Canadian Imperial Venture Corp.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended November 30, 2014

This management discussion and analysis ("MD&A") prepared as of March 30, 2015 is a review of the operational and financial results of Canadian Imperial Venture Corp. (the "Company" / "CIVC") based on International Financial Reporting Standards as issued by the International Accounting Standards Board. The focus of this MD&A is primarily a comparison of the operational and financial performance for the year ended November 30, 2014 and November 30, 2013 and should be read in conjunction with the audited statements for the years ended November 30, 2014 and 2013 (available on SEDAR at www.sedar.com).

All common shares, warrants and stock options reported in this MD&A are adjusted to reflect post share-consolidation balances.

FORWARD LOOKING STATEMENTS

Statements throughout this report that are not historical facts may be considered "forward-looking statements". These forward-looking statements sometimes address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, funding from other sources, statements regarding exploration results, resource estimates, future production and the Company's exploration and development plans and objectives). These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realised or substantially realised, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, failure to establish estimated oil and gas reserves, failure to establish estimated mineral reserves, the possibility that future exploration results will not be consistent with the Company's expectations, uncertainties relating to the availability and costs of financing needed in the future, changes in commodity prices, changes in equity markets, political developments, the uncertainties involved in interpreting exploration results and other geological data, and the other risks involved in the resources industry.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

REVIEW OF AUDITED FINANCIAL STATEMENTS

As stated above, the financial statements for the year ended November 30, 2014 have been prepared in accordance with IFRS.

The financial statements of the Company have been prepared by and are the responsibility of the Company and its Management.

MINERAL PROPERTIES AND RESULTS OF OPERATIONS

Little Bear Lake, Manitoba

In September 2012, the Company executed an option agreement (the "Option Agreement") between the Company, Carina Energy Inc. ("Carina"), a private mining exploration company based in Toronto, Ontario and Ozias Theriault ("Theriault") whereby the Company was granted an option by Carina and Theriault to acquire a 55% interest in the Little Bear Lake gold property (the "Property") which is located in the Lac du Bonnet Mining Division in Manitoba.

Pursuant to the terms of the Option Agreement:

- The Company has issued to Carina 600,000 common shares on September 24, 2012 (the "Closing Date") and on the first anniversary of the Closing Date (September 24, 2013) the Company will deliver an additional 500,000 common shares to Carina.
- The Company is required to spend $600,000 of expenditures on the Property within two years of the Closing Date (September 24, 2014).
- The Company is responsible for cash payments to Theriault for the sum of $20,000 payable on execution of the Option Agreement (paid) and $10,000 per month commencing on October 1, 2012 until June 1, 2014 for aggregate payments totaling $200,000.
- The Company is required to make two advanced royalty payments of $50,000 each to Theriault. The payments are due on November 12, 2013 and November 12, 2014, respectively.
- The property is subject to a 2.5% net smelter royalty.

On August 16, 2013, the Company announced that it had entered into an Amendment Agreement to the Option Agreement dated August 16, 2012. The Amendment Agreement grants the Company an extension to the payment requirements for its acquisition of its 55% interest in the Property.

As consideration for the amendments made to the Option Agreement and upon approval from the TSX Venture Exchange, the Company made the following:

- a cash payment of $20,000 to Theriault; and
- the issuance of 500,000 common shares in the capital of the Company to Theriault.

Subject to the terms and conditions set out in the Option Agreement and Amendment Agreement, Theriault and Carina grant to the Company, the sole and exclusive right and option (the “Option”) to acquire an undivided 55% right, title and interest in the Property by the Company making the following payments and share issuances:

- On the first day of each month commencing October 1, 2012, pay to Theriault $10,000 per month until March 1, 2013 for a total payment of $60,000 (paid);
- on the first day of each month, commencing on July 1, 2015, pay to Theriault $10,000 per month until August 1, 2016 for additional payments totalling $140,000;
- on September 24, 2015, issue to Carina 500,000 common shares in the capital of the Company to Carina;
- prior to September 24, 2016, make expenditures of $600,000 conducting exploration of the Property (qualifying expenditures made to-date - $466,565); and
- on or before November 12, 2016, pay to Theriault $50,000 and on or before November 12, 2017, pay to Theriault $50,000, in payment of the first two advance royalty payments to Theriault under the Amendment Agreement (said payments to be shared by Carina and the Company according to their respective interests in the Property).

The Amendment Agreement gives CIVC more time to conduct exploration work while earning its interest in the LBL Property and it re-categorizes all payments to Theriault as qualifying expenditures under the $600,000 earning requirement.

The Little Bear Lake claim block in eastern Manitoba, consist of 17 claims, or 2149 hectares. On the Property, numerous gold-silver bearing veins occur in a parallel linear array trending NW-SE. The veins themselves are generally narrow and sometimes high grade. They are comprised of quartz and chlorite, and shearing is commonly evident in the walls. Width of the shear structures ranges from less than 1 metre to about 18 m. Within these “shear zones”, white to sugary to glassy quartz veins are commonly thin, but widths to 3 m are reported. Dips of the “shear zones” are mostly vertical to steep north or south. Gold grades appear to be directly correlated with percentage of pyrite, galena, sphalerite or chalcopyrite within the host quartz.

Many high grade gold and silver assays have been reported from the property since 1928 when the veins were discovered. Historic grab sample assays range up to 17 oz Au/ton (530 g Au/T); 0.5 to 1 oz Au/ton (15-30 gAu/T) values have often been reported. Historically, there are reported to be an estimated historic resource of 10,000 tons of hand-cobbed “high grade” quartz vein material on the property adjacent to historic exploration pits on the veins.

The major veins explored since 1928 have been named Silver Fox, Latwis, Gold Plate, Molson, Treasure, Black Beaver and Fisher. The Treasure vein appears to be the longest, being continuous over a strike length of greater than 2,000m where it has been sampled in 90 small blast pits along its length. The majority of veins have been similarly sampled. Historical records of sampling of pits and shafts by three separate parties for the Silver Fox vein are considered typical for veins on the property, e.g. 1) Birse, (1928): 12 samples over 188 ft length of the vein averaged 0.60 oz gold per ton over 19 inches. 2) Bull, (1928): six samples which averaged 0.46 oz/ton over 31 inch width. 3) C.S. Lord, (1934): assays averaged 0.98 oz/t over 21 inch width, for a length of 215 ft. Subsequent sampling and limited drilling in 1946 confirmed that high grade gold values can be obtained discontinuously over narrow widths along most veins. Past work on the ground

was carried out by Norway Lake Iron Mines Ltd., Eco Exploration Company, Bear Lake Gold Mines Ltd., International Obaska Mines, Abermin, Theriault and Carina.
Carina has completed reconnaissance, geological mapping, prospecting and a 2010 drill program totaling 1,679 m on the Treasure Vein. Highlights of 2011 prospecting and sampling, and the 2010 drill program are detailed below:

Drill Hole	**from (m)**	**to (m)**	**Intersection Width (m)**	**Gold Grade g Au/T**
CE10-10	40.4	60.7	20.3	0.741
including	55.7	59.9	4.2	3.26
	57.1	57.9	0.80	9.20
CE10-12	63.0	66.5	3.5	2.504

Location and Vein Name	**Grab Sample Grades (g Au/T)**
Jet Vein Ore Dump	259, 110
Jet Vein	183, 62.2, 33.3
Silver Fox Vein	64
Treasure Vein East	63
Gold Pan Vein	155
Rush Vein	64 *The reader should refer to the NI 43-101 Technical report pertaining to Little Bear Lake as filed on SEDAR on September 26, 2012*

Drilling of the Treasure Vein has shown existence of gold in wall-rock to high-grade veins and intersections with grades and widths, which in analogous geological environments (Goldex "GZ" deposit, Val d'Or; Hammond Reef in the Marmion batholith, and mines in the Bourlamaque batholith, Val d'Or) are amenable to open pit mining.

On March 4, 2013, the Company reported that a planned 1500 m drill program on the Property was partially completed before severe winter conditions forced a postponement. Of the planned 1500 m approximately 20% was completed. The western end of the Silver Fox vein was tested with holes SF13-1, 2 and 3, but the contiguous Rush Vein remains untested. Historical trenching results for the Silver Fox vein show 0.90 oz/t (30.9 g/T) gold over 4 ft (1.2 m) was obtained over a length of 255 ft (77.7 m). The wallrock contained up to 0.2 oz/ton (6.9 g/T). The Silver Fox vein is up to 7 ft wide (2.1 m) at its west end. The narrower parts of the vein show grades of 7 oz to 10 oz Au/ton (10.5 to 348.5 g Au/T). During 2011 prospecting and sampling, 12 grab samples from the Rush Vein averaged 6.2 g Au/T with a range from 0.05 to 41.68 g Au/T.

In addition, ongoing assaying of previously unsampled core from the 2010-11 Carina drill program on the Treasure Vein (see 30 March 2012 news release) has shown further widespread low grade gold mineralization, with numerous intersections of gold grades in the range 0.3 to 0.876 g Au/T. The interval 40.4-47.7 in hole CE10-10 has not been previously reported.

Drill Hole	**from (m)**	**to (m)**	**Intersection Width (m)**	**Average Grade g Au/T**
CE10-10	40.4	47.7	7.3	0.372
	51.5	60.7	5.6	2.47*
*equivalent to			39.5	0.35
SF13-2	77.0	82.0	5.0	0.306
SF13-3	88.05	89.92	1.87	2.21**
			11.8	0.35

Drilling on Property to date is continuing to meet objectives by proving 1) existence of disseminated gold in wall-rock to high-grade veins; 2) an apparently systematic increase in grade towards the center of the property and 3) near-surface intersections with grades (>0.35 g Au/T) and widths, which in analogous geological environments (Hammond Reef in the Marmion batholith and Chester Gold in the Chester Complex) are amenable to open pit mining. High grade vein arrays and mineralization on LBL have been traced over > 6,000 m, which is double the footprint size of Hammond Reef and three times that of Chester Gold deposit.

Qualified Person, Verification, Quality Control and Assurance
Samples of drill core were saw cut, with half the cut core placed in individual sealed bags and half placed back in the original core box for permanent storage. Drill core and grab samples were delivered directly by Carina personnel to the Cattarello Assay lab in Timmins where gold was determined by fire assay fusion with Atomic Absorption Spectroscopy (AAS) finish.

Dr. Ulrich Kretschmar, President of Golden Scarab Corporation and a Qualified Person as defined by National Instrument 43-101, has reviewed the information contained herein and has verified the analytical data for samples disclosed in this release by reviewing the blanks, duplicates and certified reference material that the Company inserted into the sample stream and confirming that they fall within limits determined as acceptable by industry practice.

LETTER OF INTENT

Beothuk Energy Inc.

On September 10, 2014, the Company announced that it had entered into a Letter of Intent ("LOI") to acquire Beothuk Energy Inc. (“BEI”). Under the terms of the LOI, CIVC will issue one common share for every issued and outstanding share of BEI, up to a maximum of sixty-two million common shares.

The completion of any agreement was subject to acceptance by the TSX-Venture Exchange, satisfaction of the Companies with the results of due diligence investigations, the negotiation and execution of a formal agreement, and approval by the CIVC Board of Directors. Trading in the Company's stock was halted by the TSX Venture Exchange.

On February 5, 2015, the Company announced that the LOI had been terminated effective February 3, 2015. Trading in the Company's stock resumed trading on February 9, 2015.

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED NOVEMBER 30, 2014

The Company is primarily in the exploration phase.

Working Capital - As at November 30, 2014, the Company had working capital of $ (138,492) compared to a working capital of $174,423 as of November 30, 2013.

Current Assets – Current assets at November 30, 2014 totaled $90,547 compared to $251,481 as at November 30, 2012. This balance is comprised of cash, accounts receivable, reclamation deposit, prepaid expenses and deposits. The decrease in current assets is due to the decrease in marketable securities and cash. Trade receivables decreased between November 30, 2014 and November 30, 2013.

Mineral Exploration and Evaluation Assets – The Company currently holds mineral exploration and evaluation assets with a recorded value of $nil (2013 - $571,811). These costs are a part of the acquisition costs of Little Bear Lake Project. The following schedule summarizes the changes in mineral exploration properties during the year:

Mineral Exploration and Evaluation Assets		**November 30, 2014**		**November 30, 2013**
Acquisition Cost				
Balance, beginning of period	**$**	**202,500**	**$**	**130,000**
Incurred during period				**72,500**
Write-down of exploration and evaluation assets		**(202,500)**		**-**
Balance, end of period		**-**		**202,500**
Exploration Costs				
Balance, beginning of period	**$**	**369,311**	**$**	**81,633**
Assays and geochemistry		**-**		**9,702**
Camp costs		**-**		**42,174**
Consulting, salaries and labour		**-**		**73,821**
Drilling		**-**		**154,208**
Travel and lodging		**-**		**7,773**
Cost recovery		**(20,000)**		**-**
		(349,311)		**-**
Balance, end of period	**$**	**-**	**$**	**369,311**
Cumulative mineral property costs	**$**	**-**	**$**	**571,811**

Additional information on mineral exploration and exploration assets is included in the annual financial statements.

Reclamation Deposit – As at November 30, 2013 the Company had property deposits of $57,273 (2013 - $56,673). The deposit at November 30, 2014 is held with the Energy Resources Conservation Board (Alberta).

Current Liabilities – Current liabilities increased from $77,058 at November 30, 2013 to $229,039 at November 30, 2014. The balance at November 30, 2014 represents normal trade payables and the increase is a result of the inability to make payments owing under a management contract.

General and Administrative - General and administrative expenses decreased from $546,540 at November 30, 2013 to $332,293 for the year ended November 30, 2014. General and administrative expenses include the following material components for the year ended November 30, 2014 and November, 2013:

	2014	**2013**
	$	$
Office and shareholder information	52,919	82,550
Professional and filing fees	62,929	96,501
Promotion and travel	64,712	103,716
Service contracts and wages	151,733	263,773

All areas of general and administrative expenses decreased over the prior year due to lack of exploration activity.

Share Based Payments – During the year ended November 30, 2014 the Company recorded share based compensation expense of $ Nil (2013 - $Nil).

Private Placement Financing – There were no funds obtained through private placement financing during the year ended November 30, 2014 (2012 – $506,870).

On April 22, 2013, the Company completed a non-brokered private placement previously announced on March 22, 2013. Upon closing, a total of 10,137,400 units (“Units”) were sold for $0.05 each for a total of $506,870. The Company incurred cash share issuance costs of $2,534. Each Unit consists of one common share in the capital of the Company and one non-transferable share purchase warrant (“Warrant”). One whole Warrant entitles the holder to buy an additional share in the capital of the Company for a period of two years at a price of $0.10 per share. All common shares sold in the private placement and any shares acquired upon exercise of the Warrants were subject to a four-month hold period which expired on August 23, 2013.

Directors of the Company purchased 4,190,000 Units.

On September 26, 2012, the Company announced that it was arranging a non-brokered private placement of up to 50 million units (the “Units”) at a price of $0.01 each, to raise up to $500,000. On December 18, 2012, the Company announced the cancellation of this private placement.

Shares held in Shoal Point Energy (SPE) - On November 30, 2014, the Company did not hold any common shares (2013 – 2,000,000) of Shoal Point Energy Limited stock and the common shares and warrants were $nil (November 30, 2013 - $40,000 and $Nil) respectively. The 10,000,000 share purchase warrants held expired unexercised during the year ended November 30, 2014.

Selected Annual Information:

	November 30, 2014 (IFRS)	November 30, 2013 (IFRS)	November 30, 2012 (IFRS)
	$	$	$
Net Income (Loss)	**(885,771)**	**(930,723)**	**(2,014,432)**
Basic and Diluted Income (Loss) per Share	**(0.01)**	**(0.02)**	**(0.04)**
Total Assets	**94,434**	**828,224**	**1,359,008**
Total Long-term Liabilities	**-**	**-**	**-**

The decrease in net loss from 2013 is a result of the fair value losses on the held for trading investment.

Summary of Quarterly Results:

For The Quarters Ended				
	November 30/14	**August 31/14**	**May 31/14**	**Feb. 29/14**
Finance and Other Income	**$539**	**$149**	**$139**	**$161**
Net loss	**(611,828)**	**(63,423)**	**(92,215)**	**(118,305)**
Loss per Share (basic and diluted)	**(0.001)**	**(0.001)**	**(0.001)**	**(0.002)**
	November 30/13	**August 31/13**	**May 31/13**	**Feb. 28/13**
Finance and Other Income	**$135**	**$135**	**$135**	**$154**
Net loss	**(244,177)**	**(469,027)**	**(109,055)**	**(108,464)**
Income (loss) per Share (basic and diluted)	**(0.004)**	**(0.008)**	**(0.002)**	**(0.002)**

The operational results of the quarter ended November 30, 2014 versus 2013 have remained consistent.

The large fluctuations in the Company's income (loss) on a quarterly basis starting in the quarter ended November 30, 2013 is due to the shares and warrants received in the sale of the Company's petroleum and natural gas asset being adjusted to their fair market value at each reporting period. The fluctuation in the last quarter for 2014 is due to write-down of exploration and evaluation assets.

SHARE CAPITAL OUTSTANDING

Authorized share capital as at March 30, 2015, the date of this MD&A: Unlimited without par value.

Issued and outstanding share capital as at November 30, 2014: A total of 62,596,238 common voting shares, 1,730,000 stock options and 10,137,400 warrants have been issued at a recorded value of $ 14,714,917.

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Incentive Share Option Plan:

The Company has a rolling Stock Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company.

Options granted must expire no later than a maximum of five years from the date of the grant while the Company's common shares are listed in Tier 2 of the TSX Venture Exchange ("TSX.V"). At such time as the Company's common shares are listed in Tier 1 of the TSX.V or the Toronto Stock Exchange ("TSX"), options granted must expire not later than a maximum of 10 years from the date of grant.
Terms of the Plan are as follows:

i. The number of common shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant.
ii. The number of shares which may be awarded to any one individual may not exceed 5% of the issued shares at the date of grant and the total number of options awarded to any consultant shall not exceed 2% of the issued and outstanding common shares at the time of the grant.
iii. The total number of options awarded to all persons employed by the Company who perform investor relations activities shall not exceed 2% of the issued and outstanding shares of the Company in any twelve month period.
iv. Under TSX.V policy all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

The Plan does not require vesting provisions for options issued except in limited circumstances.

*Options, Warrants and Convertible Securities Outstanding as at **March 30, 2015**:*

Options

Name	Securities Under Options Granted (#)	Exercise or Base Price ($/Security)	Date of Grant	Expiration Date
Gerard M. Edwards	255,000	$1.00	May 2, 2011	May 2, 2016
Tina Ricketts	255,000	$1.00	May 2, 2011	May 2, 2016
Robert G. Smiley	150,000	$1.00	May 2, 2011	May 2, 2016
George Langdon	Nil	-	-	-

Share Purchase Warrants

Number	Exercise Price	Expiry Date
	$	
10,137,400	0.10	April 22, 2015

BUSINESS RISKS AND UNCERTAINIES

The mineral and oil and natural gas industries inherently have many risks associated with them. The risks can be summarized in terms of economic, financial, cost of capital and environmental risk. Economic risk is the risk of finding and producing reserves at a cost, which produces an economic return. Financial risk consists of marketing production at a reasonable price given market conditions. Cost of capital is the risk associated with the Company’s ability to obtain capital to fund its activities at a reasonable cost. Finally, environmental risk is the risk of carrying out operations with potential for adverse impact upon the environment. The Company has also put in place a business strategy to mitigate these risks.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the process of exploring its resource properties and has not determined whether these properties contain economically recoverable reserves. Continuance of this exploration process is dependant on the Company to obtain necessary financing for property development and exploration expenditures. Primarily, the Company obtains funds through the issuance of equity instruments.

Cash and cash equivalents totalled $7,595 as at November 30, 2014 ($117,750 – November 30, 2013).

During the year, the Company recovered $20,000 (spent $374,091 - 2013) on exploration and evaluation expenditures, $635 ($1,939 – 2013) on equipment, $nil ($3,195 – 2013) on payment of reclamation provision and received $40,000 ($312,214 – 2013) from sale of investments, spent $172,520 ($637,073 – 2013) on operating activites, received $nil ($506,870 – 2013) from the issuance of shares from private placement and spent $nil ($2,534 – 2013) on share issuance costs.

FINANCIAL INSTRUMENTS

The Company holds various forms of financial instruments. The nature of these instruments and the Company’s operations expose the Company to commodity price risk, credit risk, liquidity risk, market risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a. Credit risk

Credit risk is the risk that a customer or counterparty will fail to perform an obligation or fail to pay amounts due causing a financial loss. The majority of the Company's accounts receivable is with Canada Revenue Agency and hence credit risk is mitigated. The Company's reclamation deposit and cash are also subject to credit risk. The Company maintains these balances with two major national financial institutions. The investment held by the Company is in one company who operates in the oil and gas industry. The Company is exposed to the risks of this investee and the industry in which it operates.

The maximum credit risk at the year-end is represented by the recognized carrying amounts. Past due amounts included in accounts receivable at year end was $nil (2013 - $18,046).

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To facilitate its expenditure program, the Company may enter into E & E option agreements with third parties and/or raise funds through private equity placements or public offerings.

The Company is subject to liquidity risk given its accumulated deficit. If the Company is unable to obtain adequate additional financing by raising funds through private placements, through option agreement farm-outs or to recover its investment, the Company will be required to curtail operations, exploration and development activities. As at November 30, 2014 and November 30, 2013, the Company's financial liabilities were comprised of accounts payable and accrued liabilities which have either contractual or expected maturities of less than one year.

c. Market risk

The carrying amounts of financial instruments consisting of cash, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to their short-term nature. The carrying value of investment is equal to fair value as its carrying value is based on quoted prices in an active market.

i. Commodity price risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for petroleum and natural gas and minerals are impacted by world economic events that dictate the levels of supply and demand as well as foreign exchange rates. As the Company has not yet developed commercial oil and gas and mineral interests, it is not exposed to commodity price risk at this time

ii. Equity price risk
The fair value of the Company's investment in equity instruments is subject to fluctuations in the quoted market price from which its fair value is derived. Since all shares were sold during the year equity risk is nil.

iii. Foreign currency risk
The Company operates predominately in Canada and is not exposed to any significant foreign currency risk.

The Company is required to classify financial instruments measured at fair value using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data.

The fair value of current financial assets and liabilities, except as described, are classified as level 1 and the investment is classified as level 2.

TRANSACTIONS WITH RELATED PARTIES

Except as disclosed elsewhere, the Company had the following related party transactions:

a) During the year the Company was charged management fees and salaries aggregating $141,506 (2013 - $206,000), included in general and administration expense. These are payments to key management personnel which consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

b) Included in accounts payable is $149,435 (2013 - $Nil) to directors of the Company, and parties related to them, for unpaid management fees and the reimbursement of business expenses. Also during the year there was a $3,000 loan payable to a director (2013- $Nil).

c) During the year the Company paid $nil for Director's Fees (2013 - $8,000).

All related party transactions occurred in the normal course of operations and have been measured at the agreed to exchange amounts.

COMMITMENTS

a. Under a management agreement with a company controlled by a Director of the Company, the Company is committed to the payment of management fees of $5,000 per month respectively until February 2016.

NEW AND AMENDED ACCOUNTING PRONOUNCEMENTS

New and amended standards adopted by the Company during the year:

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

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

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b) New standard IFRS 10, Consolidated Financial Statements, replaces the guidance on control and consolidation in IAS 27, Consolidated and Separate Financial statements, and SIC-12, Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control under IFRS so that the same criteria are applied to all entities to determine control.

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

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

e) New standard IFRS 13, Fair Value Measurement, defines fair value and sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. The standard does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions).

f) Reissued IAS 27, Separate Financial Statements, requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments.

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

New accounting pronouncements

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

a) Amendments to IAS 32, Financial Instruments: Presentation, provide clarification on the application of offsetting rules. This standard is effective for years beginning on or after January 1, 2014.

b) Amendments to IAS 36, Impairment of Assets, clarify the recoverable amount disclosures for nonfinancial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted except an entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

c) Amendments to IFRS 10, Consolidated Financial Statements, IFRS 12, Disclosures of Interests in Other Entities and IAS 27, Separate Financial Statements. The amendments provide for the definition of an investment entity and sets out an exception to consolidating particular subsidiaries of an investment entity. The amendments also deal with the disclosures required and preparation of separate financial statements of an investment entity. These amended standards are effective for annual periods beginning on or after January 1, 2014.

d) New standard IFRS 9, Financial Instruments, classification and measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit and loss. This standard is effective for years beginning on or after January 1, 2018.

PROPOSED TRANSACTIONS

There are no proposed transactions that will materially affect the Company.

SUBSEQUENT EVENTS

On December 18, 2014, the Company announced the results of the Annual General Meeting of the Shareholders held on December 17, 2014. Each of the resolutions, as listed in the Company's information circular dated November 13, 2014, was approved, including the election of management nominees Gerard Edwards, Robert Smiley and Dr. George Langdon to the board of directors.

Jerome Byrne and D. Samuel Walters did not stand for re-election at the Annual General Meeting. The Company thanked Messrs. Byrne and Walters for their service and wished them well in their future endeavours.