

**Jager Metal Corp.**  
**Condensed Interim Financial Statements**  
**31 July 2013**  
(Expressed in Canadian dollars)  
(Unaudited)

**MANAGEMENT'S COMMENTS ON  
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of Jager Metal Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity's auditor.

# Jager Metal Corp.

## Condensed Interim Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	Notes	As at 31 July 2013	As at 30 April 2013 (Audited)
<b>ASSETS</b>		\$	\$
<b>Current assets</b>			
Cash and cash equivalents		10,851	33,732
Amounts receivable	4	39,157	945
Prepaid expense		1,000	1,000
		51,008	35,677
<b>Exploration and evaluation properties</b>	5	10,825	-
<b>Total assets</b>		61,833	35,677
<b>DEFICIENCY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	6	23,388	8,101
Due to related parties	12	131,968	113,319
Loans payable	7	7,500	5,000
<b>Total liabilities</b>		162,856	126,420
<b>Deficiency</b>			
Common shares	8	4,274,834	4,205,398
Share subscriptions received in advance	8	37,500	50,500
Warrant reserve	8	73,014	-
Deficit		(4,486,371)	(4,346,641)
<b>Total deficiency</b>		(101,023)	(90,743)
<b>Total deficiency and liabilities</b>		61,833	35,677

### APPROVED BY THE BOARD:

"Karl Antonius"

Director

"Marcelin O'Neill"

Director

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

# Jager Metal Corp.

## Condensed Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

	Notes	Three months ended	
		31 July 2013	31 July 2012
<b>General and administrative expenses</b>		\$	\$
Bank and interest charges		192	4
Consulting fees		13,000	-
Directors fee	12	3,100	-
Management fees	12	20,500	-
Meals and entertainment		129	-
Rent		8,133	-
Professional fees	12	45,257	-
Office and miscellaneous		6,302	-
Transfer agent and filing fees		43,117	388
<b>Net loss and comprehensive loss for the period</b>		<b>(139,730)</b>	<b>(392)</b>
<b>Loss per share – basic and diluted</b>	9	<b>(0.00)</b>	<b>(0.00)</b>

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

# Jager Metal Corp.

## Condensed Interim Statements of Cash Flows

(Expressed in Canadian dollars)

(Unaudited)

	Notes	Three months ended	
		31 July 2013	31 July 2012
<b>OPERATING ACTIVITIES</b>		\$	\$
Net loss for the period		(139,730)	(392)
Changes in operating working capital:			
Increase in amounts receivable	4	(5,212)	-
Increase in trade and other payables	6	15,287	388
Decrease in due to related parties	12	18,649	-
<b>Cash used in operating activities</b>		<b>(111,006)</b>	<b>(4)</b>
<b>INVESTING ACTIVITIES</b>			
Exploration and evaluation properties	5	(10,825)	-
<b>Cash used in investing activities</b>		<b>(10,825)</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from issuance of common shares	8	58,950	-
Share subscriptions received in advance	8	37,500	-
Proceeds from related party loan	12	2,500	2,500
<b>Cash provided by financing activities</b>		<b>98,950</b>	<b>2,500</b>
<b>Increase in cash and cash equivalents</b>		<b>(22,881)</b>	<b>2,496</b>
Cash and cash equivalents, beginning of period		33,732	3,048
<b>Cash and cash equivalents, end of period</b>		<b>10,851</b>	<b>5,544</b>

**Supplemental cash flow information** (Note 13)

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

# Jager Metal Corp.

## Condensed Interim Statements of Changes in Deficiency

(Expressed in Canadian dollars)

(Unaudited)

	Number of shares	Common shares	Share subscriptions received in advance	Warrant Reserve	Deficit	Total
		\$	\$	\$	\$	\$
Balances, 1 May 2012	1,006,762	3,755,398	225,000	-	(4,320,690)	(340,292)
Net loss for the period	-	-	-	-	(392)	(392)
Balances, 31 July 2012	1,006,762	3,755,398	225,000	-	(4,321,082)	(340,684)
Shares issued for cash	4,500,000	225,000	(225,000)	-	-	-
Shares issued for debt settlement	4,500,000	225,000	-	-	-	225,000
Share subscriptions received in advance	-	-	50,500	-	-	50,500
Net loss for the period	-	-	-	-	(25,559)	(25,559)
Balances, 30 April 2013	10,006,762	4,205,398	50,500	-	(4,346,641)	(90,743)
Shares issued for cash	1,128,000	142,450	(50,500)	-	-	91,950
Share subscriptions received in advance	-	-	37,500	-	-	37,500
Value assigned to warrants	-	(73,014)	-	73,014	-	-
Net loss for the period	-	-	-	-	(139,730)	(139,730)
<b>Balances, 31 July 2013</b>	<b>11,134,762</b>	<b>4,274,834</b>	<b>37,500</b>	<b>73,014</b>	<b>(4,486,371)</b>	<b>(101,023)</b>

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

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

### **1. CORPORATE INFORMATION**

Jager Metal Corp. (the “Company”) was incorporated under the laws of the province of British Columbia on 8 June 1987. The Company is devoting all of its present efforts in establishing a new business, and its planned principle operations have not commenced, and, accordingly, no revenue has been derived during the organization’s period.

Effective 20 January 2011, the Company consolidated its share capital on a one new common share without par value for every four existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 8).

The principal address and registered and records office is located at Suite 309 – 1485 6<sup>th</sup> Avenue West, Vancouver, BC, V6H 4G1.

The Company’s financial statements as at 31 July 2013 and for the three months period ended 31 July 2013 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has a net loss of \$139,730 for the three months period ended (2012 - \$392) and has working capital deficit of \$111,848 at 31 July 2013 (30 April 2013 - \$90,743).

The Company had cash and cash equivalents of \$10,851 as at 31 July 2013 (30 April 2013 - \$33,732), but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures or cease operations. These condensed interim financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

### **2. BASIS OF PREPARATION**

#### **2.1 Basis of presentation**

The Company’s condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 11, and are presented in Canadian dollars except where otherwise indicated.

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

### **2.2 Statement of compliance**

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

### **2.3 Adoption of new and revised standards and interpretations**

At the date of authorization of these financial statements, the IASB and IFRIC have issued the following new and revised standards, amendments and interpretations which are not yet effective for the three months period ended 31 July 2013.

- IFRS 9 ‘*Financial Instruments: Classification and Measurement*’ is a new financial instruments standard effective for annual periods beginning on or after 1 January 2015 that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities.
- IAS 32 (Amendment) ‘*Financial Instruments: Presentation*’ is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **3.1 Significant accounting judgments, estimates and assumptions**

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



# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

### **3.2 Cash and cash equivalents**

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

### **3.3 Foreign currencies**

The Company's reporting currency and the functional currency of all of its operations is the Canadian dollar as this is the principal currency of the economic environment in which they operate.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

### **3.4 Share-based payments**

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock option reserve. The fair value of options, as determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions, is expensed or capitalized, as appropriate. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

### **3.5 Taxation**

Deferred tax is provided, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income 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 the tax rates that have been enacted or substantively enacted at the reporting date.

### **3.6 Financial assets**

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

### *Financial assets at FVTPL*

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

### *Held-to-maturity and loans and receivables*

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset.

### *Available-for-sale*

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

### *Derivatives designated as hedging instruments in an effective hedge*

The Company does not hold or have any exposure to derivative instruments.

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

### **3.7 Financial liabilities**

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

#### *Financial liabilities at FVTPL*

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

#### *Financial liabilities measured at amortized cost*

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade and other payables, due to related parties, and loans payable are included in this category of financial liabilities.

#### *Derivatives designated as hedging instruments in an effective hedge*

The Company does not hold or have any exposure to derivative instruments.

### **3.8 Impairment of financial assets**

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

#### *Assets carried at amortized cost*

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

### *Available-for-sale*

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

### **3.9 Derecognition of financial assets and liabilities**

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### **3.10 Impairment of non-financial assets**

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

### 3.11 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

## 4. AMOUNTS RECEIVABLE

The Company's amounts receivable are broken down as follows:

	As at 31 July 2013	As at 30 April 2013
	\$	\$
Goods and Services Tax / Harmonized Sales Tax receivable	6,157	945
Share subscription receivable	33,000	-
<b>Total amounts receivable</b>	<b>39,157</b>	945

On 22 July 2013, the Company issued 593,000 common shares valued at \$0.15 per common share for total proceeds of \$88,950 of which \$55,950 was received during the three months period ended 31 July 2013 and \$33,000 was received in August 2013 (Notes 8 and 15).

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

### 5. EXPLORATION AND EVALUATION PROPERTIES

On 20 June 2013, the Company entered into an option agreement (the “Agreement”) to acquire 100% interest in the unpatented mining claims situated in the Red Lake Mining District. The terms of the Option Agreement call for the Company to make lease payments totaling \$96,000 as follows:

- a. \$8,000 on signing of the Agreement (paid);
- b. \$8,000 eight months from the date of the Agreement;
- c. \$10,000 on the first anniversary date;
- d. \$20,000 on the second anniversary date; and
- e. \$50,000 on the third anniversary date.

Upon payment of cumulative lease payments of \$96,000, the owner will transfer 100% of the interest in the mining claim to the Company. The Company will pay the owner a Net Smelter Royalty (“NSR”) of 1.5% of net smelter proceeds.

Total costs included in exploration and evaluation properties related to Red Lake Mining District is \$10,825 as at 31 July 2013 (30 April 2013 - \$Nil).

### 6. TRADE AND OTHER PAYABLES

The Company’s trade and other payables are broken down as follows:

	As at 31 July 2013	As at 30 April 2013
	\$	\$
Trade payables	8,388	601
Accrued liabilities	15,000	7,500
<b>Total trade and other payables</b>	<b>23,388</b>	<b>8,101</b>

During the year ended 30 April 2013, the Company wrote off trade payables in the amount of \$8,725 related primarily to its prior business that had remained unpaid for several years without any claims being made by these creditors against the Company. Management does not consider that these amounts are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these balances in the future (Note 14).

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

### **7. LOANS PAYABLE**

The loans payable are non-interest bearing, due on demand and are convertible into common shares of the Company at the share price approved by the Canadian National Stock Exchange ("CNSX") when the Company's common shares are reactivated for trading.

### **8. SHARE CAPITAL**

#### **8.1 Authorized share capital**

The Company has authorized an unlimited number of common with no par value.

At 31 July 2013, the Company had 11,134,762 common shares outstanding (30 April 2013 - 10,006,762 common shares).

#### **8.2 Shares issuances**

During the three months period ended 31 July 2013, the Company issued common shares as follows:

On 27 May 2013, the Company issued 535,000 units valued at \$0.10 per unit for total proceeds of \$53,500 of which \$3,000 was received during the three months period ended 31 July 2013 and \$50,500 was received during the year ended 30 April 2013. Each unit consists of one common share in the capital of the Company and one-half of one share purchase warrant, which entitles the holder to purchase one additional common share of the Company for a period of 48 months at an exercise price of \$0.40.

On 22 July 2013, the Company issued 593,000 common shares valued at \$0.15 per common share for total proceeds of \$88,950 of which \$55,950 was received during the three months period ended 31 July 2013 and \$33,000 was received in August 2013. Each unit consists of one common share in the capital of the Company and one-half of one share purchase warrant, which entitles the holder to purchase one additional common share of the Company for a period of 24 months at an exercise price of \$0.25. (Notes 4 and 15).

As at 31 July 2013, the issued and outstanding common shares of the Company includes 46,875 (30 April 2013 - 46,875) shares held in escrow (Note 9). The Company is in the process of obtaining these shares to be returned to treasury for cancellation.



# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

### 8.3 Share subscriptions received in advance

As at 31 July 2013, share subscriptions received in advance consists of \$37,500 (30 April 2013 - \$50,500) cash received by the Company in relation to 250,000 common shares (30 April 2013 – 535,000) of the Company that were not yet issued by the Company as at 31 July 2013 (Note 15).

### 8.4 Share purchase warrants

The following is a summary of changes in warrants for the three months period ended 31 July 2013:

	Number of Warrants	Black-Scholes Value \$
Outstanding, beginning of period	-	-
Granted	564,000	73,014
<b>Outstanding, end of period</b>	<b>564,000</b>	<b>73,014</b>

The weighted average fair value of the warrants granted during the three months period ended 31 July 2013 was estimated at \$0.13 per option at the grant date using the Black-Scholes Warrant Pricing Model. The weighted average assumptions used for the calculation were:

Three months ended 31 July	2013
Risk free interest rate	1.06%
Expected life	1.5 year
Expected volatility	284.78%
Expected dividend per share	-

As at 31 July 2013, the Company had warrants issued as follows:

Number of Warrants	Exercise Price \$	Expiry
296,500	\$0.25	22 July 2014
267,500	\$0.40	27 May 2015

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

### 9. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Three months ended 31 July	2013	2012
Net loss for the period	\$ (139,730)	\$ (392)
Weighted average number of shares – basic and diluted	100,408,148	959,887
Loss per share, basic and diluted	\$ (0.00)	\$ (0.00)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options, share purchase warrants and convertible debentures, in the weighted average number of common shares outstanding during the period, if dilutive.

As at 31 July 2013, 46,875 (30 April 2013 – 46,875) of the common shares outstanding are contingently cancellable and have been excluded from the weighted average number of shares outstanding (Note 8).

### 10. CAPITAL RISK MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders, comprising of issued capital and deficit. The Company's objectives when managing capital are to: (i) preserve capital and (ii) obtain the best available net return.

The Company manages the capital structure and makes adjustments to it in light of changes in economic condition. To maintain or adjust the capital structure, the Company may attempt to issue new shares or issue new debt.

There were no changes in the Company's approach to capital management during the three months period ended 31 July 2013. The Company is not subject to externally imposed capital requirements.

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

### 11. FINANCIAL INSTRUMENTS

#### 11.1 Categories of financial instruments

	As at 31 July 2013	As at 30 April 2013
	\$	\$
<b>FINANCIAL ASSETS</b>		
<b>FVTPL, at fair value</b>		
Cash and cash equivalents	10,851	33,732
Amounts receivable	33,000	-
<b>Total financial assets</b>	<b>43,851</b>	33,732
<b>FINANCIAL LIABILITIES</b>		
<b>Other liabilities, at amortized cost</b>		
Trade payables	8,388	601
Due to related parties	131,968	113,319
Loans payable	7,500	5,000
<b>Total financial liabilities</b>	<b>147,856</b>	118,920

#### 11.2 Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at 31 July 2013, the Company does not have any Level 3 financial instruments.

<b>As at 31 July 2013</b>	<b>Level 1</b>	<b>Total</b>
	\$	\$
<b>Financial assets at fair value</b>		
Cash and cash equivalents	10,851	10,851
<b>Total financial assets at fair value</b>	<b>10,851</b>	<b>10,851</b>

<b>As at 30 April 2013</b>	<b>Level 1</b>	<b>Total</b>
	\$	\$
<b>Financial assets at fair value</b>		
Cash and cash equivalents	33,732	33,732
<b>Total financial assets at fair value</b>	<b>33,732</b>	<b>33,732</b>

There were no transfers between Level 1 and 2 during the three months period ended 31 July 2013.

### 11.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Credit risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents. The Company manages its credit risk relating to cash and cash equivalents by dealing with only with highly-rated financial institutions. As a result, credit risk is considered insignificant.

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

### Liquidity risk

The Company is reliant upon equity issuances as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash and cash equivalents to capital and operating needs. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 31 July 2013, the Company had a working capital deficit of \$111,848 (30 April 2013 - \$90,743).

### Other risks

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or commodity risk arising from these financial instruments.

The Company does not hold or issue financial instruments for trading purposes, nor does it utilize derivative instruments in the management of foreign exchange, commodity price or interest rate market risks.

## 12. RELATED PARTY TRANSACTIONS

### 12.1 Due to related parties

The liabilities of the Company include the following amounts due to related parties:

	<b>31 July 2013</b>	30 April 2013
	\$	\$
Chief Executive Officer	<b>78,600</b>	85,100
Director & Chief Financial Officer	<b>44,108</b>	22,059
Director	<b>2,100</b>	-
Director	<b>1,000</b>	-
Former director	<b>6,160</b>	6,160
<b>Total amount due to related parties</b>	<b>131,968</b>	113,319

The amounts due to related parties are non-interest bearing, unsecured and due on demand.

# Jager Metal Corp.

## Notes to the Condensed Interim Financial Statements

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

### 12.2 Key management personnel compensation

The remuneration of directors and other members of key management were as follows:

Three months period ended 31 July	2013	2012
	\$	\$
Short-term benefits - Director, management and professional fees	44,600	-
<b>Total key management personnel compensation</b>	<b>44,600</b>	<b>-</b>

### 13. SUPPLEMENTAL CASH FLOW INFORMATION

The Company made the following cash payments for interest and income taxes:

Three months period ended 31 July	2013	2012
	\$	\$
Interest paid	-	-
Taxes paid	-	-
<b>Total cash payments</b>	<b>-</b>	<b>-</b>

### 14. COMMITMENT AND CONTINGENCIES

During the year ended 30 April 2013, the Company wrote off trade payables in the amount of \$8,725 (2012 - \$Nil) related primarily to its prior business that had remained unpaid for several years without any claims being made by these creditors against the Company. Management does not consider that these amounts are payable although there is no assurance that a formal claim will not be made against the Company for some or all of these balances in the future (Note 6).

Effective 1 July 2013, the Company entered into a management services agreement with a company controlled by the President, Chief Executive Officer ("CEO") and Director of the Company for \$5,000 per month for a term of twenty four months, with an automatic renewal each year.

Effective 1 July 2013, the Company entered into a management services agreement with a company controlled by the Chief Financial Officer ("CFO"), Secretary and Director of the Company for \$5,000 per month for a term of twenty four months, with an automatic renewal each year.

# **Jager Metal Corp.**

## **Notes to the Condensed Interim Financial Statements**

31 July 2013

(Expressed in Canadian dollars)

(Unaudited)

---

The Company is subject to certain outstanding and future commitments related to its exploration and evaluation property (Note 5).

### **15. EVENTS AFTER THE REPORTING PERIOD**

- i. On 2 August 2013, the Company commenced trading on the CNSX under the symbol 'JEM'.
- ii. On 12 August 2013, the Company granted incentive stock options to consultants of the Company for the right to purchase up to an aggregate of 2,000,000 common shares of the Company, exercisable at the price of \$0.15 per share for five years. The stock options to be granted will be in accordance with the Company's Option Plan and the policies of the CNSX.
- iii. On 13 August 2013, the Company issued 250,000 units at \$0.15 per unit with each unit consisting of one common share and one-half of one Warrant for total proceeds of \$37,500, of which \$37,500 were received during the quarter ended 31 July 2013. Each whole Warrant entitles the subscriber to purchase one additional Warrant Share for a period of one year from the date of issuance at \$0.25 per Warrant Share (Note 8).
- iv. On 21 August 2013, the Company granted stock options to certain directors and consultants of the Company for right to purchase up to an aggregate of 400,000 common shares, exercisable at a price of \$0.28 per common shares, for five years. The stock options to be granted will be in accordance with the Company's Option Plan and policies of the CNSX.
- v. In August 2013, the Company received \$33,000 in relation to 593,000 common shares issued on 22 July 2013 valued at \$0.15 per common share for total proceeds of \$88,950 of which \$55,950 was received during the three months period ended 31 July 2013 (Notes 4 and 8).

### **16. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS**

The condensed interim financial statements of the Company for three months period ended 31 July 2013 were approved and authorized for issue by the Board of Directors on 27 September 2013.