BRADES RESOURCE CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)

FOR THE NINE MONTHS ENDED JANUARY 31, 2015

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the nine months ended January 31, 2015.

BRADES RESOURCE CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)

	As at January 31, 2015	As at April 30, 2014 (Audited)
ASSETS		
Current assets		
Cash	$ 183,015	$ 230,580
Receivables (Note 5)	6,823	19,515
Prepaid (Note 7)	-	-
Total current assets	189,838	250,095
Non-current assets		
Reclamation bond (Note 4)	5,000	5,000
Exploration and evaluation assets (Note 4)	2,742,976	1,511,439
Total non-current assets	2,747,976	1,516,439
Total assets	**$ 2,937,814**	**$ 1,766,534**
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 135,761	$ 229,488
Equity		
Capital stock (Note 6)	4,012,022	2,523,330
Reserves (Note 6)	289,667	299,245
Deficit	(1,499,636)	(1,285,529)
Total equity	2,802,053	1,537,046
Total liabilities and equity	**$ 2,937,814**	**$ 1,766,534**

Nature and continuance of operations (Note 1)

Approved and authorized on March 31, 2015 on behalf of the Board:

"BRIAN BILES", Director — BRIAN BILES

"PETER WILSON", Director — PETER WILSON

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

BRADES RESOURCE CORP.
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)
(Expressed in Canadian Dollars)

	Three Months Ended January 31, 2015	Three Months Ended January 31, 2014	Nine Months Ended January 31, 2015	Nine Months Ended January 31, 2014
EXPENSES				
Filing fees	$ 5,188	$ 6,614	$ 18,203	$ 14,997
Investor relations	-	8,950	3,164	24,700
Management fees (Note 7)	74,000	-	101,500	10,000
Office and administration	1,534	9,059	5,371	9,712
Professional fees (Note 7)	33,189	48,973	97,261	104,461
Property investigation	-	-	1,916	-
Rent (Note 7)	2,250	4,248	6,750	21,301
Salary expenses	8,025	-	10,700	-
Travel expenses	8,484	1,798	17,212	4,014
Loss before other items	(132,670)	(79,642)	(262,077)	(189,185)
Other items				
Gain on debt settlement (Note 10)	-	-	47,821	-
Interest revenue	150	-	150	-
	150	-	47,971	-
Loss and comprehensive loss for the period	**$ (132,520)**	**$ (79,642)**	**$ (214,106)**	**$ (189,185)**
Basic and diluted loss per common share	**$ (0.00)**	**$ (0.00)**	**$ (0.01)**	**$ (0.01)**
Weighted average number of outstanding common shares	**42,450,593**	**17,589,665**	**24,457,046**	**16,232,789**

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

BRADES RESOURCE CORP.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Capital stock				
	Shares	Amount	Reserves	Deficit	Total equity
Balance, April 30, 2013	14,089,665	$ 1,181,535	$ 47,888	$ (697,229)	$ 532,194
Shares issued for acquisition of exploration and evaluation assets (Note 4 and 6)	3,500,000	490,000	-	-	490,000
Release of founder share from escrow	-	9,578	(9,578)	-	-
Loss and comprehensive loss for the period	-	-	-	(189,185)	(189,185)
Balance, January 31, 2014	17,589,665	$ 1,681,113	$ 38,310	$ (886,414)	$ 833,009
Balance, April 30, 2014	23,455,042	$ 2,523,330	$ 299,245	$(1,285,529)	$ 1,537,046
Share issuance costs	-	(80,661)	-	-	(80,661)
Private placement (Note 6)	16,927,727	931,025	-	-	931,025
Shares issued for debt (Note 6)	1,050,000	78,750	-	-	78,750
Shares issued for acquisition of exploration and evaluation assets (Note 4 and 6)	5,500,000	550,000	-	-	550,000
Release of founder share from escrow	-	9,578	(9,578)	-	-
Loss and comprehensive loss for the period	-	-	-	(214,107)	(214,107)
Balance, January 31, 2015	46,932,769	$ 4,012,022	$ 289,667	$(1,499,636)	$ 2,802,053

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

BRADES RESOURCE CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE NINE MONTHS ENDED JANUARY 31,

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (214,106)	$ (189,185)
Items not affecting cash:		
Gain on debt settlement (Note 10)	(47,821)	-
Changes in non-cash working capital items:		
Decrease (increase) in receivables	12,691	56,946
Increase in accounts payable and accrued liabilities	32,845	57,073
Net cash flows used in operating activities	(216,391)	(75,166)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(705,038)	(37,808)
BC mining exploration tax credit received	23,500	-
Net cash flows used in investing activities	(681,538)	(37,808)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares	931,025	-
Share issue costs	(80,661)	-
Net cash flows provided by financing activities	850,364	-
Change in cash for the period	(47,565)	(112,974)
Cash, beginning of period	230,580	162,908
Cash, end of period	**$ 183,015**	**$ 49,934**

The significant non-cash transactions for the period ended January 31, 2015 included:

a) $11,638 of share issuance costs included in accounts payable; and
b) $550,000 fair value for 5,500,000 common shares issued for acquisition of the Perron Lake property. This included finder's fee at a fair value of $50,000 for 500,000 common shares (Note 4).

The significant non-cash transactions for the period ended January 31, 2014 included:

a) $11,638 of share issuance costs included in accounts payable;
b) $5,239 of exploration and evaluation expenditures included in accounts payable;
c) $490,000 fair value for 3,500,000 common shares issued for acquisition of the Lorne Lake property (Note 4); and
d) fair value of $9,578 reclassified from reserves to capital stock as 275,000 founder shares were released from escrow.

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Brades Resource Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on September 20, 2006. The registered address, head office, principal address and records office of the Company are located at 202 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6.

The Company is a mineral exploration company focused on acquiring, exploring and developing resource properties, and is in the exploration stage with respect to its mineral property.

The Company trades on the TSX Venture Exchange ("TSX-V") under the stock symbol BRA.

<u>Going concern of operations</u>

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. As at January 31, 2015 the Company has had significant losses. In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt. These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. Based on the information available to date, the Company has not yet determined whether its mineral property contains economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their development and upon future profitable production.

In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. As such, there is a material uncertainty that raises significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standard ("IAS") *34, Interim Financial Reporting.*

The condensed interim financial statements are presented in Canadian dollars, which is the functional currency of the Company.

The condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss or available for sale, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements should be read in conjunction with the Company's financial statements for the year ended April 30, 2014, which have been prepared in accordance with IFRS.

3. SIGNIFICANT ACCOUNTING POLICIES

Use of significant accounting judgments and critical accounting estimates

Significant accounting judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

a) Determination of categories of financial assets and financial liabilities which has been identified as an accounting policy which involves assessments made by management.

b) Recoverability of the carrying value of the Company’s exploration and evaluation assets.

c) Recoverability of receivables.

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:

a) *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.

b) *Share-based payments* – The fair value of share-based payment 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.

Statement of compliance

The accounting policies applied by the Company in these financial statements are the same as those applied by the Company in its most recent annual consolidated financial statements for the year ended April 30, 2014.

New accounting standards and recent pronouncements

There are no IFRS or IFRIC interpretations that are effective May 1, 2014 that are expected to have a material impact on the Company.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS

For the period ended January 31, 2015	Perron Lake	Clearwater West	Lorne Lake	Iskut River	Total
Acquisition costs					
Balance – beginning of period	$ -	$ 261,207	$ 490,000	$ 19,951	$ 771,158
Acquisition payment	600,000	-	-	-	600,000
Finder's fee	50,000	-	-	-	50,000
Balance – end of period	650,000	261,207	490,000	19,951	1,421,158
Exploration costs					
Balance – beginning of period	-	317,000	-	423,280	740,280
Geological and consulting	-	605,038	-	-	605,038
Helicopter	-	-	-	-	-
BC mining exploration tax credits	-	(23,500)	-	-	(23,500)
Balance – end of period	-	898,538	-	423,280	1,321,818
Total costs as at January 31, 2015	**$ 650,000**	**$ 1,159,745**	**$ 490,000**	**$ 443,231**	**$ 2,742,976**

For the year ended April 30, 2014	Clearwater West	Lorne Lake	Iskut River	Total
Acquisition costs				
Balance – beginning of year	$ -	$ -	$ 19,951	$ 19,951
Shares issuance	261,207	490,000	-	751,207
Balance – end of year	261,207	490,000	19,951	771,158
Exploration costs				
Balance – beginning of year	-	-	347,357	347,357
Geological and consulting	317,000	-	92,500	409,500
Helicopter	-	-	25,000	25,000
BC mining exploration tax credits	-	-	(41,576)	(41,576)
Balance – end of year	317,000	-	423,281	740,281
Total costs as at April 30, 2014	**$ 578,207**	**$ 490,000**	**$ 443,232**	**$ 1,511,439**

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)

Perron Lake

On November 12, 2014, the Company purchased a 100% interest in three properties at Perron Lake, Manitou Falls and Cree Bay in the north-eastern Athabasca Basin region of northern Canada. As consideration, the Company paid $100,000 and issued 5,000,000 common shares of the Company to the property owner. The acquisition is subject to approval by the TSX Venture Exchange.

In addition, the Company paid a finder's fee of 500,000 common shares to Matthews Investments Ltd.

Iskut River

During the period from incorporation to January 31, 2015, the Company staked various claims in the Iskut River District of northwestern British Columbia.

As at January 31, 2015 the Company held $5,000 (April 30, 2014 - $5,000) in reclamation bonds.

Lorne Lake

On July 15, 2013, the Company entered into a purchase and sale agreement to acquire an undivided 100% interest in Lorne Lake uranium property located in northern Saskatchewan, subject to a 2% smelter return royalty, in consideration for the issuance of 3,500,000 common shares of the Company at a fair value of $0.14 (issued).

Clearwater West

On January 28, 2014, the Company entered into a property option agreement with Fission 3.0 Corp. ("Fission") to earn up to a 50% interest in the Clearwater West project in the southwestern Athabasca Basin region, Saskatchewan. In consideration, the Company agreed to:

a) issue 1,741,377 common shares of the Company to Fission on closing of the agreement at a fair value of $0.15 (issued); and

b) incur a total of $5,000,000 in exploration expenditures on or before October 10, 2016 according to the following schedule:

Term	**Interest Earned**	**Work Obligation**
By October 10, 2014	-	$ 700,000(met)
By October 10, 2015	20%	2,000,000
By October 10, 2016	30%	2,300,000
Total	**50%**	**$ 5,000,000**

The Company also agreed to grant a 2% Net Smelter Royalty ("NSR") to Fission on the property. The Company will pay a NSR equal to its proportionate interest in the property earned.

(Expressed in Canadian Dollars)

5. RECEIVABLES

		January 31, 2015		April 30, 2013 (Audited)
Interest receivable	$	66	$	-
GST receivable		6,757		19,515
	$	6,823	$	19,515

6. CAPITAL STOCK AND RESERVES

a) Authorized

Unlimited number of common shares, without par value.

b) Share issuances

During the period ended January 31, 2015:

i) The Company completed a Private Placement of 16,927,727 units raising gross proceeds of $931,025. Each unit was priced at $0.055 per unit and was comprised of one common share and one share purchase warrant entitling the holder to acquire an additional common share at a price of $0.07 per share for a period of 18 months from the date of closing of the non-brokered Private Placement. Total share issuance costs of $80,661were paid in conjunction with the Private Placement.

ii) The Company issued 1,050,000 shares to settle outstanding debts to two creditors totaling $120,877. (see Note 10).

As at January 31, 2015, 550,000 (April 30, 2014 – 825,000) common shares included in capital stock are held in escrow with a fair value of $19,154 (April 30, 2014 – $28,732) recorded in reserves. The shares subject to escrow are due to be released in accordance with the following schedule:

i) 10% upon the issuance of notice of listing of the common shares for trading by the TSX-V (released); and

ii) the remainder in 6 equal tranches of 15% every six months thereafter for a period of 36 months (5 tranches released).

During the period ended January 31, 2014, the Company issued 3,500,000 common shares at a deemed fair price of $0.14 per share for acquisition of the Lorne Lake property (Note 4).

(Expressed in Canadian Dollars)

6. CAPITAL STOCK AND RESERVES (cont'd...)

c) Stock options

The Company follows the policies of the TSX-V under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the then issued and outstanding common stock of the Company. Under the policies, the exercise price of each option equals the market price or a discounted price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of ten years.

During the nine months ended January 31, 2015, 100,000 options were cancelled. There were no options granted for the period ended January 31, 2015 and 2014.

Stock option transactions and the number of share options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, April 30, 2014	1,933,000	$	0.165
Options cancelled	(100,000)		0.165
Number of options currently exercisable, January 31, 2015	1,833,000	$	0.165
Weighted average remaining life of options outstanding	4.02 years		

As at January 31, 2015, the following options were outstanding:

Number of Options	Exercise Price	Expiry Date
1,833,000	$0.165	February 5, 2019

d) Warrants

No warrants were issued for the period ended January 31, 2015 and 2014.

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, April 30, 2014	2,062,000	$	0.20
Warrants granted	16,927,727		0.07
Balance, January 31, 2015	18,989,727	$	0.08

(Expressed in Canadian Dollars)

6. CAPITAL STOCK AND RESERVES (cont'd...)

d) Warrants (cont'd…)

As at January 31, 2015, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
2,062,000	$ 0.20	March 27, 2015
14,964,091	$ 0.07	April 14, 2016
1,963,636	$ 0.07	May 6, 2016

7. RELATED PARTY TRANSACTIONS

Transactions with related parties are as follows:

Paid or accrued to:	Nature of transactions	January 31, 2015	January 31, 2014
a firm of which the CFO is a partner	Professional	$ 62,700	$ 41,050
a company controlled by a family member of the CFO	Rent	-	21,301
a family member of the CFO	Management	10,000	10,000
a director	Management	47,500	-
a former director	Management	4,000	-
a company controlled by the CFO	Management	30,000	-
a company controlled by a director	Management	10,000	-
a company controlled by the former CEO	Exploration & evaluation	10,000	-
		$ 174,200	$ 72,351

Accounts payable and accrued liabilities of the Company include the following amounts due to related parties:

	As at January 31, 2015	As at April 30, 2014
Due to a firm of which the CFO is a partner	$ 57,530	$ 57,105
Due to a company controlled by a director	-	55,868
Due to a company controlled by a family member of the CFO	-	1,327
Due to a director	-	-
Due to a company controlled by CFO	1,323	-
	$ 58,853	$ 114,300

(Expressed in Canadian Dollars)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Payables and accrued liabilities for the Company are broken down as follows:

		January 31, 2015		April 30, 2014 (Audited)
Trade payables	$	70,598	$	95,888
Accrued liabilities		6,310		8,800
Due to related parties (Note 7)		58,853		114,300
Other		-		10,500
Total	**$**	**135,761**	**$**	**229,488**

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being exploration and development of mineral properties in Canada.

10. DEBT SETTLEMENT

During the quarter ended January 31, 2015, the Company:

- Settled $120,877 of debt through the issuance of 1,050,000 common shares at their respective fair values on the date of issuance.
- Settled $27,100 of payables through a payment of $15,000.

As a result of the settlements, the Company recognized a total gain on debt settlements of $47,821.