Jager Metal Corp.
Condensed Interim Financial Statements
31 October 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 October 2013**	As at 30 April 2013 (Audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**-**	33,732
Amounts receivable	4	**8,375**	945
Prepaid expense		**1,000**	1,000
		9,375	35,677
Exploration and evaluation properties	5	**10,825**	-
Total assets		**20,200**	35,677
DEFICIENCY AND LIABILITIES			
Current liabilities			
Bank indebtedness		**4,677**	-
Trade and other payables	6	**25,793**	8,101
Due to related parties	13	**144,093**	113,319
Loans payable	7	**-**	5,000
Total liabilities		**174,563**	126,420
Deficiency			
Common shares	8	**4,302,449**	4,205,398
Share subscriptions received in advance	8	**-**	50,500
Option reserve	8, 9	**384,030**	-
Warrant reserve	8	**82,899**	-
Deficit		**(4,923,741)**	(4,346,641)
Total deficiency		**(154,363)**	(90,743)
Total deficiency and liabilities		**20,200**	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)

		Three months ended		Six months ended	
	Notes	**31 October 2013**	31 October 2012	**31 October 2013**	31 October 2012
		$	$	**$**	$
General and administrative expenses					
Bank and interest charges		**207**	57	**399**	61
Consulting fees	13	**21,000**	-	**34,000**	-
Directors fees	13	**4,650**	-	**7,750**	-
Management fees	13	**20,250**	-	**40,750**	-
Office and miscellaneous		**3,049**	9	**9,480**	9
Professional fees		**13,795**	3,571	**38,052**	3,571
Share-based payments	8, 9	**384,030**	-	**384,030**	-
Rent		**-**	-	**8,133**	-
Transfer agent and filing fees		**11,389**	2,737	**54,506**	3,125
Net loss and comprehensive loss for the period		**(458,370)**	(6,374)	**(577,100)**	(6,766)
Loss per share – basic and diluted	10	**(0.04)**	(0.01)	**(0.05)**	(0.01)

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)

		Three months ended		Six months ended	
	Notes	**31 October 2013**	31 October 2012	**31 October 2013**	31 October 2012
		$	$	**$**	$
OPERATING ACTIVITIES					
Net loss for the period		**(458,370)**	(6,374)	**(577,100)**	(6,766)
Changes in operating working capital:					
Share-based payments		**384,030**	-	**384,030**	-
Decrease (Increase) in amounts receivable	4	**30,782**	-	**(7,430)**	-
Decrease in trade and other payables	6	**2,405**	199	**17,692**	587
Increase in due to related parties	13	**12,125**	-	**30,774**	-
Decrease in loans payable		**(7,500)**	-	**(5,000)**	-
Cash used in operating activities		**(36,528)**	(6,175)	**(157,034)**	(6,179)
INVESTING ACTIVITIES					
Exploration and evaluation properties	5	**-**	-	**(10,825)**	-
Cash used in investing activities		**-**	-	**(10,825)**	-
FINANCING ACTIVITIES					
Proceeds from issuance of common shares	8	**58,500**	-	**179,950**	-
Share subscriptions received in advance	8	**(37,500)**	-	**(50,500)**	-
Proceeds from related party loan	13	**-**	(240)	**-**	2,260
Bank Indebtedness		**4,677**	871	**4,677**	871
Cash provided by financing activities		**25,677**	631	**134,127**	3,131
Decrease in cash and cash equivalents		**(10,851)**	(5,544)	**(33,732)**	(3048)
Cash and cash equivalents, beginning of period		**10,851**	5,544	**33,732**	3,048
Cash and cash equivalents, end of period		**-**	-	**-**	-

Supplemental cash flow information (Note 14)

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	Option Reserve	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	-	-	-	-	-	(6,766)	(6,766)
Balances, 31 October 2012	1,006,762	3,755,398	225,000	-	-	(4,327,456)	(347,058)
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	-	-	-	-	-	(19,185)	(19,185)
Balances, 30 April 2013	10,006,762	4,205,398	50,500	-	-	(4,346,641)	(90,743)
Shares issued for cash	1,378,000	179,950	(50,500)	-	-	-	129,450
Value assigned to options	-	-	-	384,030	-	-	384,030
Value assigned to warrants	-	(82,899)	-	-	82,899	-	-
Net loss for the period	-	-	-	-	-	(577,100)	(577,100)
Balances, 31 October 2013	**11,384,762**	**4,302,449**	**-**	**384,030**	**82,899**	**(4,923,741)**	**(154,363)**

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

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 6th Avenue West, Vancouver, BC, V6H 4G1.

The Company's financial statements as at 31 October 2013 and for the six months period ended 31 October 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 $577,100 for the six months period ended (2012 - $6,766) and has working capital deficit of $165,188 at 31 October 2013 (30 April 2013 - $90,743).

The Company had cash and cash equivalents of $Nil as at 31 October 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 12, and are presented in Canadian dollars except where otherwise indicated.

2.2 Statement of compliance

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS"), "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 six months period ended 31 October 2013.

- IFRS 7 (Amendment) '*Financial Instruments: Disclosures*' is effective for annual periods beginning on or after 1 January 2015 and requires modification of associated disclosures upon application of IFRS 9 'Financial Instruments: Classification and Measurement'.

- 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.

- IFRS 13 '*Fair Value Measurement*', is a new standard effective for annual periods beginning on or after January 1, 2013 that replaces fair value measurement guidance in other IFRSs.

- IAS 19 (Amendment) '*Employee Benefits*', which revises recognition and measurement of post-employment benefits.

- 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.

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.

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. 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.

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.

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.
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.

(Expressed in Canadian dollars)

4. AMOUNTS RECEIVABLE

The Company's amounts receivable arise from Goods and Services Tax / Harmonized Sales Tax ("GST/HST") receivable due from the government taxation authorities. This is as follows:

	As at 31 October 2013	As at 30 April 2013
	$	$
Goods and Services Tax / Harmonized Sales Tax receivable	**8,375**	945
Total amounts receivable	**8,375**	945

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 October 2013 (30 April 2013 - $Nil).

(Expressed in Canadian dollars)

6. TRADE AND OTHER PAYABLES

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

	As at 31 October 2013	As at 30 April 2013
	$	$
Trade payables	**18,293**	601
Accrued liabilities	**7,500**	7,500
Total trade and other payables	**25,793**	8,101

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 15).

7. LOANS PAYABLE

During the year ended 30 April 2013, the Company had loans payable of $5,000 which was fully paid during the six months period ended 31 October 2013. The Company's loan payable is as follows:

	As at 31 October 2013	As at 30 April 2013
	$	$
Loan payable	**-**	5,000
Total loan payable	**-**	5,000

The loans payable was 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 October 2013, the Company had 11,384,762 common shares outstanding (30 April 2013 - 10,006,762 common shares).

8.2 Shares issuances

Share capital transactions for the Company during the six months period ended 31 October 2013 are summarized as follows:

i. On 27 May 2013, the Company issued 535,000 units valued at $0.10 per unit for total proceeds of $53,500 of which $50,500 was received during the year ended 30 April 2013 and $3,000 was received during the six months period ended 31 October 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 $0.40.

ii. On 22 July 2013, the Company issued 593,000 common shares valued at $0.15 per common share for total proceeds of $88,950. 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 12 months at an exercise price of $0.25.

iii. On 13 August 2013, the Company issued 250,000 common shares valued at $0.15 per common share for total proceeds of $37,500. 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 12 months at an exercise price of $0.25.

iv. As at 31 October 2013, the issued and outstanding common shares of the Company includes 46,875 (30 April 2013 - 46,875) shares held in escrow (Note 10). The Company is in the process of obtaining these shares to be returned to treasury for cancellation.

(Expressed in Canadian dollars)

Share capital transactions of the Company during the year ended 30 April 2013 are summarized as follows:

i. On 15 April 2013, the Company issued 4,500,000 common shares valued at $0.05 per common share for total proceeds of $225,000, which were received during the year ended 30 April 2012.

ii. On 15 April 2013, the Company issued 4,500,000 common shares valued at $0.05 per common share to settle $225,000 of trade payables.

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

8.3 Share subscriptions received in advance

As at 31 October 2013, share subscriptions received in advance consists of $Nil (30 April 2013 – $50,500) cash received by the Company in relation to nil common shares (30 April 2013 – 535,000) of the Company that were not yet issued by the Company as at 31 October 2013.

8.4 Share purchase warrants

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

	Number of Warrants	Black-Scholes Value $
Outstanding, beginning of period	-	-
Granted	689,000	82,899
Outstanding, end of period	**689,000**	**82,889**

(Expressed in Canadian dollars)

The weighted average fair value of the warrants granted during the six months period ended 31 October 2013 was estimated at $0.12 per warrant at the grant date using the Black-Scholes Warrant Pricing Model. The weighted average assumptions used for the calculation were:

Six months ended 31 October	**2013**	**2012**
Risk free interest rate	**1.07%**	-
Expected life	**1.39 year**	-
Expected volatility	**265.27%**	-
Expected dividend per share	-	-

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

Number of Warrants	**Exercise Price $**	**Expiry**
296,500	$0.25	22 July 2014
125,000	$0.25	13 August 2014
267,500	$0.40	27 May 2015

8.5 Stock options

The following is a summary of the changes in the Company's stock option plan for the six months period ended 31 October 2013:

	Number of options	**Weighted average exercise price $**
Outstanding, beginning of period	-	
Granted	2,400,000	0.17
Outstanding, end of year	**2,400,000**	**0.17**

(Expressed in Canadian dollars)

The weighted average fair value of the options granted during the six months period ended 31 October 2013 was estimated at $0.16 per option at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

Six months period ended 31 October	2013 $	2012 $
Risk free interest rate	**1.81%**	-
Expected life	**5.00 years**	-
Expected volatility	**161.45%**	-
Expected dividend per share	**-**	-

The following table summarizes information regarding stock options outstanding and exercisable as at 31 October 2013.

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise Price $
Options outstanding			
$0.15	2,000,000	4.78	0.15
$0.28	400,000	4.81	0.28
Total options outstanding	**2,400,000**	4.79	0.17
Options exercisable			
$0.15	2,000,000	4.78	0.15
$0.28	400,000	4.81	0.18
Total options exercisable	**2,400,000**	4.79	0.17

(Expressed in Canadian dollars)

9. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $384,030 was recognized in the period ended 31 October 2013:

Grant dates	Fair value $	Amount vested $
12 August 2013	**279,610**	**279,610**
21 August 2013	**104,420**	**104,420**
Total	**384,030**	**384,030**

10. LOSS PER SHARE

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

	Three months ended		Six months ended	
	31 October 2013	31 October 2012	**31 October 2013**	31 October 2012
Net loss for the period	**$ (458,370)**	$ (6,374)	$ (577,100)	$ (6,766)
Weighted average number of shares – basic and diluted	**11,087,887**	959,887	**10,741,887**	959,887
Loss per share, basic and diluted	**$ (0.04)**	$ (0.01)	**$ (0.05)**	$ (0.01)

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 October 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).

(Expressed in Canadian dollars)

11. 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 six months period ended 31 October 2013. The Company is not subject to externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS

12.1 Categories of financial instruments

	As at 31 October 2013	As at 30 April 2013
	$	**$**
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	-	33,732
Total financial assets	-	33,732
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Bank indebtedness	**4,677**	-
Trade payables	**18,293**	601
Due to related parties	**144,093**	113,319
Loans payable	-	5,000
Total financial liabilities	**167,063**	118,920

(Expressed in Canadian dollars)

12.2 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.
- 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 October 2013, the Company does not have any Level 3 financial instruments.

As at 31 October 2013	**Level 1**	**Total**
	$	**$**
Financial assets at fair value		
Cash and cash equivalents	-	-
Total financial assets at fair value	**-**	**-**

As at 30 April 2013	**Level 1**	**Total**
	$	**$**
Financial assets at fair value		
Cash and cash equivalents	33,732	33,732
Total financial assets at fair value	**33,732**	**33,732**

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

12.3 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.

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 October 2013, the Company had a working capital deficit of $165,188 (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.

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS

13.1 Due to related parties

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

	31 October 2013	30 April 2013
	$	$
Chief Executive Officer	**89,100**	85,100
Director & Chief Financial Officer	**44,108**	22,059
Directors	**4,725**	-
Former director	**6,160**	6,160
Total amount due to related parties	**144,093**	113,319

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

13.2 Key management personnel compensation

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

	Three months ended		**Six months ended**	
	31 October 2013	31 October 2012	**31 October 2013**	31 October 2012
			$	$
Short-term benefits - Director, management and professional fees	**24,900**	-	**68,500**	-
Share-based payments	**78,315**	-	**78,315**	-
Total key management personnel compensation	**103,215**	-	**146,815**	-

(Expressed in Canadian dollars)

14. SUPPLEMENTAL CASH FLOW INFORMATION

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

Six months period ended 31 October	**2013**	2012
	$	$
Interest paid	-	-
Taxes paid	-	-
Total cash payments	-	-

15. COMMITMENT AND CONTINGENCIES

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 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.

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

16. EVENTS AFTER THE REPORTING PERIOD

i. On 22 November 2013, the Company announced a shareholder meeting whereby for a split of the common shares on, an up to four (4) new for one (1) old basis. Currently the Company has 11,384,762 common shares issued and outstanding. If approved by the shareholders, post-split, the Company will have up to 45,539,048 issued and outstanding.

ii.

ii. On 25 November 2013, 11,500 warrants were exercised for 11,500 common shares of the Company.

17. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

The condensed interim financial statements of the Company for six months period ended 31 October 2013 were approved and authorized for issue by the Board of Directors on 19 December 2013.