SEGO RESOURCES INC.

Condensed Interim Financial Statements

December 31, 2014

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of interim financial statements they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by and are the responsibility of the management. The Company's independent auditor has not performed a review of these interim financial statements.

SEGO Resources Inc.
Condensed Interim Statements of Financial Position
December 31, 2014 and June 30, 2014
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	Note	December 31, 2014	June 30, 2014
ASSETS			
Current assets			
Cash		$ 1,386	$ 1,611
Receivables		6,846	1,991
Mining tax credit receivable		55,560	55,560
Prepaid expenses and deposits		2,546	9,554
		66,338	68,716
Non-current assets			
Reclamation deposits	4	10,000	10,000
Equipment	5	17,791	22,988
Exploration and evaluation assets	6, 9	3,667,905	3,659,147
		3,695,696	3,692,135
TOTAL ASSETS		**$ 3,762,034**	**$ 3,760,851**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 79,852	$ 70,347
Due to related parties	9	276,612	174,169
TOTAL LIABILITIES		**356,464**	**244,516**
SHAREHOLDERS' EQUITY			
Share capital	8	5,742,364	5,737,647
Reserves		916,902	1,011,151
Deficit		(3,253,696)	(3,232,463)
TOTAL SHAREHOLDERS' EQUITY		**3,405,570**	**3,516,335**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 3,762,034**	**$ 3,760,851**

Approved on behalf of the Board on March 2, 2015:

"J. Paul Stevenson"
Chief Executive Officer

"Brent Petterson"
Chief Financial Officer

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

SEGO Resources Inc.
Condensed Interim Statements of Comprehensive Loss
For the three and six months ended December 31, 2014 and 2013
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	Note	Three months ended December 31, 2014	Three months ended December 31, 2013	Six months ended December 31, 2014	Six months ended December 31, 2013
Expenses					
Administrative fees	9	$ 2,700	$ 18,114	$ 5,400	$ 36,228
Consulting fees	9	-	10,200	-	$ 12,000
Depreciation	5	1,965	3,389	5,197	6,777
Insurance		4,849	2,674	6,599	5,299
Management fees	9	9,000	9,000	18,000	18,000
Office and miscellaneous		2,659	1,999	4,366	5,450
Professional fees		21,181	45,356	21,181	54,034
Rent	9	18,375	18,375	36,750	36,750
Share-based payments	8	-	-	-	94,758
Shareholder communications		2,164	2,992	8,164	4,593
Telephone	9	1,620	1,620	3,240	3,240
Transfer agent and filing fees		1,261	3,274	1,868	4,281
Net and comprehensive loss		**$ (65,774)**	**$ (116,993)**	**$ (110,765)**	**$ (281,410)**
Loss per share – basic and diluted		**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.00)**
Weighted average number of shares outstanding		**62,897,827**	**62,897,827**	**62,897,827**	**62,408,698**

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

SEGO Resources Inc.
Condensed Interim Statements of Changes in Shareholders' Equity
For the six months ended December 31, 2014 and 2013
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	Note	Number of shares	Amount	Reserves	Deficit	Total
Balance at June 30, 2013		**57,897,827**	**$ 5,488,862**	**$ 806,774**	**$ (2,885,068)**	**$ 3,410,568**
Share capital:						
Shares issued for cash:						
Private placement	8	5,000,000	500,000	-	-	500,000
Less: share issue costs	8	-	(251,215)	-	-	(251,215)
Share-based payments	8	-	-	250,419	-	250,419
Net and comprehensive loss		-	-	-	(281,410)	(281,410)
Balance at December 31, 2013		**62,897,827**	**$ 5,737,647**	**$ 1,057,193**	**$ (3,166,478)**	**$ 3,628,362**

	Note	Number of shares	Amount	Reserves	Deficit	Total
Balance at June 30, 2014		**62,897,827**	**$ 5,737,647**	**$ 1,011,151**	**$ (3,232,463)**	**$ 3,516,335**
Reclassification on expiry of options		-	4,717	(94,249)	89,532	-
Net and comprehensive loss		-	-	-	(110,765)	(110,765)
Balance at December 31, 2014		**62,897,827**	**$ 5,742,364**	**$ 916,902**	**$ (3,253,696)**	**$ 3,405,570**

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

SEGO Resources Inc.
Condensed Interim Statements of Cash Flows
For the six months ended December 31, 2014 and 2013
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

	December 31, 2014	December 31, 2013
Operating Activities		
Net loss	$ (110,765)	$ (281,410)
Adjustments for non-cash items:		
Depreciation	5,197	6,777
Share-based payments	-	94,758
Changes in non-cash working capital balances:		
Receivables	(4,855)	946
Prepaid expenses and deposits	7,008	17,342
Accounts payable and accrued liabilities	9,505	(631)
Due to related parties	98,483	(34,366)
Net cash flows from (used in) operating activities	4,573	(196,584)
Financing Activities		
Proceeds from issuance of common shares, net of share issue costs	-	388,199
Net cash flows from financing activities	-	388,199
Investing Activities		
Expenditures on exploration and evaluation assets	(4,798)	(227,035)
Net cash flows used in investing activities	(4,798)	(227,035)
Change in cash	(225)	(35,420)
Cash, beginning	1,611	36,743
Cash, ending	**$ 1,386**	**$ 1,323**

Non-cash Transactions – Note 10

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

1. Corporate Information

SEGO Resources Inc. (the "Company") is an exploration stage company incorporated under the laws of the Province of British Columbia, Canada. Its business is the acquisition, exploration and evaluation of mineral properties. The Company is currently in the process of exploring and evaluating its Miner Mountain property located in the Similkameen Mining Division of British Columbia. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "SGZ".

The Company's head office and principal business address is #310 - 744 West Hastings Street, Vancouver, British Columbia, Canada, V6C 1A5.

2. Basis of Preparation

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standard ("IAS") IAS 34 "Interim Financial Reporting".

They do not include all of the information and disclosures required to be included in annual financial statements prepared in accordance with IFRS and should be read in conjunction with the Company's audited annual financial statements for the years ended June 30, 2014 and 2013.

These condensed interim financial statements were authorized for issue on March 2, 2015 by the directors of the Company.

Going Concern

These condensed interim financial statements have been 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. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

At December 31, 2014, the Company has a working capital deficiency of $290,126 and an accumulated deficit of $3,253,696.

In addition, the Company has not generated revenue from operations and has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves and the Company's ability to obtain adequate financing to develop the reserves into profitable operations. These conditions indicate material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The Company has been able to fund operations and mineral property exploration through equity financings. The Company will have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

2. Basis of Preparation (cont'd)

Basis of Measurement and Use of Accounting Judgments, Estimates and Assumptions

These condensed interim financial statements have been prepared on an accrual basis and are based on historical costs except for certain financial instruments which are measured at fair value as explained in the Company's significant accounting policies set out in Note 3.

The condensed interim financial statements are presented in Canadian dollars which is also the Company's functional currency. The Company has one operating segment, mineral exploration and evaluation. All of the Company's assets are located in Canada.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

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

Areas requiring a significant degree of estimation and judgment relate to the determination of the useful lives of equipment, the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments and other equity-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, and the recoverability and measurement of deferred tax assets and liabilities.

3. Significant Accounting Policies

These condensed interim financial statements have, in management's opinion, been properly and consistently prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Exploration and evaluation assets

(i) Exploration and evaluation expenditures

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration and classified as a component of mineral properties. Such expenditures include, but are not limited to, exploration license expenditures, leasehold property acquisition costs, evaluation costs including drilling costs directly attributable to a property, and directly attributable general and administrative costs. From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to "mines under construction". No amortization is taken during the exploration and evaluation phase.

(ii) Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through depreciation of the asset and unwinding of the discount on the provision.

Depreciation is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset.

3. Significant Accounting Policies (cont'd)

(a) Exploration and evaluation assets (cont'd)

(ii) Decommissioning liabilities (cont'd)

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

Changes in the measurement of a liability, which arises during production, are charged against operating profit. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. To date the Company does not have any decommissioning liabilities.

(b) Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment. At the end of each reporting period, the Company reviews the carrying amounts of its assets that are subject to amortization to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

3. Significant Accounting Policies (cont'd)

(c) Equipment

Equipment is stated at cost and amortized on a straight-line basis as follows:

Computer hardware	-	3 years
Computer software	-	2 years
Plotter	-	5 years
Vehicle	-	5 years

Additions during the year are amortized at one-half the annual rates.

When equipment is retired, sold or otherwise disposed of, the asset's carrying amount and related accumulated amortization are removed from the accounts and any gain or loss is included in operations. The Company compares the carrying value of equipment to estimated net recoverable amounts, based on estimated future cash flows, to determine whether there is any indication of impairment whenever events or circumstances warrant.

(d) Income taxes

Income tax expense, consisting of current and deferred tax expense, is recognized in the statements of operations. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. Significant Accounting Policies (cont'd)

(e) Loss per share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of share options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year.

Existing share options and share purchase warrants have not been included in the computation of diluted loss per share as to do so would be anti-dilutive. Accordingly, basic and diluted loss per share is the same. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(f) Share-based payment transactions

The Company grants share options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of share-based payments to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received based on the fair value of the goods or services received. If it is determined that the fair value of goods and services received cannot be reliably measured, the share-based payment is measured at the fair value of the equity instruments issued using the Black-Scholes option pricing model.

For both employees and non-employees, the fair value of share-based payments is recognized as either an expense or as mineral property interests with a corresponding increase in option reserves. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. Consideration received on the exercise of stock options is recorded in capital stock and the related share-based payment in option reserves is transferred to capital stock. For those options that expire or are forfeited after vesting, the recorded value is transferred to deficit.

(g) Flow-through shares

Resource expenditures for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. A liability is recognized for the premium on the flow-through shares and is subsequently reversed as the Company incurs qualifying Canadian exploration expenses.
In circumstances where the Company has issued flow-through shares by way of a unit offering, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve first based on the fair value of the warrant component on grant date using the Black-Scholes option pricing model. Any remaining residual value is then recognized as a liability for the premium on the flow-through shares.

3. Significant Accounting Policies (cont'd)

(h) Share capital

Proceeds from the exercise of stock options and warrants are recorded as capital stock in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Capital stock issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and warrants based on the residual value method. Under this method, the proceeds are allocated first to capital stock based on the fair value of the common shares at the time the units are priced and any residual value is allocated to the warrants reserve. Consideration received for the exercise of warrants is recorded in capital stock and the related residual value is transferred to capital stock. For those warrants that expire, the recorded value is transferred to deficit.

(i) Mining exploration tax credits

The Company is eligible to receive mining exploration tax credits for certain qualifying work done on its properties. The benefits related to such mining exploration tax credits are credited against exploration costs in the period in which the Company can reasonably estimate the amounts to be received and establish their ultimate recovery.

(j) Financial instruments

(i) Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss ("FVTPL"), held-to-maturity investments ("HTM"), loans and receivables, and available-for-sale ("AFS"). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of assets at recognition.

- *Financial assets at fair value through profit or loss*

  Financial assets at FVTPL are initially recognized at fair value with changes in fair value recorded through income. Cash and cash equivalents are included in this category of financial assets.

- *Held-to-maturity investments*

  HTM investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company has no assets classified as held-to-maturity.

3. Significant Accounting Policies (cont'd)

(j) Financial instruments (cont'd)

(i) Financial assets (cont'd)

- *Loans and receivables*

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost, less any impairment. The Company has no assets classified as loans and receivables.

- *Available-for-sale financial assets*

  AFS financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets are recognized as other comprehensive income and classified as a component of equity. Marketable securities are included in this category of financial assets.

Management assesses the carrying value of AFS financial assets at least annually and any impairment charges are also recognized in profit or loss. When financial assets classified as AFS are sold, the accumulated fair value adjustments recognized in other comprehensive income (loss) are included in profit or loss.

(ii) Financial liabilities

The Company classifies its financial liabilities in the following categories: Borrowings and other financial liabilities and derivative financial liabilities.

- *Borrowings and other financial liabilities*

  Borrowings and other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the income statement over the period to maturity using the effective interest method. Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

3. Significant Accounting Policies (cont'd)

(j) Financial instruments (cont'd)

(ii) Financial liabilities (cont'd)

- *Derivative financial liabilities*

  Derivative financial liabilities 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. Derivative financial liabilities include warrants issued by the Company denominated in a currency other than the Company's functional currency.

(iii) Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Inputs for assets or liabilities that are not based on observable market data.

(k) Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning on or after January 1, 2014.

The mandatory adoption of the following new and revised accounting standards on July 1, 2014 had no significant impact on the Company's condensed interim financial statements for the periods presented.

IAS 32 Financial Instruments: Presentation - In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement.

IAS 36 Impairment of Assets - In May 2013, the IASB issued an amendment to address the disclosure of information about the recoverable amount of impaired assets or a CGU for periods in which an impairment loss has been recognized or reversed. The amendments also address disclosure requirements applicable when and asset's or a CGU's recoverable amount is based on fair value less costs of disposal.

3. Significant Accounting Policies (cont'd)

(k) Recent Accounting Pronouncements (cont'd)

IFRIC 21 Levies - In May 2013, the IASB issued IFRIC 21, Levies ("IFRIC 21"), an interpretation of IAS 37, Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

(l) Accounting Standards and Amendments Issued But Not Yet Effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning on or after January 1, 2015.

The following standards will be adopted effective July 1, 2015:

IFRS 9 Financial Instruments - IFRS 9 Financial Instruments - IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely. Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in *IAS 39, Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

4. Reclamation Deposits

The Company has pledged $10,000 in two guaranteed investment certificates ("GICs") as a site reclamation deposit pursuant to a condition of receiving consent from a government agency to explore its Mine Mountain property. The GICs have an interest rate of prime plus 1.80% and 0.80%. The deposits are refundable if there is no environmental disturbance to the property. It is management's opinion that there has been minimal disturbance to the property to date. The carrying value approximates the fair value of the GICs.

(Stated in Canadian Dollars)

5. Equipment

December 31, 2014

	Computer Hardware	Computer Software	Plotter	Vehicle	Total
Cost:					
At June 30, 2014	17,542	28,521	50,302	9,257	105,622
Additions	-	-	-	-	-
At December 31, 2014	17,542	28,521	50,302	9,257	105,622
Accumulated Depreciation:					
At June 30, 2014	17,375	28,521	27,481	9,257	82,634
Depreciation expense	167	-	5,030	-	5,197
At December 31, 2014	17,542	28,521	32,511	9,257	87,831
Net book value:					
At June 30, 2014	$ 167	$ -	$ 22,821	$ -	$ 22,988
At December 31, 2014	**$ -**	**$ -**	**$ 17,791**	**$ -**	**$ 17,791**

June 30, 2014

	Computer Hardware	Computer Software	Plotter	Vehicle	Total
Cost:					
At June 30, 2013	17,542	28,521	50,302	9,257	105,622
Additions	-	-	-	-	-
At June 30, 2014	17,542	28,521	50,302	9,257	105,622
Accumulated Depreciation:					
At June 30, 2013	16,205	26,197	17,421	9,257	69,080
Depreciation expense	1,170	2,324	10,060	-	13,554
At June 30, 2014	17,375	28,521	27,481	9,257	82,634
Net book value:					
At June 30, 2013	$ 1,337	$ 2,324	$ 32,881	$ -	$ 36,542
At June 30, 2014	**$ 167**	**$ -**	**$ 22,821**	**$ -**	**$ 22,988**

6. Exploration and Evaluation Assets

Miner Mountain Property

On June 13, 2007, the Company entered into an option agreement to acquire a 100% interest in 38 mineral claims (which were subsequently consolidated into 12 mineral claims) situated in the Similkameen Mining Division of British Columbia for cash payments and common share issuances as follows:

(a) Cash payments to the optionors of $165,000 as follows:

- (i) $30,000 within five business days from the day the agreement between both parties is approved by the TSX Venture Exchange (the "Exchange") (approved July 2007) (paid);
- (ii) $60,000 on or before June 13, 2008 (paid); and
- (iii) $75,000 on or before June 13, 2009 (paid).

(b) Issuance of 600,000 common shares to the optionors as follows:

- (i) 50,000 common shares within five business days of the approval date by the Exchange (approved July 2007) (issued);
- (ii) 100,000 common shares on or before June 13, 2008 (issued);
- (iii) 150,000 common shares on or before June 13, 2009 (issued); and
- (iv) 300,000 common shares upon preparation of a positive feasibility study on the property.

As part of the agreement, the optionors retain a 3% net smelter return ("NSR") royalty on the property. The Company has the right to buy back one-half of the NSR for the sum of $1,500,000 at any time.

On June 16, 2011, the Company acquired a 100% interest in three additional mineral claims located in the Similkameen Mining Division of British Columbia for $5,000 and the issuance of 50,000 common shares.

(Stated in Canadian Dollars)

6. Exploration and Evaluation Assets (cont'd)

Miner Mountain Property (cont'd)

As at December 31, 2014 and June 30, 2014, the Company's exploration and evaluation assets are comprised of property acquisition costs and deferred exploration costs on its Miner Mountain property:

Balance, June 30, 2013	$	3,419,163
Deferred exploration costs		
Sampling and reclamation		179,460
Engineering and geological		53,582
Travel and accommodation		32,814
Share-based payments		16,246
Camp supplies		11,940
Filing fees		1,500
Mining tax credit receivable		(55,560)
Additions during the year		239,984
Balance, June 30, 2014	$	3,659,147
Deferred exploration costs		
Camp and supplies		4,798
Engineering and geological		3,600
Travel and accommodation		360
Additions during the period		8,758
Balance, December 31, 2014	$	3,667,905

7. Financial Instruments

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash is classified as a financial asset at FVTPL; reclamation deposits are classified as held-to-maturity; due to related parties and accounts payable are classified as other financial liabilities, which are measured at amortized cost. The carrying value of these instruments approximates their fair values due to their short term to maturity.

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

- Credit risk;
- Liquidity risk; and
- Market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is held in a Canadian financial institution. The Company does not have any asset-backed commercial paper. The Company has minimal credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of December 31, 2014 are $356,464 (June 30, 2014 - $244,516). All of the contractual financial liabilities are current liabilities.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

As at December 31, 2014 and June 30, 2014, the Company is not exposed to significant market risk.

(Stated in Canadian Dollars)

8. Share Capital

(a) *Authorized*

Unlimited Class A common shares without par value

(b) *Issued and outstanding*

On July 18, 2013, the Company completed a brokered private placement and issued 5,000,000 units at $0.10 per unit for gross proceeds of $500,000. Each unit consisted of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at $0.20 until July 18, 2018.

With respect to this private placement, the Company paid fees and expenses of $111,800 and issued 1,250,000 agent options exercisable at $0.10 into one unit having the same terms as the private placement units. The agent's options had a fair value of $139,415 and are exercisable until July 18, 2018. The fair value of each option grant was calculated using the following assumptions:

Expected life of options	5 years
Annualized volatility	85%
Risk-free interest rate	1.68%
Dividend rate	0%

(c) *Stock options*

The Company established a stock option plan in 2013 under which it may grant stock options totaling in aggregate up to 11,391,565 of the Company's common shares. The stock option plan provides for the granting of stock options to insiders, consultants and employees up to a limit of 5%, 2% and 2%, respectively, of the Company's total number of issued and outstanding shares on a non-diluted basis per year. The stock option plan also restricts the issuance of options to insiders if the grant will result in the total number of options granted to insiders exceeds 10% of the Company's issued and outstanding shares on a non-diluted basis. The option price and vesting terms will be specified in individual stock option agreements, adjusted from time to time in accordance with the provisions of the stock option plan. Options issued to consultants performing investor relations activities must vest in stages over a minimum period of twelve months with no more than 25% of the options vesting in any three-month period.

(Stated in Canadian Dollars)

8. Share Capital (cont'd)

(c) *Stock options* (cont'd)

On July 25, 2013, the Company granted 2,049,735 stock options to directors, officers, consultants and employees exercisable at $0.15 until July 25, 2018. Share-based payments of $111,004 were recorded for these option grants of which $16,246 was capitalized to exploration and evaluation assets. The grant date fair value per option was $0.05. The fair value of each option grant was calculated using the following weighted average assumptions:

	Year Ended June 30, 2014
Expected life of options	4.1 years
Annualized volatility	85%
Risk-free interest rate	1.74%
Dividend rate	0%

A summary of stock option activity for the six months ended December 31, 2014 and the year ended June 30, 2014 is as follows:

	Six Months Ended December 31, 2014		Year Ended June 30, 2014	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	8,940,390	$ 0.14	6,890,655	$ 0.14
Options granted	-	-	2,049,735	0.15
Options expired	(1,389,655)	0.10	-	-
Options outstanding, ending	7,550,735	$ 0.15	8,940,390	$ 0.14
Options exercisable, ending	7,550,735	$ 0.15	8,940,390	$ 0.14

At December 31, 2014, the weighted average remaining contractual life of the outstanding options is 1.80 years.

At December 31, 2014, there were 7,550,735 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of Options Outstanding	Exercise Price	Expiry Date
1,821,000	$0.10	March 18, 2015
2,380,000	$0.17	February 11, 2016
100,000	$0.28	January 4, 2017
200,000	$0.30	March 30, 2017
1,000,000	$0.15	August 10, 2017
2,049,735	$0.15	July 25, 2018
7,550,735		

(Stated in Canadian Dollars)

8. Share Capital (cont'd)

(d) *Warrants*

A summary of share purchase warrant activity for the six months ended December 31, 2014 and the year ended June 30, 2014 is as follows:

	Six Months Ended December 31, 2014		Year Ended June 30, 2014	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	14,424,875	$ 0.18	20,096,860	$ 0.16
Warrants issued	-	-	2,500,000	0.10
Warrants expired	(7,074,875)	0.12	(8,171,985)	0.10
Warrants outstanding, ending	7,350,000	$ 0.24	14,424,875	$ 0.18

At December 31, 2014, there were 7,350,000 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of Warrants Outstanding	Exercise Price	Expiry Date
4,200,000	$0.33	July 7, 2017
650,000	$0.20	May 24, 2018
2,500,000	$0.10	July 18, 2018
7,350,000		

At December 31, 2014, there are 1,225,000 share purchase warrants contingently issuable in relation to agent's options to acquire units (Note 9(e)).

(Stated in Canadian Dollars)

8. Share Capital (cont'd)

(e) *Agent options*

Agent options are the right to purchase units, with each unit being comprised of a common share and a share purchase warrant.

A summary of agent's option activity for the six months ended December 31, 2014 and the year ended June 30, 2014 is as follows:

	Six Months Ended December 31, 2014		Year Ended June 30, 2014	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	1,916,250	$ 0.15	769,900	$ 0.21
Warrants issued	-	-	1,250,000	0.10
Warrants expired	(66,250)	0.08	(103,650)	0.07
Warrants outstanding, ending	1,850,000	$ 0.15	1,916,250	$ 0.15

During the year ended June 30, 2014, the Company issued 1,250,000 agent's options exercisable at $0.10 per unit until July 18, 2018. Each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at $0.20 until July 18, 2018.

At December 31, 2014, there were 1,850,000 agent's options outstanding entitling the holders thereof the right to purchase one unit for each option held as follows:

Number of Options Outstanding	Exercise Price	Expiry Date
600,000	$0.25	July 7, 2016
1,250,000	$0.10	July 18, 2018
1,850,000		

The warrant component of the 600,000 agent's options expiring July 7, 2016 is 600,000 warrants to acquire one common share for each warrant held for a period of 60 months exercisable at $0.33 during the first 24 months, $0.40 during the second 24 months and $0.50 during the last 12 months.

The warrant component of the 1,250,000 agent's options expiring July 18, 2018 is 625,000 warrants to acquire one common share for each warrant held exercisable at $0.20 until July 18, 2018.

(Stated in Canadian Dollars)

9. Related Party Transactions

Related party transactions

The Company incurred the following charges by directors of the Company or by a company with a director in common with the Company during the six months ended December 31, 2014 and 2013:

		2014		2013
Deferred exploration costs – engineering and geological	$	3,600	$	49,428
Deferred exploration costs – share-based payments		-		3,249
Administrative fees		5,400		36,228
Consulting fees		-		12,000
Management fees		18,000		18,000
Rent		36,750		36,750
Share-based payments		-		94,758
Telephone		3,240		3,240
	$	66,990	$	253,653

Key management personnel compensation

The Company considers its Board of Directors to be key management. The Company incurred the following key management compensation charges during the six months ended December 31, 2014 and 2013:

		2014		2013
Short-term benefits	$	66,990	$	155,646
Share-based payments		-		98,007
	$	66,990	$	253,653

At December 31, 2014, due to related parties includes $276,612 for cash advances, fees and expenses (June 30, 2014: $174,169) due to directors of the Company and to a company with a director in common with the Company.

The amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

10. Non-cash Transactions

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows. During the six months ended December 31, 2014 and 2013, the following transactions were excluded from the statements of cash flows:

		2014		2013
Share-based payments included in exploration and evaluation assets	$	-	$	16,246
Due to related parties included in exploration and evaluation assets		3,960		31,392
	$	3,960	$	47,638

11. Commitments

(i) The Company has entered into a year to year renewable agreement with J Paul Stevenson & Associates, a company operated by J Paul Stevenson, the CEO of SEGO Resources Inc.

The agreement provides for bookkeeping, secretarial and website services at $6,038 per month, GIS data management and mapping services at $6,038 per month, rental of office space at $6,125 per month, management fees at $3,000 per month and telephone services at $540 per month. The agreement also provides the Company with geological services on an as needed basis. The agreement has no terms and can be changed on agreement between the Company and the CEO.

The provision of bookkeeping, secretarial and website services at $6,038 per month and GIS data management and mapping services at $6,038 per month was suspended in March 2014.

(ii) The Company has entered into an ongoing lease agreement for storage space located in the town of Princeton, B.C. at $800 per month.