguarded and to facilitate the preparation of relevant, reliable and timely financial information.

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company for the period ended February 28, 2015 have been prepared in accordance with International Accounting Standard 34 for Interim Financial Reporting under International Financial Reporting Standards. These financial statements are the responsibility of the Company's management and have been approved by the Board of Directors.

The company's independent auditors have not performed an audit or review of these interim financial statements.

(signed) *Louis E. Doyle*
Louis E. Doyle, CEO

(signed) *Robert H. Kuhl*
Robert H. Kuhl, CFO

The accompanying notes are an integral part of the unaudited financial statements.

BARKER MINERALS LTD.
INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited – see Notice to Reader)

THREE MONTHS ENDED	February 28, 2015	February 28, 2014
GENERAL AND ADMINISTRATIVE EXPENSES		
Bank charges and interest	**$ 1,347**	$ 1,751
Consulting fees (note 11)	**26,250**	37,500
Depreciation	**1,610**	2,482
Insurance	**634**	1,608
Investor relations	**798**	881
Listing and filing fees	**16,054**	10,186
Office	**5,029**	4,464
Professional fees	**7,851**	(21,904)
Rent and utilities (note 11)	**6,000**	6,000
Share-based payments (notes 9 and11)	**-**	-
Telephone	**1,477**	406
Vehicle	**1,663**	1,406
Wages and benefits (note 11)	**47,847**	40,174
LOSS BEFORE OTHER INCOME	**(116,567)**	(84,954)
OTHER INCOME		
Interest	**480**	28
	480	28
NET AND COMPREHENSIVE LOSS FOR THE YEAR	**$ (116,087)**	$ (84,926)
BASIC AND DILUTED LOSS PER SHARE	**$ (0.00)**	$ (0.00)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	**178,610,941**	169,577,516

BARKER MINERALS LTD.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited – see Notice to Reader)

	February 28, 2015	November 30, 2014
ASSETS		
CURRENT ASSETS		
Cash	$ 24,607	$ 17,135
Accounts receivable	7,964	3,710
Prepaid expenses and deposits	1,185	1,185
	33,756	22,030
TERM DEPOSITS (note 4)	37,836	37,836
PROPERTY AND EQUIPMENT (note 5)	175,866	182,951
EXPLORATION AND EVALUATION ASSETS (note 6)	6,368,801	6,412,307
	$ 6,616,259	$ 6,655,124
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 548,149	$ 358,321
Loans payable (note 7)	72,067	29,078
Due to related parties (note 11)	37,100	192,695
Reclamation obligation (note 4)	37,000	37,000
	694,316	617,094
EQUITY		
SHARE CAPITAL (note 8)	19,072,814	19,072,814
SHARE SUBSCRIPTION RECEIVABLE (note 8)	(16,000)	(16,000)
WARRANTS (note 8)	263,875	263,875
CONTRIBUTED SURPLUS (note 8)	2,756,549	2,756,549
DEFICIT	(16,155,295)	(16,039,208)
	5,921,943	6,038,030
	$ 6,616,259	$ 6,655,124

CONTINUATION OF BUSINESS (note 2)
COMMITMENT (note 13)
SUBSEQUENT EVENTS (note 16)

BARKER MINERALS LTD.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited – see Notice to Reader)

	Capital Stock		Warrants		Contributed surplus	Accumulated deficit	Share subscription receivable	Total Equity
	#	$	#	$	$	$	$	$
Balance, November 30, 2013	174,857,516	18,922,814	60,230,000	163,875	2,622,926	(11,144,983)	(16,000)	10,548,632
Warrants expired	-	-	(35,820,000)	-	-	-	-	-
Net loss for the year	-	-	-	-	-	(84,926)	-	(84,926)
Balance, February 28, 2014	174,857,516	18,922,814	24,410,000	163,875	2,622,926	(11,229,909)	(16,000)	10,463,706
Balance November 30, 2014	179,857,516	19,072,814	29,410,000	263,875	2,756,549	(16,039,208)	(16,000)	6,038,030
Units issued for cash	-	-	-	-	-	-	-	-
Warrants expired	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	(116,087)	-	(116,087)
Balance, February 28, 2015	179,857,516	19,072,814	29,410,000	263,875	2,756,549	(16,155,295)	(16,000)	5,921,943

BARKER MINERALS LTD.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited – see Notice to Reader)

THREE MONTHS ENDED	February 28, 2015	February 28, 2014
NET INFLOW (OUTFLOW) OF CASH FROM:		
OPERATING ACTIVITIES		
Net loss	**$ (116,087)**	$ (84,926)
Items not affecting cash		
Depreciation	**1,610**	2,482
	(114,477)	(82,444)
Changes in non-cash operating working capital items		
Accounts receivable	**(4,254)**	-
Accounts payable and accrued liabilities	**189,847**	(50,740)
	71,116	(133,184)
FINANCING ACTIVITIES		
Advances from related parties	**(155,595)**	141,101
Repayment of loans payable	**42,989**	(12,110)
	(112,606)	128,991
INVESTING ACTIVITIES		
Purchase of term deposits	**-**	(80)
Expenditures on exploration and evaluation assets	**(57,514)**	(84,796)
Mineral tax credit received	**106,476**	-
	48,962	(84,876)
NET CASH INFLOW (OUTFLOW)	**7,472**	(89,069)
CASH, BEGINNING OF PERIOD	**17,135**	84,376
CASH (BANK ENDEBTEDNESS), END OF PERIOD	**$ 24,607**	$ (4,693)
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid	**$ 991**	$ 1,509

NON-CASH TRANSACTIONS (NOTE 11)

1. DESCRIPTION OF BUSINESS

Barker Minerals Ltd. ("the Company" or "Barker") was continued on August 1, 2000 under the Company Act of British Columbia pursuant to the statutory amalgamation of Barker Minerals Ltd., LED Resources Inc. and 503843 B.C. Ltd. and its common shares are listed on the TSX Venture Exchange ("the Exchange") under the symbol "BML". The principal business of the Company is the acquisition, exploration and evaluation of resource properties.

The Company's registered and records office address is Royal Centre, 1055 West Georgia Street, Suite 1500, PO Box 11117, Vancouver, British Columbia, Canada, V6E 4N7.

The Company's head office address is 8384 Toombs Drive, Prince George, British Columbia, Canada, V2K 5A3.

The Company is considered to be in the exploration stage with respect to its interests in exploration and evaluation assets.

2. CONTINUATION OF BUSINESS

These financial statements are 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 for the foreseeable future. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and to place these properties into production, renewal of underlying titles to the mining properties and/or future proceeds from the disposition thereof.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future which is at least, but not limited to, twelve months from the end of the reporting year. Management is aware in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, as explained in the following paragraphs.

The Company has not yet generated income and cash flows from operations. As at February 28, 2015, the Company had an accumulated deficit of $16,155,295 (November 30, 2014 - $ 16,039,208).

For the quarter ended February 28, 2015, the Company incurred a loss of $116,087 (November 30, 2014 - $4,894,225) and positive cash flow from operations amounting to $7,472 (November 30, 2014 – positive cash outflow of $89,069). The Company will require additional financing, through various means including but not limited to equity financing, to continue the exploration program and to cover its future general and administrative costs. There is no assurance that the Company will be successful in raising the additional required funds.

2. CONTINUATION OF BUSINESS (continued)

Management has continued their plan to reduce costs through a series of actions including, but not limited to, planning minimum required exploration programs until financing conditions improve, reducing employees compared to previous years, reducing mineral holdings and reducing costs of investor relations budgets by attending only selected conferences.

These interim financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

3. BASIS OF PREPARATION

Statement of compliance

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

These interim financial statements do not include all the disclosures required for a complete set of annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended November 30, 2014 which have been prepared in accordance with IFRS as issued by the IASB.

Basis of presentation

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured and stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial statements are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

Significant accounting judgments and critical accounting estimates

The preparation of these financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported in these financial statements. Actual results could differ from these estimates.

3. BASIS OF PREPARATION (continued)

Significant accounting judgements

i) Determination of categories of financial assets and financial liabilities;

ii) Assessment of the indicators of impairment of the Company's exploration and evaluation assets.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) Deferred income taxes – The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

ii) Share-based payments – The fair value of share-based payments is determined using a Black-Scholes Option pricing model. Such option pricing models require the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

iii) Exploration and evaluation assets – The estimated carrying value and impairment amount of the exploration and evaluation assets is determined by the recoverable amount of the asset. (See Note 6).

iv) Reclamation obligation – The Company is periodically required to estimate the timing and amount of the obligation provision.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in the Company's annual financial statements for the year ended November 30, 2014 were consistently applied to all the periods presented unless otherwise noted below.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Reclamation obligation

The Company records a liability for the reclamation obligation in the period in which a present legal or constructive obligation is incurred and when a reasonable estimate of the fair value of the liability can be made. Furthermore, a corresponding asset retirement cost is recognized by increasing the carrying amount of the related long-lived asset. The asset retirement cost is subsequently allocated in a rational and systematic method over the underlying asset's useful life. The initial fair value of the liability is accreted, by charges to operations, to its estimated future value.

In the previous fiscal years, the Company posted bonds totalling $37,836 in safekeeping with the British Columbia Ministry of Finance as security for these obligations. During the three months ended February 28, 2015, the Company posted $nil, in additional bonds (2014 - $162) for a total of $37,836 (2014 - $37,836). Based on the Company being in the early stages of exploration, management believes minimal asset retirement obligations exist. Management has recorded an obligation of $37,000 (2014 - $37,000) at this time based on the bonds posted with the Ministry of Finance. Management believes this obligation is sufficient to cover any future reclamation obligations.

New Accounting Pronouncements Adopted

The following new and amended standards adopted by the Company did not result in a significant impact on the Company's financial statements:

- Amendments to IFRS 7, Financial Instruments: Disclosures, to require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation.

- New standard IFRS 11, Joint Arrangements, requires a venture to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for joint operations, the venturer will recognize its share of assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31 – Interest in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non-monetary Contributions by Venturers.

- New standard IFRS 12, Disclosure of Interests in Other Entities, provides the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and consolidated structured entities.

- New standard IFRS 13, Fair Value Measurement, defines fair value and sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. The standard does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and

New Accounting Pronouncements Adopted (continued)

disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions).

• Reissued IAS 28, Investment in Associates and Joint Ventures, supersedes IAS 28 Investments in Associates and defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment.

New Accounting Pronouncements to be Adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the November 30, 2014 reporting period. These standards and interpretations have not been adopted and are yet to be assessed by the Company:

• New standard IFRS 9, Financial Instruments, the application date of this standard has been extended and the effective date of application is for annual periods on or after January 1, 2018, with early application permitted. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortized cost or fair value. To be classified and measured at amortized cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognized in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any 'recycling' of gains or losses through profit or loss on disposal. The accounting for financial liabilities continues to be classified and measured in accordance with IAS 39, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch.

• IAS 32, Financial Instruments: Presentation, this amendment provides clarification on the application of offsetting rules. These amendments are effective for annual periods beginning on or after January 1, 2014.

• IAS 36, Impairment of Assets, on May 29, 2013, the IASB made amendments to the disclosure requirements of IAS 36, requiring disclosure, in certain instances, of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment loss is subsequently reversed. These amendments are effective for annual periods beginning on or after January 1, 2014.

(Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT

Depreciation included in		February 28, 2015		February 28, 2014
General and administrative expenses	$	1,610	$	2,482
Exploration and evaluation assets		5,457		7,795
Total depreciation for the period	$	7,067	$	10,277

(Expressed in Canadian Dollars)

5. PROPERTY AND EQUIPMENT (continued)

	Automotive equipment	Building	Computer hardware	Computer software	Exploration equipment	Office equipment	Land	Total
Cost								
Balance, November 30, 2014	$ 140,377	$ 163,418	$ 46,753	$ 4,815	$ 249,469	$ 72,090	$ 28,730	$ 705,652
Additions	-	-	-	-	-	-	-	-
Balance, February 28, 2015	$ 140,377	$ 163,418	$ 46,753	$ 4,815	$ 249,469	$ 72,090	$ 28,730	$ 705,652
Depreciation								
Balance, November 30, 2014	$ 125,090	$ 98,342	$ 46,753	$ 4,815	$ 249,469	$ 79,090	$ 28,730	$ 705,652
Depreciation	847	645	47	-	5,457	71	-	7,067
Balance, February 28, 2015	$ 125,917	$ 99,487	$ 46,172	$ 4,815	$ 182,168	$ 71,209	$ -	$ 529,768
Net book value, February 28, 2015	$ 14,460	$ 63,931	$ 581	-	$ 67,301	$ 881	$ 28,730	$175,884

(Expressed in Canadian Dollars)

	Automotive equipment	Building	Computer hardware	Computer software	Exploration equipment	Office equipment	Land	Total
	$	$	$	$	$	$	$	$
Cost								
Balance, November 30, 2013	140,377	163,418	46,753	4,815	249,469	72,090	28,730	705,652
Additions	-	-	-	-	-	-	-	-
Balance, February 28, 2014	140,377	163,418	46,753	4,815	249,469	72,090	28,730	705,652
Depreciation								
Balance, November 30, 2013	118,510	96,151	45,856	4,815	145,529	70,730	-	481,591
Depreciation	1,640	673	67	-	7,795	102	-	10,277
Balance, February 28, 2014	120,150	96,824	45,923	4,815	153,324	70,832	-	491,868
Net book value, February 28, 2014	20,227	66,594	830	-	96,145	1,258	28,730	213,784

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

The Company is involved in the exploration and development of mineral claims in the Goose Range area of the Cariboo mining district near Likely, British Columbia. Related mineral claims and deferred costs, net of BC Mining Tax Credits received, are as follows:

	February 28, 2015	November 30, 2014
Balance, beginning of period	$ 6,412,307	$ 11,206,305
Exploration costs		
Incurred during the year:		
Assays (note 11)	-	1,659
Claim fees	-	151,500
Contract services (note 11)	56,250	224,707
Depreciation (note 5)	5,457	31,182
Drilling (note 11)	-	-
Exploration (note 11)	128	27,717
Geologists	-	(9,200)
Helicopter	-	9,685
Repairs and maintenance	406	2,243
Supplies	657	1,509
Travel and camp supplies (note 11)	72	25,000
	62,970	466,002
Mining tax credits received	(106,476)	-
Sale proceeds received	-	(260,000)
Total additions for the period	(43,506)	206,002
Write-down of exploration and	-	-
Evaluation assets	-	(5,000,000)
Balance, end of period	$ 6,368,801	$ 6,412,307

7. LOANS PAYABLE

Loans payable are due to directors of the Company. The amounts are unsecured, non-interest bearing with no specific terms of repayment.

(Expressed in Canadian Dollars)

8. CAPITAL STOCK

Authorized
Unlimited Common shares without par value
Unlimited Preferred shares

Share issuance during the year ended November 30, 2014

On April 2, 2014, the Company closed a non-brokered private placement of 5,000,000 units at $0.05 per unit for gross proceeds of $250,000. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable to purchase one share at $0.05 in the first and second year following the date of closing (the "Closing Date") and $0.10 in the third, fourth and fifth year following the Closing Date. Fair value of $100,000 was allocated to the warrants.

Stock options and warrants

	Stock options		Warrants	
	Number	Weighted average exercise price	Number	Weighted average Exercise price
Outstanding Nov. 30, 2013	25,755,000	0.10	60,230,000	0.11
Granted/issued	-	-	5,000,000	0.05
Expired/cancelled	**(3,255,000)**	**(0.05)**	**(35,820,000)**	**(0.10)**
Outstanding Nov. 30, 2014	22,530,000	0.05	29,410,000	0.12
Granted/issued	-	-	-	-
Expired/cancelled	(5,275,000)	(0.05)	-	-
Outstanding Feb. 28, 2015	**17,255,000**	**$ 0.05**	**29,410,000**	**$ 0.10**

(Expressed in Canadian Dollars)

8. CAPITAL STOCK (continued)

Stock options outstanding at February 28, 2015 are exercisable as follows:

Expiry date	Number	Original exercise price	Weighted average exercise price
May 17, 2015	800,000	$ 0.10	$ 0.05
May 31, 2015	2,000,000	0.10	0.05
July 27, 2016	2,900,000	0.10	0.05
November 8, 2016	2,210,000	0.10	0.05
January 20, 2017	1,960,000	0.10	0.05
July 31, 2017	2,525,000	0.10	0.05
January 31, 2023	4,860,000	0.10	0.05
	17,255,000	$ 0.10	$ 0.05
Weighted average contractual remaining life (years)			2.73

Warrants outstanding at February 28, 2015 are exercisable as follows:

Expiry date	Number	Weighted average exercise price
July 20, 2015	4,695,000	$ 0.10
March 18, 2016	3,300,000	0.10
April 26, 2016	195,000	0.50
June 22, 2017	1,720,000	0.30
September 10, 2017	4,220,000	0.30
February 28, 2018	5,000,000	0.10
November 12, 2018	5,280,000	0.05
April 2, 2019	5,000,000	0.05
	29,410,000	$ 0.12
Weighted average contractual remaining life (years)		2.07

(Expressed in Canadian Dollars)

9. SHARE-BASED PAYMENTS

The Company has a stock option plan in accordance with the policies of the TSX Venture Exchange whereby, from time to time at the discretion of the board of directors, stock options are granted to directors, officers, employees and certain consultants. Under the plan, as amended December 19, 2014, up to 35,971,503 common shares are reserved for the issuance of stock options. The exercise price of each option is based on the market price of the Company's common stock at the date of the grant less an applicable discount. The options can be granted for a maximum term of 10 years.

The fair value of each option granted was estimated on the grant date using the Black-Scholes option-pricing model with the following assumptions:

	2014	2013
Dividend rate	-	0.00%
Weighted average expected annual volatility	-	102%
Weighted average risk-free interest rate	-	1.76%
Weighted average expected life	-	10years
Weighted average strike price	-	$ 0.10
Weighted average spot price	-	$ 0.05

The weighted average expected annual volatility was based on historical trading prices.

During the quarter ended February 28, 2015, the Company did not grant any options (November 30, 2014 – Nil). In 2013 $203,704 was recorded in the statement of comprehensive loss and credited to contributed surplus using the above assumptions.

The fair value of each option re-priced was estimated on the re-pricing date using the Black-Scholes option-pricing model with the following assumptions:

	2014	2013
Dividend rate	0.00%	-
Weighted average expected annual volatility	103%	-
Weighted average risk-free interest rate	1.49%	-
Weighted average expected life	3.44	-
Weighted average strike price	$ 0.05	-
Weighted average spot price	$ 0.04	-

(Expressed in Canadian Dollars)

10. NON-CASH TRANSACTIONS

During the year the following non-cash financing and investing transactions took place:

	February 28, 2015	February 28, 2014
Financing and Investing Activities		
Depreciation capitalized to exploration and evaluation assets	$5,457	$ 7,795
Portable assessment credits purchased by loan from the President of the Company	$ -	$150,000

11. RELATED PARTY TRANSACTIONS

During the quarter ended February 28, 2015, the Company entered into the following transactions with related parties:

Management compensation

Key management personnel compensation comprised:

For the period ended	**February 28, 2015**	February 28, 2014
Consulting fees to CFO	$ 26,250	$ 37,500
Share-based payments to CEO, President, COO, CFO, and directors	-	-
Gold Discovery Enterprises Corp, a corporation owned by the President and his spouse		
Wages and benefits	31,248	31,248
Rent	6,000	6,000
Exploration and evaluation assets – contract services	56,250	56,250
Vehicle rental	1,000	1,300
	$ 120,748	$ 132,298

(Expressed in Canadian Dollars)

Transactions with other related parties

In the normal course of operations the Company transacts with companies related to its directors or officers. The following transactions were with related parties:

For the period ended	**February 28, 2015**	February 28, 2014
Immediate family of the President and companies controlled by family members		
Wages and benefits	$ 9,640	$ 3,331
Exploration and evaluation assets – assays, drilling, exploration, vehicle rental, and wages	-	19,909
	$ 9,640	$ 23,240

In the normal course of operations the Company transacts with companies related to its directors or officers. The amounts due to related parties are unsecured, non-interest bearing, have no specific terms of repayment, accordingly fair value cannot be determined. The following amounts are payable to related parties:

	February 28, 2015	November 30, 2014
Directors	$ 29,174	$ 291,426
Vice President of Exploration	8,282	-
Amounts owed to members of the President's immediate family and Companies controlled by the President and Family members.	174,944	365,240
	$ 212,400	$ 656,666

12. COMMITMENT

The Company is committed to paying termination and/or change of control benefits to Louis Doyle, the President and Chief Executive Officer; Robert Kuhl, the Chief Financial Officer; and Colleen Doyle, the Office Manager and President's Assistant if they are terminated without cause or upon a change of control. In either case the parties are entitled to five years of compensation and equivalent benefits and a continuation of incentive stock options granted for three years from termination and/or change of control, unless earlier terminated pursuant to regulatory requirements.

In the event of a change of control without cause, the Company may terminate the agreement by paying Louis Doyle $10 million. In the event of a change of control with cause, the Company may terminate the agreement by paying Louis Doyle $2 million.

In the event of a change of control without cause, the Company may terminate the agreement by paying Robert Kuhl $4 million. In the event of a change of control with cause, the Company may terminate the agreement by paying Robert Kuhl $1 million.

In the event of a change of control without cause, the Company may terminate the agreement by paying Colleen Doyle $3 million. In the event of a change of control with cause, the Company may terminate the agreement by paying Colleen Doyle $1 million.

The incremental payments, payables and benefits from the Company to the parties on (i) termination without cause or (ii) termination following a change of control, are as follows:

		Termination without cause	**Termination with cause**	**Change of Control**
Louis E. Doyle	Salary	$1.25 million	$1.25 million	$1.25 million
President and Chief Executive Officer	Bonus	To be determined	To be determined	To be determined
Robert H. Kuhl	Salary	$750,000	$750,000	$750,000
Chief Financial Officer	Bonus	To be determined	To be determined	To be determined
Colleen Doyle	Salary	$500,000	$500,000	$500,000
Office Manager and President's Assistant	Bonus	To be determined	To be determined	To be determined

13. RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

The Company's risk management is coordinated by the officers of the Company, in close cooperation with the members of the board of directors.

The Company's financial instruments at February 28, 2015 consist of cash, accounts receivable, term deposits, accounts payable and accrued liabilities, loans payable and amounts due to related parties. The fair value of these financial instruments approximates their carrying value, except as otherwise noted. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

The Company manages its liquidity needs by carefully monitoring cash outflows due on a day-to-day business. Liquidity needs are monitored in various time bands, including 30-day projections and 180-day and 360-day lookout periods. Due to the nature of the activities of the Company, funding for long-term liquidity needs are dependent on the Company's ability to obtain additional financing through various means, including equity financing.

13. RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT (continued)

The Company has no contractual commodity price risk. The recoverability of the Company's exploration and evaluation assets is indirectly related to the market price of precious and base metals. The Company's ability to continue with its exploration program is also indirectly subject to commodity prices. Much of this is out of the control of management and will be dealt with based on circumstances at any given time.

The Company's capital management objectives are to ensure it maintains its ability to continue as a going concern and provides an adequate return to its shareholders. As long as the Company is in the exploration and development stages of its mining properties, the Company may have to incur minor debt obligations to finance its work programs.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, contributed surplus and deficit.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's overall strategy remains unchanged from 2012.

The Company is not subject to any externally imposed capital requirements.

14. SUBSEQUENT EVENT

There are no subsequent events to record after the end of the quarter.