Acme Resources Inc.

Condensed Interim Financial Statements

Six Months Ended December 31, 2013

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

NOTICE TO READER

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 interim condensed financial statements have been prepared by and are the responsibility of the management.

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

Acme Resources Inc.
Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Notes	December 31, 2013	June 30, 2013 (Audited)
ASSETS			
Current assets			
Cash		$ 47,429	$ 56,153
Marketable securities	4	589	314
Receivables	5	1,377	647
Prepaid expenses and deposits	14	11,879	6,360
Deferred financing costs	10,14	16,000	-
		61,274	63,474
Non-current assets			
Equipment	6	2,148	11,350
Investment in Golden Harp	7	-	-
Exploration and evaluation assets	8	418,939	350,000
		421,087	361,350
TOTAL ASSETS		**$ 498,361**	**$ 424,824**
LIABILITIES			
Current Liabilities			
Trade payables and accrued liabilities	9,14	$ 12,894	$ 10,881
Promissory note	10,14	100,000	-
TOTAL LIABILITIES		**112,894**	**10,881**
SHAREHOLDERS' EQUITY			
Share capital	12	17,161,236	17,134,569
Reserves	13	918,535	944,074
Deficit		(17,694,304)	(17,664,700)
TOTAL SHAREHOLDERS' EQUITY		**385,467**	**413,943**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 498,361**	**$ 424,824**

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

COMMITMENTS (Note 16)

Approved on Behalf of the Board:

/s/ "Seamus Young" — Seamus Young, Director

/s/ "Shaun Maskerine" — Shaun Maskerine, Director

Acme Resources Inc.

Statements of Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

		Three months ended		Six months ended	
	Notes	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Expenses					
Amortization	6	$ 134	$ 734	$ 269	$ 1,468
Consulting fees	14	8,425	3,175	12,825	3,800
Financing costs	10,14	6,721	-	10,667	-
Interest	10,14	2,521	-	4,028	-
Office and miscellaneous		9,985	10,367	20,268	20,087
Professional fees		2,190	6,238	4,690	9,738
Salaries		-	3,111	-	8,466
Transfer agent and filing fees		1,447	9,047	5,238	9,671
Loss before other items		(31,423)	(32,672)	(57,985)	(53,230)
Other items					
Gain on disposal of equipment		-	-	2,567	-
Loss from equity investment	7,14	-	(27,479)	(531)	(48,498)
		-	(27,479)	2,036	(48,498)
Net loss		**(31,423)**	**(60,151)**	**(55,949)**	**(101,728)**
Other comprehensive income (loss)					
Items that may be reclassified subsequently to profit or loss					
Unrealized gain (loss) on short-term investments		(510)	(549)	275	(588)
Proportionate share of Golden Harp's unrealized gain (loss) on marketable securities		-	(11,246)	918	4,915
Proportionate share of Golden Harp's reclassification adjustment for losses (gains) included in net loss upon sale of marketable securities		-	9,299	(387)	16,979
Total other comprehensive income (loss)		(510)	(2,496)	806	21,306
Total comprehensive loss		**$ (31,933)**	**$ (62,647)**	**$ (55,143)**	**$ (80,422)**
Loss per share - basic and diluted		**$ (0.003)**	**$ (0.005)**	**$ (0.005)**	**$ (0.009)**

Acme Resources Inc.
Statements of Changes in Equity
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Notes	Share Capital: Number of shares	Share Capital: Amount	Reserves: Stock option reserve	Reserves: Investment revaluation reserve	Deficit	Total
Balance at June 30, 2012		**10,969,299**	**$ 17,134,569**	**$ 954,400**	**$ (142,074)**	**$ (16,215,677)**	**$ 1,731,218**
Net loss		-	-	-	-	(101,728)	(101,728)
Unrealized loss on marketable securities		-	-	-	(588)	-	(588)
Proportionate share of Golden Harp's unrealized gain on available for sale marketable securities		-	-	-	4,915	-	4,915
Proportionate share of Golden Harp's reclassification adjustment for losses included in net loss upon sale of marketable securities		-	-	-	16,979	-	16,979
Balance at December 31, 2012		**10,969,299**	**$ 17,134,569**	**$ 954,400**	**$ (120,768)**	**$ (16,317,405)**	**$ 1,650,796**
Balance at June 30, 2013		**10,969,299**	**$ 17,134,569**	**$ 954,400**	**$ (10,326)**	**$ (17,664,700)**	**$ 413,943**
Net loss		-	-	-	-	(55,949)	(55,949)
Shares issued for financing costs	12	355,556	26,667	-	-	-	26,667
Unrealized gain on marketable securities		-	-	-	275	-	275
Proportionate share of Golden Harp's unrealized gain on available for sale marketable securities		-	-	-	918	-	918
Proportionate share of Golden Harp's reclassification adjustment for gains included in net loss upon sale of marketable securities		-	-	-	(387)	-	(387)
Transfer of stock option reserve to deficit	13	-	-	(26,345)	-	26,345	-
Balance at December 31, 2013		**11,324,855**	**$ 17,161,236**	**$ 928,055**	**$ (9,520)**	**$ (17,694,304)**	**$ 385,467**

Acme Resources Inc..
Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Six months ended	
	December 31, 2013	**December 31, 2012**
Operating activities		
Net loss	$ (55,949)	$ (101,728)
Adjustments for:		
Amortization	269	1,468
Financing costs	10,667	-
Gain on disposal of equipment	(2,567)	-
Loss from equity investment	531	48,498
	(47,049)	(51,762)
Changes in non-cash working capital items:		
Receivables	(730)	(900)
Prepaid expenses and deposits	(5,519)	(497)
Trade payables and accrued liabilities	2,013	(10,204)
Net cash flows used in operating activities	(51,285)	(63,363)
Investing activities		
Proceeds from disposal of equipment	11,500	-
Proceeds from recovery of exploration and evaluation assets	10,559	-
Expenditures on exploration and evaluation assets	(79,498)	(2,160)
Net cash flows used in investing activities	(57,439)	(2,160)
Financing activities		
Proceeds from promissory note	100,000	-
Net cash flows from financing activities	100,000	-
Decrease in cash	(8,724)	(65,523)
Cash, beginning	56,153	165,826
Cash, ending	**$ 47,429**	**$ 100,303**

1. Nature and continuance of operations

Acme Resources Inc. (the "Company") was incorporated on July 10, 1978, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "ARI.V".

The head office, principal address and records office of the Company are located at 1050 West Pender Street, Suite 910, Vancouver, British Columbia, Canada, V6E 3S7. The Company's registered address is Robson Court, 840 Howe Street, Suite 1000, Vancouver, British Columbia, Canada, V6Z 2M1.

These unaudited condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at December 31, 2013 the Company had not advanced its mineral properties to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and or private placement of common shares.

2. Significant accounting policies and basis of presentation

The condensed interim financial statements were authorized for issue on February 24, 2014 by the directors of the Company.

Statement of compliance

The unaudited condensed interim financial statements of the Company have been prepared in accordance 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"). These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34").

These interim unaudited condensed financial statements do not include all of the information required for full annual financial statements and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this interim unaudited condensed financial report be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2013. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in Note 3 of these condensed interim financial statements.

The accounting policies and methods of application applied by the Company in these condensed interim financial statements are the same as those applied in the Company's most recent annual financial statements for the year ended June 30, 2013, except for those policies which have changed as a result of the adoption of new and amended IFRS pronouncements effective January 1, 2013.

Basis of presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

2. Significant accounting policies and basis of presentation (continued)

Basis of presentation (continued)

These financial statements include an equity interest in Golden Harp Resources Inc. ("Golden Harp"), a company listed on the TSX-V. The Company's ownership interest in Golden Harp was 40.5% at December 31, 2013 (June 30, 2013 - 40.5%). The carrying value of the Company's investment in Golden Harp was reduced to zero as of June 30, 2013, primarily as a result of recording the Company's proportionate share of impairment charges and items impacting other comprehensive income.

The Company's ownership interest is accounted for using the equity method, however, the Company has suspended applying the equity method as the Company's share of cumulative losses equals its investment and the Company has no obligation or intention to fund such additional losses.

Investments

Investments in which the Company has a significant influence are accounted for by the equity method, whereby the Company records its proportionate share of the investee's income or loss. When the Company's equity investee issues its own shares to outside interests, a dilution gain or loss arises as a result of the difference between the Company's proportionate share of the proceeds and the carrying value of the underlying equity.

When the Company's share of cumulative losses equals its investment and the Company has no obligation or intention to fund such additional losses, the Company suspends applying the equity method. The Company will not be able to record any equity in income with respect to an entity until its share of future profits is sufficient to recover any cumulative losses that have not previously been recorded.

3. Adoption of New and Amended IFRS Pronouncements

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after January 1, 2013, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

New accounting standards effective January 1, 2013

<u>IFRS 10 Consolidated Financial Statements</u>

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation - Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

<u>Amendments to IAS 1 Presentation of Financial Statements</u>

The IASB has amended IAS 1 to require entities to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not items may be reclassified into profit or loss in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately.

These new and amended standards are effective for the Company beginning on July 1, 2013. There has been no material effect from the new standards on the Company's consolidated financial statements.

(Expressed in Canadian Dollars)

3. Adoption of New and Amended IFRS Pronouncements (continued)

Accounting Standards issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after January 1, 2014 or later periods.

The following new standards, amendments and interpretations that have not been early adopted in these financial statements, are not expected to have a material effect on the Company's future results and financial position:

a) IFRS 9 Financial Instruments (New; to replace IAS 39 and IFRIC 9);
b) IAS 32 Financial Instruments (Amendments regarding offsetting financial assets and liabilities).

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Marketable securities

Marketable securities consist of shares of unrelated listed companies.

5. Receivables

Receivables consist of GST recoverable.

6. Equipment

	Computer equipment	Computer software	Field equipment	Office equipment	Total
Cost:					
At June 30, 2013	$ 18,236	$ 2,327	$ 41,972	$ 13,964	$ 76,499
Additions	-	-	-	-	-
Disposals	-	-	(41,972)	-	(41,972)
At December 31, 2013	18,236	2,327	-	13,964	34,527
Amortization:					
At June 30, 2013	17,717	2,321	33,039	12,072	65,149
Charge for the period	78	2	-	189	269
Disposals	-	-	(33,039)	-	(33,039)
At December 31, 2013	17,795	2,322	-	12,261	32,379
Net book value:					
At June 30, 2013	519	6	8,933	1,892	11,350
At December 31, 2013	$ 441	$ 4	$ -	$ 1,703	$ 2,148

7. Investment in Golden Harp

At December 31, 2013 and June 30, 2013, the Company owned 10,000,000 shares of Golden Harp representing a 40.5% interest in Golden Harp. The Company, through its shareholding in Golden Harp, exercises significant influence over that company, and as a result, the investment in Golden Harp is accounted for using the equity, however, the Company has suspended applying the equity method as the Company's share of cumulative losses equals its investment and the Company has no obligation or intention to fund such additional losses.

(Expressed in Canadian Dollars)

7. Investment in Golden Harp (continued)

Details of the investment in Golden Harp for the six months ended December 31, 2013 and year ended June 30, 2013 are as follows:

	December 31, 2013	June 30, 2013
Opening balance	$ -	$ 400,000
Proportionate share of net loss	(531)	(532,611)
Proportionate share of gain on available for sale marketable securities	918	(31,311)
Proportionate share of reclassification adjustment for losses included in net loss upon sale of marketable securities	(387)	56,983
Proportionate share of impairment of marketable securities	-	106,939
Write-down of investment	-	-
Closing balance	$ -	$ -

Summarized financial information of Golden Harp for the six months ended December 31, 2013 and year ended June 30, 2013 is as follows:

	December 31, 2013	June 30, 2013
Assets	$ 771,049	$ 799,158
Liabilities	$ 45,181	$ 18,465
Revenues	$ -	$ -
Net loss	$ 25,005	$ 3,654,858

As at December 31, 2013, the Company's investment in Golden Harp had a quoted market value of $200,000 (June 30, 2013 – $250,000).

(Expressed in Canadian Dollars)

8. Exploration and evaluation assets

	Balance December 31, 2013	2014 Expenditures (Recovery)	Balance June 30, 2013	2013 Expenditures (Impairment)	Balance June 30, 2012
Nor Property, Yukon					
Property acquisition costs	$ 422,080	$ -	$ 422,080	$ -	$ 422,080
Impairment	(122,675)	-	(122,675)	(122,675)	-
	299,405	-	299,405	(122,675)	422,080
Exploration and evaluation costs					
Accommodation and meals	342,890	-	342,890	-	342,890
Assay and soil sampling	68,787	-	68,787	-	68,787
Diamond drilling	850,848	-	850,848	-	850,848
Drafting	15,234	-	15,234	-	15,234
Fuel	368,699	(10,559)	379,258	-	379,258
Geologist	526,111	-	526,111	-	526,111
Geophysics	281,283	-	281,283	-	281,283
Helicopter	1,516,526	56,869	1,459,657	2,161	1,457,496
Housing	28,900	-	28,900	-	28,900
Licenses	33,299	-	33,299	-	33,299
Line cutting	109,794	-	109,794	-	109,794
Supervision	94,305	-	94,305	-	94,305
Supplies and miscellaneous	148,613	800	147,813	-	147,813
Support wages	337,260	-	337,260	-	337,260
Surveys	86,568	-	86,568	-	86,568
Travel and transport	119,611	21,829	97,782	-	97,782
Mineral exploration tax credits	(595,129)	-	(595,129)	-	(595,129)
Impairment	(4,264,660)	-	(4,264,660)	(698,240)	(3,566,420)
	68,939	68,939	-	(696,079)	696,079
Total Nor Property, Yukon	368,344	68,939	299,405	(818,754)	1,118,159
Bear River, BC					
Property acquisition costs	10,389	-	10,389	-	10,389
Exploration and evaluation costs					
Assays	326	-	326	-	326
License and recording fees	15,126	-	15,126	-	15,126
Supervision	13,750	-	13,750	-	13,750
Supplies and miscellaneous	224	-	224	-	224
	29,426	-	29,426	-	29,426
Total Bear River, BC	39,815	-	39,815	-	39,815
Carswell, Saskatchewan					
Property acquisition costs	-	-	-	-	-
Exploration and evaluation costs					
Supervision	10,750	-	10,750	-	10,750
Supplies and miscellaneous	30	-	30	-	30
	10,780	-	10,780	-	10,780
Total Carswell, Saskatchewan	10,780	-	10,780	-	10,780
Total	$ 418,939	$ 68,939	$ 350,000	$ (818,754)	$ 1,168,754

(Expressed in Canadian Dollars)

8. Exploration and evaluation assets (continued)

The following is a description of the Company's exploration and evaluation assets and the related spending commitments:

(a) Nor Property, Yukon Territory

The Nor Property consists of mineral claims in the Dawson Mining District, Yukon Territory.

Certain claims are subject to a 2% Net Smelter Royalty ("NSR"). The Company has the right to purchase 50% of the NSR for a purchase price of $2,000,000 and the right of first refusal on the remaining 50%.

During fiscal 2011, the Company wrote down the carrying value of the Nor Property by $3,566,420. During the year ended June 30, 2013, the Company wrote down the carrying value of the Nor Property by $820,915.

During the six months ended December 31, 2013, fuel left on the Nor Property was removed in order to satisfy permit requirements. The fuel was then sold and resulted in a recovery of $10,559 (December 31, 2012 – $NIL).

(b) Bear River Property, British Columbia

The Bear River Property consists of mineral claims in the Skeena Mining Division, British Columbia. One of these claims is subject to a 3.5% NSR.

(c) Carswell Property, Saskatchewan

During October 2004, the Company staked a mineral claim in the Athabasca Basin, Saskatchewan.

Pursuant to an Option Agreement dated March 2, 2005, the Company granted an option to a third party to earn a 50% interest in the Carswell Property. To earn this interest the optionee paid $25,000 cash, issued 200,000 of its shares and incurred $100,000 in exploration expenditures. During fiscal 2009 the third party company met the terms of the Option Agreement and has a 50% interest in the property.

Pursuant to a Joint Venture Agreement dated July 24, 2008, the Company granted the third party a further 30% interest in the claim, resulting in the third party having a 80% undivided interest in the property, subject to the delivery by the third party of a bankable feasibility study. The Company will retain a carried interest until the feasibility study is delivered, at which time the Company will have the choice to take on a 20% participating interest in a new company to operate the production facility or take on a 2% NSR for all uranium mineral products and a 2% NSR for all other metals.

The third party will return all the Company's interest in any of the claims upon a decision by the third party to terminate work thereon.

9. Trade payables and accrued liabilities

	December 31, 2013	June 30, 2013
Trade payables	$ 2,616	$ 231
Accrued liabilities	4,028	10,650
	$ 12,894	$ 10,881

10. Promissory note

The promissory note totaling $100,000 (June 30, 2013 – $NIL) is payable to a relative of a director of the Company. The note is evidenced by a term promissory note due August 7, 2014, or earlier upon a default by the Company. The term promissory note bears interest at the rate of 10% per annum payable quarterly. The interest rate is fixed until the maturity date of the term promissory note.

The promissory note included a financing fee of 20% of the principal settled by the issuance of the Company's shares at 25% discount to the market value of the shares. The financing fee is deferred over the maturity of the promissory note of which $16,000 of the initial $26,667 financing fee is deferred at December 31, 2013 (June 30, 2013 – $NIL).

11. Restoration and environmental obligations

The Company does not provide for any possible restoration and environmental obligations as management believes that no liability exists. It is not currently possible to estimate the impact on operating results, if any, of future legislative or regulatory developments regarding restoration and environmental obligations.

12. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At December 31, 2013 there were 11,324,855 (June 30, 2013 – 10,969,299) issued and fully paid common shares.

Share Issuances

During the six months ended December 31, 2013 the Company issued 355,556 common shares (year ended June 30, 2013 – NIL) in exchange for a promissory note financing fee with a fair value of $26,667.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the six months ended December 31, 2013 was based on the net loss attributable to common shareholders of $55,949 (December 31, 2012 – $101,728) and the weighted average number of common shares outstanding of 11,197,319 (December 31, 2012 – 10,969,299).

Diluted loss per share did not include the effect of 650,000 (December 31, 2012 – 670,000) stock options and 6,486,667 (December 31, 2012 – 6,486,667) warrants as the effect would be anti-dilutive.

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. The maximum discount allowed varies with share price, with a maximum of 25% and a minimum price of $0.10. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. Pursuant to the stock option plan, options granted in respect of investor relations activities are subject to vesting in stages over one year from the grant date with a maximum of one-quarter of the options vesting in any three month period. Vesting restrictions may also be applied to other options grants, at the discretion of the Board of Directors.

(Expressed in Canadian Dollars)

12. Share capital (continued)

Stock options (continued)

The changes in options during the three months ended December 31, 2013 and year ended June 30, 2013 are as follows:

	December 31, 2013		June 30, 2013	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	670,000	$ 0.24	670,000	$ 0.24
Options granted	-	-	-	-
Options expired	-	-	-	-
Options cancelled	(20,000)	0.22	-	-
Options outstanding, ending	650,000	$ 0.24	670,000	$ 0.24
Options exercisable, ending	650,000	$ 0.24	670,000	$ 0.24

Details of options outstanding as at December 31, 2013 are as follows:

Number of options outstanding	Exercise price	Remaining contractual life
250,000	$ 0.22	1.04 years
400,000	$ 0.25	1.94 years
650,000		

At December 31, 2013, the weighted average remaining contractual life of stock options outstanding was 1.59 years.

Share purchase warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	December 31, 2013		June 30, 2013	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	6,486,667	$ 0.27	6,486,667	$ 0.27
Warrants granted	-	-	-	-
Warrants expired	-	-	-	-
Warrants outstanding, ending	6,486,667	$ 0.27	6,486,667	$ 0.27

Details of warrants outstanding as at December 31, 2013 are as follows:

Number of warrants outstanding	Exercise price	Remaining contractual life
220,000	$ 1.50	0.60 years
266,667	$ 1.50	0.71 years
3,000,000	$ 0.17	1.21 years
3,000,000	$ 0.16	1.36 years
6,486,667		

At December 31, 2013, the weighted average remaining contractual life of warrants outstanding was 1.24 years.

(Expressed in Canadian Dollars)

13. Reserves

The components of reserves are as follows:

	December 31, 2013	June 30, 2013
Stock option reserve	$ 928,055	$ 954,400
Investment revaluation reserve	(9,520)	(10,326)
	$ 918,535	$ 944,074

Stock option reserve

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount recorded is transferred to deficit.

During the six months ended December 31, 2013, the Company transferred $26,345 (December 31, 2012 – $NIL) from the stock option reserve to deficit as a result of cancelled stock options.

Investment revaluation reserve

The investment revaluation reserve records unrealized gains and losses arising on available-for-sale financial assets, except for impairment losses.

14. Related party transactions

The Company incurred the following related party transactions with companies that are controlled by a relative of a director of the Company.

	Six months ended	
	December 31, 2013	December 31, 2012
Financing costs – relative of a director of the Company	$ 10,667	$ -
Interest expense – relative of a director of the Company	4,028	-
Travel and transport fees – company controlled by relative of a director of the Company	14,676	-
	$ 29,371	$ -

Key management personnel compensation

	Six months ended	
	December 31, 2013	December 31, 2012
Consulting fees - payments made to officers	$ 1,425	$ 2,000
Consulting fees - payments made to a director	4,500	-
	$ 5,925	$ 2,000

14. Related party transactions (continued)

Related party balances

The Company advanced $3,068 (June 30, 2013 – $3,045) to Golden Harp, which is included in prepaid expenses and deposits at December 31, 2013.

A promissory note of $100,000 (June 30, 2013 – $NIL) plus accrued interest of $4,028 (June 30, 2013 – $NIL) is payable to a relative of a director of the Company.

Included in trade payables and accrued liabilities at December 31, 2013 is $1,575 (June 30, 2013 – $NIL) owing to a director of the Company for accrued consulting fees and $1,250 (June 30, 2013 – $650) to an officer of the Company for accrued consulting fees.

15. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

Geographic segments

At December 31, 2013 and June 30, 2013 all of the Company's assets are located in Canada.

16. Commitments

The Company is committed to aggregate premise lease payments of $55,172 as follows:

- $10,345 for fiscal 2014;
- $21,480 for fiscal 2015;
- $21,551 for fiscal 2016 and
- $1,796 for fiscal 2017.

In addition the Company is also committed to pay its share of property tax and operation costs.