

NEXUS GOLD CORP.
(formerly Alita Resources Ltd.)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JANUARY 31, 2015 AND 2014

Expressed in Canadian Dollars

Head office and registered and records office address

720-700 West Pender Street
Vancouver BC,
V6C 1G8

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Nexus Gold Corp.
(formerly Alita Resources Ltd.)

We have audited the accompanying consolidated financial statements of Nexus Gold Corp. (formerly Alita Resources Ltd.), which comprise the consolidated statements of financial position as at January 31, 2015 and 2014 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Nexus Gold Corp. (formerly Alita Resources Ltd.) as at January 31, 2015 and 2014 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.



Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Nexus Gold Corp.'s (formerly Alita Resources Ltd.) ability to continue as a going concern.

Other Matters

The consolidated financial statements of Nexus Gold Corp. (formerly Alita Resources Ltd.) for the year ended July 31, 2013 were audited by another auditor who expressed an unmodified opinion on those statements on November 6, 2013.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

May 28, 2015

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014

<u>INDEX</u>	<u>Page</u>
Consolidated Financial Statements	
Consolidated Statements of Financial Position	1
Consolidated Statements of Loss and Comprehensive Loss	2
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)	3
Consolidated Statements of Cash Flows	4
Notes to the Consolidated Financial Statements	5- 24

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

AS AT JANUARY 31

Expressed in Canadian Dollars

	2015	2014
ASSETS		
Current		
Cash	\$ 673,144	\$ 7,401
Commodity tax recoverable	33,217	21,117
Prepays (Note 9)	244,743	-
	951,104	28,518
Deposit	10,200	10,200
Reclamation bond (Note 5)	53,388	-
Exploration and evaluation advance (Note 5)	93,563	-
Exploration and evaluation assets (Note 5)	749,898	383,928
	\$ 1,858,153	\$ 422,646
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 418,221	\$ 161,342
Related party loans (Note 9)	2,500	75,000
Due to related parties (Note 9)	-	50,535
	420,721	286,877
Due to related parties (Note 9)	141,086	239,751
	561,807	526,628
Shareholders' equity (deficiency)		
Share capital (Note 8)	3,265,176	408,042
Share-based payment reserve (Note 8)	823,272	517,086
Subscriptions received in advance (Note 15)	134,262	-
Deficit	(2,926,364)	(1,029,110)
	1,296,346	(103,982)
	\$ 1,858,153	\$ 422,646

Nature and continuance of operations (Note 1)**Commitments** (Note 14)**Subsequent events** (Note 15)**On behalf of the Board:**“Peter D. Berdusco”

Director

“Alex Klenman”

Director

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

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE (LOSS)
YEARS ENDED JANUARY 31
Expressed in Canadian Dollars

	2015	2014
EXPENSES		
Consulting fees (Note 9)	\$ 170,476	\$ 81,400
Corporate development	164,789	-
Filing fees	26,956	821
Foreign exchange loss	9,162	8,740
Management fees (Note 9)	165,000	126,661
Office and miscellaneous	41,931	36,287
Professional fees	59,020	60,792
Share-based payments (Note 8)	219,483	-
Travel and promotion	24,562	6,515
	(881,379)	(321,216)
Write-off of exploration and evaluation assets (Note 5)	(26,000)	-
Income (charge) related to public company listing (Note 3)	(989,875)	120,000
Loss and comprehensive loss for the year	\$ (1,897,254)	\$ (201,216)
Basic and diluted loss per common share	\$ (0.07)	\$ (0.02)
Weighted average number of common shares outstanding	26,281,009	10,510,757

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

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
Expressed in Canadian Dollars

	Number of shares	Share capital	Share-based payment reserve	Subscriptions received in advance	Deficit	Total equity (deficiency)
Balance, January 31, 2013	9,778,000	\$ 345,542	\$ 517,086	\$ -	\$ (827,894)	\$ 34,734
Shares issued for private placements	163,333	37,500	-	-	-	37,500
Shares issued for exploration and evaluation assets	100,000	25,000	-	-	-	25,000
Cancellation of CSR shares	(4,298,473)	-	-	-	-	-
Loss for the year	-	-	-	-	(201,216)	(201,216)
Balance, January 31, 2014	5,742,860	\$ 408,042	\$ 517,086	\$ -	\$ (1,029,110)	\$ (103,982)
Shares of CSR issued for private placements	1,937,029	272,500	-	-	-	272,500
Shares of CSR issued for debt settlement	1,505,432	278,505	-	-	-	278,505
Shares of CSR issued for exploration and evaluation assets	150,000	18,000	-	-	-	18,000
Shares of CSR exchanged on RTO	(9,335,321)	-	-	-	-	-
Company's balance prior to RTO	8,431,000	552,987	90,990	-	(696,859)	(52,882)
RTO adjustments	-	(552,987)	(90,990)	-	696,859	52,882
Shares issued in concurrent financing	3,975,000	397,500	-	-	-	397,500
Shares of Company issued for RTO	17,270,346	843,100	-	-	-	843,100
Shares issued for private placements	11,867,214	1,186,721	-	-	-	1,186,721
Share issuance costs	-	(52,489)	-	-	-	(52,489)
Warrants issued	-	(68,572)	68,572	-	-	-
Warrants issued as finders' fees	-	(18,131)	18,131	-	-	-
Share-based payments	-	-	219,483	-	-	219,483
Subscriptions received in advance	-	-	-	134,262	-	134,262
Loss for the year	-	-	-	-	(1,897,254)	(1,897,254)
Balance, January 31, 2015	41,543,560	\$ 3,265,176	\$ 823,272	\$ 134,262	\$ (2,926,364)	\$ 1,296,346

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

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JANUARY 31
Expressed in Canadian Dollars

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	\$ (1,897,254)	\$ (201,216)
Items not affecting cash:		
Share-based payments	219,483	-
Write-off of exploration and evaluation assets	26,000	-
Charge related to public company listing	895,982	-
Changes in non-cash working capital items:		
Commodity tax recoverable	(5,874)	1,175
Prepaid expenses	(243,618)	5,039
Accounts payable and accrued liabilities	148,660	78,324
Deposit	-	(10,200)
Net cash used in operating activities	(856,621)	(126,878)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issuance of share capital	1,856,721	37,500
Share issue costs	(52,489)	-
Share subscriptions received in advance	134,262	-
Loan from related party	92,500	111,000
Repayment to related party	(90,000)	(36,000)
Proceeds from loans payable	117,500	50,000
Repayment of loans payable	(117,500)	(50,000)
Due to related parties	56,805	119,395
Net cash provided by financing activities	1,997,799	231,895
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation assets	(328,484)	(105,684)
Exploration and evaluation advance	(93,563)	-
Reclamation bond	(53,388)	-
Net cash used in investing activities	(475,435)	(105,684)
Change in cash for the year	665,743	(667)
Cash, beginning of the year	7,401	8,068
Cash, end of year	\$ 673,144	\$ 7,401

Supplemental disclosure with respect to cash flows (Note 10)

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

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JANUARY 31, 2015 AND 2014

Expressed in Canadian Dollars

1. NATURE AND CONTINUANCE OF OPERATIONS

Nexus Gold Corp. (the "Company"), formerly Alita Resources Ltd., incorporated under the Business Corporations Act of British Columbia on May 7, 2009, is a public company listed on the TSX Venture Exchange (the "TSXV") and trades under the symbol NXS. The address of the Company's corporate office and its principal place of business is 720 - 700 West Pender Street, Vancouver, BC.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties. On July 31, 2014, the Company completed a reverse take-over transaction (Note 3).

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future, and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company does not generate sufficient cash flow from operations to adequately fund its activities and has therefore relied principally upon the support of creditors, related parties and issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Although these financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's recoverability of assets, classification of assets and liabilities, and results of operations should the Company be unable to continue as a going concern.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of operating revenue and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation assets. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. The carrying value of the Company's exploration and evaluation assets do not reflect current or future values. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable ore reserves. The recovery of the amounts comprising exploration and evaluation assets are dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of those reserves and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis. The Company estimates that additional funding will be required to continue operations over the next 12 months. These material uncertainties may cast significant doubt upon the entity's ability to continue as a going concern.

These financial statements do not include any adjustments related to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

	January 31, 2015	January 31, 2014
Deficit	\$(2,926,364)	\$ (1,029,110)
Working capital (deficiency)	\$ 530,383	\$ (258,359)

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

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

These financial statements were approved by the Board of Directors of the Company on May 28, 2015.

Basis of presentation

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

The consolidated financial statements are presented in Canadian dollars, which is also the Company and its subsidiary's functional currency.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, CSR (British Columbia). All significant inter-company balances and transactions have been eliminated upon consolidation.

Significant accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, valuation of share-based compensation and other equity based payments and the recoverability and measurement of deferred tax assets and liabilities.

Key estimates made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are as follows:

Economic recoverability and probability of future economic benefits of exploration and evaluation assets

Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Valuation of share-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Income taxes

In assessing the probability of realizing deferred tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Exploration and evaluation assets

Pre-exploration costs are expensed as incurred.

Costs directly related to the exploration and evaluation of mineral properties are capitalized once the legal rights to explore the mineral properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and amortized over the estimated useful life of the property following commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the property is written down to its recoverable amount. Exploration and evaluation assets are reviewed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

The costs include the cash or other consideration and the assigned value of shares issued, if any, on the acquisition of exploration and evaluation assets. Costs related to properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The Company does not accrue estimated future costs of maintaining its exploration and evaluation assets in good standing.

Capitalized costs as reported on the statements of financial position represent costs incurred to date and may not reflect actual, present, or future values. Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the exploration and evaluation property interests.

Management assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. Write-downs due to impairment in value are charged to profit or loss.

General exploration costs not related to specific properties and general administrative expenses are charged to profit or loss in the year in which they are incurred.

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Restoration and environmental obligations (cont'd...)

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in amount and timing of the Company's estimates of reclamation costs, are charged to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

For the years presented, there were no significant restoration and environmental obligations.

Impairment of assets

The carrying amount of the Company's assets (which include exploration and evaluation interests) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

The recoverable amount of assets is the greater of an asset's fair value less cost 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 the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share purchase warrants, and stock options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

Valuation of equity units issued in private placements:

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Share capital (cont'd...)

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as share-based payment reserve.

Share-based compensation

The Company grants share purchase options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The Company uses the fair value based method of accounting for stock options granted to directors and for compensatory warrants. Under this method, the fair value of the stock options and compensatory warrants are determined using the Black-Scholes option pricing model. The fair value of stock options is recognized to expense over the vesting period, and the fair value of compensatory warrants is recognized as share issuance costs, with the offsetting credit to reserves. Consideration paid for the shares on the exercise of share purchase options is credited to share capital.

Share issue costs

Costs directly identifiable with the raising of capital will be charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to operations if the shares are not issued.

Basic and diluted loss per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. The Company classifies cash as fair value through profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment. As at January 31, 2015 the Company does not have any loans and receivables.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method, and includes accounts payable and accrued liabilities, related party loans, and due to related parties.

For the years presented, the Company did not have any derivative financial assets and liabilities.

Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided for based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Income taxes (cont'd...)

Deferred tax (cont'd...)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company and its subsidiary is the Canadian dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in International Accounting Standard ("IAS") 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the period.

New accounting standards, amendments and interpretations

Financial instruments

IFRS 7 – Financial Instruments: Disclosure. IFRS 7 is amended for annual periods beginning on or after January 1, 2015 to require additional disclosures on transition from IAS 39 to IFRS 9. The Company is considering the potential impact of this amendment in 2015.

IFRS 9 - Financial Instruments: Classification and Measurement. IFRS 9 is a new standard that will replace IAS 39. IASB has tentatively decided to require an entity to apply IFRS 9 for annual periods beginning on or after January 1, 2018, with early adoption permitted. IFRS 9 introduces new requirements for the classification and measurement of financial instruments as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value and a debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows in the form of principal and interest. Management anticipates that this standard will be adopted in the Company's financial statements for the period beginning January 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

Revenue Recognition

IFRS 15 - Revenue from Contracts with Customers: IFRS 15 establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. Management anticipates that this standard will be adopted in the Company's financial statements for the period beginning January 1, 2017, and has not yet considered the potential impact of the adoption of IFRS 15.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

New accounting standards, amendments and interpretations (cont'd...)

IAS 36, Impairment of Assets

IAS 36 is amended effective for annual periods beginning on or after July 1, 2014 to address disclosures required regarding the recoverable amount of impaired assets of cash generating units (CGUs) for periods in which the impairment loss has been recognized or reversed. As of the date of the financial statements, the Company has no impaired assets. There is no change expected to the financial presentation as a result of this amendment.

3. REVERSE TAKEOVER TRANSACTION (“RTO”)

The Company entered into an agreement dated November 14, 2013 (the “Agreement”) with Columbia Star Resource Corp (“CSR”) to which the Company would acquire all of the issued and outstanding common shares of CSR (the “Transaction”), which was completed on July 31, 2014. The transaction has been treated as a RTO that was not a business combination and effectively a capital transaction of CSR.

The Agreement sets out the terms of the Transaction, including the exchange of common shares of the Company for all of the common shares of CSR at a ratio of one common share of the Company for every 1.85 common shares of CSR. As part of the agreement CSR received a non-refundable deposit of \$120,000 recorded as income related to the public company listing.

Prior to giving effect to the Transaction, the Company’s issued and outstanding share capital consisted of 8,431,000 common shares with a fair value at \$843,100 as per the stock price as at July 31, 2014. CSR had 9,335,321 common shares outstanding and pursuant to the Agreement, the Company issued a further 17,270,344 common shares to the shareholders of CSR, resulting in CSR’s shareholders receiving an approximate 67.2% interest in the Company, prior to a concurrent financing. The transaction closed on July 31, 2014, together with a concurrent financing of \$397,500. The Company spent \$93,893 for professional fees on the RTO and \$20,000 in finder’s fees related to the concurrent financing.

Because the former shareholders of CSR obtained control of the Company, the transaction is considered a purchase of the Company’s operations by CSR and is accounted for as a reverse acquisition. As CSR is deemed to be the acquirer for accounting purposes, its assets and liabilities and operations since incorporation are included in the consolidated financial statements at their historical carrying value. The Company’s results of operations are included from the date of the transaction onwards.

The determination and allocation of the purchase prices is summarized below:

Purchase price	\$ 843,100
Costs directly associated with RTO	<u>93,893</u>
	<u>\$ 936,993</u>
Allocation of purchase price:	
Net working capital	\$ (78,882)
Mineral property option	26,000
Charge related to public company listing	<u>989,875</u>
	<u>\$ 936,993</u>

The incremental value of the modification of the terms of outstanding share purchase options and warrants of the Company resulting from the consolidation of the Company’s share capital is calculated to be \$Nil and therefore not included in the determination of the purchase price.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair values

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of cash is determined using level 1 of the fair value hierarchy. The carrying values of accounts payable and accrued liabilities, related party loans, and due to related parties approximate their fair values due to the expected maturity of these financial instruments.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company normally maintains sufficient cash to meet the Company's business requirements.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JANUARY 31, 2015 AND 2014

Expressed in Canadian Dollars

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

i. Interest rate risk

Some of the Company's accounts payable and accrued liabilities trade payables are subject to interest on unpaid balances.

ii. Foreign currency risk

The Company's functional currency is the Canadian dollar, however exploration costs and property option payments are transacted in US dollars.

ii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

5. EXPLORATION AND EVALUATION ASSETS

	Walker Ridge	Mount Sidney Williams	Total
Balance, January 31, 2013	\$271,574	\$ -	\$271,574
Deferred exploration costs:			
Staking and claim maintenance	36,052	-	36,052
Total exploration costs	36,052	-	36,052
Acquisition costs:			
Cash	51,302	-	51,302
Shares	25,000	-	25,000
Total acquisition costs	76,302	-	76,302
Total expenditures for the year	112,354	-	112,354
Balance, January 31, 2014	383,928	-	383,928
Deferred exploration costs:			
Geophysical	190,944	-	190,944
Geological	11,988	-	11,988
General field expenses	21,229	-	21,229
Staking and claim maintenance	40,347	-	40,347
Total exploration costs	264,508	-	264,508
Acquisition costs:			
Cash	83,462	20,000	103,462
Shares	18,000	6,000	24,000
	101,462	26,000	127,462
Total expenditures for the year	365,970	26,000	391,970
Total before write-offs	749,898	26,000	775,898
Write-off of exploration and evaluation assets	-	(26,000)	(26,000)
Balance, January 31, 2015	\$ 749,898	\$ -	\$ 749,898

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

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

Walker Ridge Gold Property, Nevada

On October 1, 2011, CSR entered into an option agreement to purchase 100% interest in the Walker Ridge Group of mining claims located in the Elko County, Nevada.

To maintain the option in good standing, the Company is required to pay:

- i) USD \$5,000 on or before October 1, 2011 (paid);
- ii) USD \$25,000 on or before November 15, 2011 (paid).
- iii) USD \$25,000 plus 50,000 (pre-RTO) shares on or before June 15, 2012 (USD \$25,000 paid and 50,000 shares issued at a value of \$12,500);
- iv) USD \$50,000 plus 100,000 (pre-RTO) shares on or before March 15, 2013 (USD \$50,000 paid and 100,000 shares issued at a value of \$25,000);
- v) USD \$75,000 plus 150,000 (pre-RTO) shares on or before March 15, 2014 (USD \$75,000 paid and 150,000 shares issued at a value of \$18,000);
- vi) USD \$100,000 plus 370,000 (post-RTO) shares on or before March 15, 2015 (Note 15).

To acquire its interest, the Company is required to pay an additional USD \$1,500,000 and issue 1,850,000 common shares by October 1, 2016. The Company's VP of Exploration holds a 25% interest in the optionor of the Walker Ridge Gold Property.

The optionor will retain a net smelter royalty ("NSR") of 3%, which may be reduced to 1.5% upon a one-time purchase payment made to the optionor within 30 days of a commercial production decision based on the following formula: USD \$25 multiplied by the number of measured and indicated gold reserve ounces determined to be mineable from the property as determined and calculated by a third-party positive bankable feasibility study.

The Company has a USD\$42,900 (\$53,388) deposit required by the Bureau of Land Management (Nevada) in relation to future exploration programs.

During the year ended January 31, 2015, the Company advanced USD\$75,000 (\$93,563) to American Drilling Corp. ("ADC") for exploration work to be performed on the property.

Subsequent to the year end, ADC completed USD\$31,990 (\$39,908) in work and refunded the remaining deposit balance of USD\$43,010 (\$53,655).

Mount Sidney Williams Property, British Columbia

The Company, prior to the RTO, had signed an Option Agreement dated May 17, 2013 (the "Option Agreement") with Ursula Mowat ("Mowat") for a 100% interest in certain British Columbia mineral claims in the Omineca Mining Division, British Columbia known as the Mount Sidney Williams property (the "Property"). To earn the Property under the Option Agreement the Company must fulfil the following requirements by the various following dates:

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

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

Mount Sidney Williams Property, British Columbia (cont'd...)

- I. pay and issue to Mowat a total of \$315,000 and 400,000 shares as follows:
 - i) \$20,000 within five business days after September 11, 2013 (paid);
 - ii) 75,000 shares within seven business days after September 11, 2013 (issued);
 - iii) \$20,000 and 75,000 shares on or before September 11, 2014; (not paid)
 - iv) \$45,000 and 50,000 shares on or before September 11, 2015;
 - v) \$55,000 and 50,000 shares on or before September 11, 2016;
 - vi) \$75,000 and 50,000 shares on September 11, 2017; and
 - vii) \$100,000 and 100,000 Shares on September 11, 2018.

- II. incur the following expenditures on the Property (totalling \$1,450,000) by the following dates:
 - i) a cumulative total of \$50,000 on or before September 11, 2014;(not incurred)
 - ii) a cumulative total of \$50,000 on or before September 11, 2015;
 - iii) a cumulative total of \$450,000 on or before September 11, 2016;
 - iv) a cumulative total of \$950,000 on or before September 11, 2017;
 - v) a cumulative total of \$1,450,000 on or before September 11, 2018.

The Option Agreement also provides for Mowat to retain a 2.0% NSR which the Company will be able to purchase under certain circumstances.

As the Company has no plans for further exploration activities on this property, management has concluded that the value of the property should be written off, resulting in a write-off of \$26,000.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consist of as at January 31:

	2015	2014
Trade payables	\$377,421	\$98,692
Accrued liabilities	40,800	62,650
	\$418,221	\$161,342

7. LOANS PAYABLE

During the year ended January 31, 2015, the Company entered into:

- a) a non-interest bearing loan agreement on March 11, 2014, with an arm's length lender to borrow \$42,500 to be repaid on or before September 11, 2015. The loan was repaid in August 2014.

- b) a non-interest bearing loan agreement on July 31, 2014, to borrow \$50,000 with no set terms of repayment. The loan was repaid in August 2014.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

7. LOANS PAYABLE (cont'd...)

- c) a non-interest bearing loan agreement on August 15, 2014 to borrow \$25,000 with no set terms of repayment. The loan was repaid in September 2014.

During the year ended January 31, 2014, the Company entered into:

- a) a non-interest bearing loan agreement on March 12, 2013, with an arm's length lender to borrow \$25,000. The loan was repaid during the year ended January 31, 2014.
- b) a non-interest bearing loan agreement on May 25, 2013, with an arm's length lender to borrow \$25,000. The loan was repaid during the year ended January 31, 2014.

8. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE

Share Capital

During the year ended January 31, 2015, CSR:

- i) completed private placements of 1,937,029 units of CSR at prices ranging from \$0.1156 per unit to \$0.185 per unit for gross proceeds of \$272,500, with each unit consisting of one common share and one common share purchase warrant exercisable at a price of \$0.20 until February through July, 2016.
- ii) Issued 150,000 common shares for the Walker Ridge Gold property option payment valued at \$18,000 (Note 5).
- iii) entered into a series of settlement agreements whereby amounts owing to related parties of \$278,505 were settled in exchange for the issuance of 1,505,432 units, with each unit consisting of one common share and one common share purchase warrant exercisable at a price of \$0.20 until March 5, 2016.

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

- iv) completed an exchange of common shares of the Company for the common shares of CSR at a ratio of one common share of the Company for every 1.85 common shares of CSR together with concurrent financing issuing 3,975,000 units for gross proceeds of \$397,500, with each unit consisting of one common share and one common share purchase warrant exercisable at a price of \$0.20 until July 31, 2016. In connection with the financing, the Company issued 200,000 finders' warrants with a fair value of \$7,195. Each finders' warrant entitles the holder to purchase one additional share at \$0.20 until July 31, 2016.
- v) completed a private placement of 3,657,214 units at \$0.10 per unit for gross proceeds of \$365,721, with each unit consisting of one common share and one common share purchase warrant exercisable at a price of \$0.10 until August through November, 2015. The residual value associated with these warrants was determined to be \$68,572.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

8. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (cont'd...)

Share Capital (cont'd...)

- vi) completed a private placement of 8,210,000 units at \$0.10 per unit for gross proceeds of \$821,000, with each unit consisting of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase one additional share at \$0.125 until January 16, 2017. In connection with the financing, the Company paid finders' fees of \$27,000 and issued 135,000 finders' warrants with a fair value of \$10,936. Each finders' warrant entitles the holder to purchase one additional share at \$0.125 until January 16, 2015.

During the year ended January 31, 2014, CSR:

- i) completed a private placement of 110,000 shares at \$0.25 per share for gross proceeds of \$27,500.
- ii) cancelled a total of 4,298,473 of the directors and consultant shares.
- iii) completed a private placement by issuing 20,000 common shares at a price of \$0.25 per share for gross proceeds of \$5,000.
- iv) completed a private placement by issuing 33,333 common shares at a price of \$0.15 per share for gross proceeds of \$5,000.
- v) issued 100,000 common shares for the Walker Ridge Gold property option payment valued at \$25,000 (Note 5).

Escrowed shares

At January 31, 2015, there were 9,761,887 shares held in escrow. Under the applicable escrow agreements, 1,626,981 shares were released subsequent to January 31, 2015. On a prospective basis, 1,626,981 shares are subject to release every six months of each year.

Share-based compensation

At January 31, 2015, the Company had outstanding share purchase options as follows:

	Number of Options	Exercise Price	Expiry Date	Weighted Average Contractual Life Remaining
Granted August 8, 2014	2,450,000	\$ 0.10	August 8, 2019	4.52 years
Granted September 8, 2014	450,000	\$ 0.10	September 8, 2019	4.61 years
Balance, January 31, 2015	2,900,000			

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

8. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (cont'd...)

Share Capital (cont'd...)

Share purchase option transactions are summarized as follows:

	Number of Options	Weighted average exercise price
Balance, January 31, 2013 and 2014	-	\$ -
Granted	2,900,000	0.10
Balance, January 31, 2015	2,900,000	\$ 0.10
Number of options currently exercisable	2,900,000	\$ 0.10

During the year ended January 31, 2015, the Company granted 2,900,000 (2014 – Nil) incentive stock options valued at \$219,483, or \$0.076 per option.

During the year ended January 31, 2015, the Company recognized \$219,483 (2014 – \$Nil) in share-based payments for the fair value of the stock options that were granted. The fair value of options granted was estimated at the date of grant using the Black-Scholes option pricing model based on the following weighted average assumptions:

For the year ended	January 31, 2015	January 31, 2014
Risk free interest rate	1.52%	N/A
Expected life of options	5 years	N/A
Annualized volatility	105.5%	N/A
Dividend yield	0%	N/A
Exercise price	\$0.10	N/A
Fair value per option	\$0.076	N/A

Warrants

A summary of changes in warrants during the year is as follows:

	Number	Weighted average exercise price
Balance, January 31, 2013 and 2014	1,896,250	\$ 0.14
Granted	18,440,768	0.16
Expired	(1,896,250)	0.14
Balance, January 31, 2015	18,440,768	0.16

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

8. SHARE CAPITAL AND SHARE-BASED PAYMENT RESERVE (cont'd...)

Warrants (cont'd...)

As at January 31, 2015, the Company has the following warrants outstanding:

Number of Shares	Exercise Price	Expiry Date	Weighted Average Contractual Life Remaining
400,087	0.20	February 18, 2016	1.05 years
2,785,049	0.20	March 5, 2016	1.09 years
100,000	0.20	March 14, 2016	1.12 years
400,087	0.20	April 9, 2016	1.19 years
200,000	0.20	April 14, 2016	1.20 years
50,000	0.20	May 12, 2016	1.28 years
100,000	0.20	May 26, 2016	1.32 years
1,533,332	0.20	July 15, 2016	1.45 years
599,999	0.20	July 21, 2016	1.47 years
100,000	0.20	July 23, 2016	1.48 years
100,000	0.20	July 23, 2016	1.48 years
4,175,000	0.20	July 31, 2016	1.50 years
2,182,214	0.10	August 29, 2015	0.58 years
975,000	0.10	October 8, 2015	0.68 years
500,000	0.10	November 4, 2015	0.76 years
4,240,000	0.13	January 16, 2017	1.96 years
18,440,768			

During the year ended January 31, 2015, the Company granted finders' warrants with a total fair value of \$18,131. The fair value of the warrants was estimated at the date of grant using the Black-Scholes option pricing model based on the following weighted average assumptions:

For the year ended	January 31, 2015	January 31, 2014
Risk free interest rate	1.01%	N/A
Expected life of options	2 years	N/A
Annualized volatility	105.64%	N/A
Dividend yield	0%	N/A
Fair value per option	\$0.05	N/A

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

9. RELATED PARTY TRANSACTIONS AND MANAGEMENT COMPENSATION

Management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel includes the Company's executive officers and Board of Director members.

During the year ended January 31, 2015, the Company incurred the following:

- a) management fees of \$165,000 (2014 - \$126,661) to companies controlled by directors and officers of the Company.
- b) consulting fees of \$60,000 (2014 - \$55,000) to an officer and director of the Company.
- c) share-based payments for stock options granted to directors and officers recorded at a fair value of \$142,450 (2014 - \$Nil).

Loans

	2015	2014
Balance, beginning of year	\$ 75,000	\$ -
Advances	92,500	111,000
Repayment in cash	(90,000)	(36,000)
Settled for shares	(75,000)	-
	\$ 2,500	\$ 75,000

During the year ended January 31, 2015, the Company entered into:

- a) a non-interest bearing loan agreement on March 11, 2014, with a director of the Company to borrow \$42,500 to be repaid on or before September 11, 2015. An amount of \$40,000 was repaid in August 2014. Amounts advanced in the year ended January 31, 2014 were also non-interest bearing.
- b) a non-interest bearing loan agreement on August 1, 2014 with a spouse of an officer of the Company to borrow \$50,000 with no set terms of repayment. The loan was repaid in August 2014.

Other balances

As at January 31, 2015, the Company owed \$141,086 (2014 - \$290,286) to companies controlled by directors and officers. During the year ended January 31, 2015, the Company entered into agreements with the companies whereby all outstanding related party balances will not be payable no earlier than February 2016 and will be unsecured and non-interest bearing.

As at January 31, 2015, the Company had prepaids of \$20,650 (2014 - \$Nil) to a Company owned by an officer of the Company.

Settlement for shares

During the year ended January 31, 2015, CSR entered into a series of settlement agreements whereby amounts owing to related parties of \$278,505, including loans of \$75,000, were settled in exchange for the issuance of 1,505,432 units (2,785,049 units post-RTO) (Note 8).

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

For the year ended	January 31, 2015	January 31, 2014
Common shares issued for interest in exploration and evaluation assets	\$ 18,000	\$ 25,000
Common shares issued for settlement of debt	\$ 278,505	\$ -
Warrants issued	\$ 86,703	\$ -
Exploration and evaluation assets expenditures in accounts payable and accrued liabilities	\$ 88,706	\$ 69,220

11. SEGMENTED INFORMATION

The Company has one operating segment, being the exploration of exploration and evaluation assets, located in the United States and Canada. Geographic information is disclosed in Note 5.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2015 AND 2014
Expressed in Canadian Dollars

12. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2015	2014
Loss for the year	\$ (1,897,254)	\$ (201,216)
Expected income tax (recovery)	\$ (493,000)	\$ (52,000)
Change in statutory, foreign tax, foreign exchange rates and other	(90,000)	-
Permanent difference	123,000	1,000
Share issue cost	(14,000)	-
Change in unrecognized deductible temporary differences	474,000	51,000
	\$ -	\$ -

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	2015	2014
Deferred tax assets		
Canadian eligible capital (CEC)	\$ 185,000	\$ -
Share issue costs	11,000	-
Non-capital losses available for future period	409,000	131,000
	605,000	131,000
Unrecognized deferred tax assets	(605,000)	(131,000)
Net deferred tax assets	\$ -	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2015	Expiry Date Range	2014	Expiry Date Range
Temporary differences				
Canadian eligible capital (CEC)	711,000	No expiry date	-	No expiry date
Share issue costs	42,000	2035 to 2039	1,000	2034 to 2038
Non-capital losses available for future period	1,574,000	2029 to 2035	505,000	2028 to 2034

Tax attributes are subject to review, and potential adjustment, by tax authorities.

NEXUS GOLD CORP. (formerly Alita Resources Ltd.)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JANUARY 31, 2015 AND 2014

Expressed in Canadian Dollars

13. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management considers the Company's capital structure to primarily consist of the components of shareholder's equity.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended January 31, 2015. The Company is not subject to externally imposed capital requirements.

14. COMMITMENTS

The Company has an obligation under a rental agreement for payments of \$2,326 per month for the first three years and \$2,431 per month for the last two years for a five year period beginning on June 1, 2013 and ending on May 31, 2018 as follows:

Fiscal	Total (\$)
2016	27,909
2017	28,752
2018	29,173
2019	9,724

15. SUBSEQUENT EVENTS

Subsequent to the year ended January 31, 2015, the Company:

- Entered into an agreement with Contact Financial Corp ("Contact") to assist the Company with the development and execution of a comprehensive strategic communications program. Contact will be paid a monthly fee of \$6,000 for an initial term of six months with service provided on a month to month basis thereafter. The Company also granted Contact options to purchase up to 300,000 common shares of the Company at a price of \$0.15 per share for five years.
- Completed private placement for an additional 2,247,917 units at \$0.10 per unit for gross proceeds of \$224,792, with each unit consisting of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase one additional share at \$0.125 for two years. As at January 31, 2015, the Company had collected proceeds in advance of \$134,292.
- Completed a property option payment on March 12, 2015 by issuing 370,000 common shares and paying US\$100,000.