Lakeside™

MINERALS INC

(AN EXPLORATION STAGE COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JANUARY 31, 2014 AND 2013

(EXPRESSED IN CANADIAN DOLLARS)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Lakeside Minerals Inc., are the responsibility of the management and Board of Directors of the Company.

The consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Yannis Banks"	*"Marco Guidi"*
Yannis Banks	Marco Guidi
Chief Executive Officer	Chief Financial Officer

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Lakeside Minerals Inc.

We have audited the accompanying consolidated financial statements of Lakeside Minerals Inc. and its subsidiary (the "Company"), which comprise the consolidated statements of financial position as at January 31, 2014 and January 31, 2013 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years ended January 31, 2014 and January 31, 2013 and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Lakeside Minerals Inc. and its subsidiary as at January 31, 2014 and January 31, 2013 and its financial performance and its cash flows for the years ended January 31, 2014 and January 31, 2013 in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates that the Company has material uncertainties that may cast doubt about the Company's ability to continue as a going concern.

Collins Barrow Toronto LLP

Licensed Public Accountants
Chartered Accountants
Toronto, Ontario
May 23, 2014

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LAKESIDE MINERALS INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

Assets		**January 31, 2014**		January 31, 2013
Current				
Cash and cash equivalents	**$**	**3,670**	$	18,026
HST receivable and other receivables (note 8)		**21,200**		257,633
Prepaid expenses (note 10)		**3,300**		6,455
Note receivable (note 9)		**56,542**		-
Total assets	**$**	**84,712**	$	282,114
Liabilities				
Current				
Line of credit (note 7)	**$**	**-**	$	5,489
Accounts payable and accrued liabilities (note 11)		**460,507**		778,383
Flow-through premium liability (note 12)		**-**		20,000
Total liabilities		**460,507**		803,872
Shareholders' Deficiency				
Share capital (note 13)		**3,130,895**		2,964,683
Shares to be issued (note 6)		**-**		4,000
Reserve for warrants (note 14)		**674,118**		595,118
Reserve for options (note 15)		**166,329**		161,582
Accumulated deficit		**(4,347,137)**		(4,247,141)
Total shareholders' deficiency		**(375,795)**		(521,758)
Total liabilities and shareholders' deficiency	**$**	**84,712**	$	282,114

Nature of operations and going concern (note 1)
Commitments and contingencies (note 18)
Events after the reporting date (note 20)

APPROVED ON BEHALF OF THE BOARD

"Jeremy Goldman" (Director) **"Yannis Banks"** (Director)

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

LAKESIDE MINERALS INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

Years ended January 31,		2014		2013
Expenses				
Management, consulting fees and salaries (note 16)	**$**	**157,053**	$	314,376
Professional fees		**21,605**		65,443
Office and general		**16,422**		160,765
Share based payments (note 15)		**4,747**		6,387
Exploration and evaluation expenditures (note 6)		**24,532**		1,471,739
Total expenses		**(224,359)**		(2,018,710)
Other income				
Interest		**649**		5,675
Tax recovery (note 19)		**-**		70,000
Flow-through premium (note 12)		**20,000**		260,300
Gain on settlement of debt (note 13)		**87,820**		-
Forgiveness of debt		**15,894**		-
		124,363		335,975
Net loss and comprehensive loss	**$**	**(99,996)**	$	(1,682,735)
Weighted average shares outstanding				
- basic and diluted		**39,816,617**		31,208,957
Loss per share				
- basic and diluted	**$**	**(0.003)**	$	(0.054)

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

LAKESIDE MINERALS INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended January 31,		**2014**		2013
Operating Activities				
Net loss	**$**	**(99,996)**	$	(1,682,735)
Adjustments to reconcile net loss to cash flow:				
Share based payments		**4,747**		6,387
Shares issued for property		**3,750**		113,000
Gain on forgiveness of debt		**(15,894)**		**-**
Gain on settlement of debt		**(87,820)**		**-**
Flow-through premium		**(20,000)**		(260,300)
Net change in non-cash working capital items:				
HST receivable and other receivables		**236,433**		70,679
Accounts payable and accrued liabilities		**27,300**		415,166
Prepaid expenses		**3,155**		29,329
Cash flow provided from (used in) operating activities		**51,675**		(1,448,474)
Investing Activities				
Loan provided		**(56,542)**		**-**
Cash used in investing activities		**(56,542)**		-
Financing Activities				
Proceeds from issuance of share capital, net of issue costs		**-**		226,895
Repayment of proceeds for shares to be issued		**(4,000)**		4,000
Line of credit		**(5,489)**		5,489
Cash flow (used in) provided from financing activities		**(9,489)**		236,384
Net decrease in cash		**(14,356)**		(1,212,090)
Cash and cash equivalents – beginning of year		**18,026**		1,230,116
Cash and cash equivalents – end of year	**$**	**3,670**	$	18,026

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

LAKESIDE MINERALS INC.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital		Reserves				
	Number of Shares	Amount	Share based payments	Warrants	Shares to be Issued	Accumulated Deficit	Total
Balance at January 31, 2012	**28,157,801**	**$ 2,654,203**	**$ 155,195**	**$ 507,453**	**$ -**	**$ (2,564,406)**	**$ 752,445**
Issued for cash consideration:							
Private placements	2,765,771	257,450	-	-	-	-	257,450
Warrants Issued	-	(81,581)	-	81,581	-	-	-
Warrants Broker	-	(6,084)	-	6,084	-	-	-
Issued for non-cash consideration:							
Issued for mineral properties	2,450,000	113,000	-	-	-	-	113,000
Issued for services	601,923	78,250	-	-	-	-	78,250
Share issuance costs	-	(30,555)	-	-	-	-	(30,555)
Flow-through share issuance premium	-	(20,000)	-	-	-	-	(20,000)
Proceeds received for shares to be issued	-	-	-	-	4,000	-	4,000
Share based payments	-	-	6,387	-	-	-	6,387
Net loss for the year	-	-	-	-	-	(1,682,735)	(1,682,735)
Balance at January 31, 2013	**33,975,495**	**$ 2,964,683**	**$ 161,582**	**$ 595,118**	**$ 4,000**	**$ (4,247,141)**	**$ (521,758)**
Issued for non-cash consideration:							
Issued for mineral properties	150,000	3,750	-	-	-	-	3,750
Issued for settlement of debt	6,672,787	166,820	-	-	-	-	166,820
Share issuance costs	-	(4,358)	-	-	-	-	(4,358)
Repayment of proceeds for shares to be issued	-	-	-	-	(4,000)	-	(4,000)
Warrants issued for settlement of debt	-	-	-	79,000	-	-	79,000
Share based payments	-	-	4,747	-	-	-	4,747
Net loss for the year	-	-	-	-	-	(99,996)	(99,996)
Balance at January 31, 2014	**40,798,282**	**$ 3,130,895**	**$ 166,329**	**$ 674,118**	**$ -**	**$ (4,347,137)**	**$ (375,795)**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Lakeside Minerals Inc. and its subsidiary (the "Company") is engaged in the acquisition, exploration and development of mineral resource properties in Canada. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The address of the Company's registered office is 77 King Street West, Suite 2905, Toronto, Ontario M5K 1H1.

The Company is in the process of exploring, and has not yet determined whether there are economically viable reserves on the properties it has optioned. As such, there is uncertainty with respect to the Company's ability to continue as a going concern, dependent upon such events as financing, discovery of reserves, and market demand conditions.

As is common with exploration companies, the Company is dependent upon obtaining necessary equity financing from time to time to finance its on-going and planned exploration activities and to cover administrative costs.

At January 31, 2014 the Company had a working capital deficiency of $375,795 (January 31, 2013 – working capital deficiency of $521,758), had not yet achieved profitable operations, has accumulated losses of $4,347,137 (January 31, 2013 – $4,247,141) and expects to incur further losses in the development of its business, all of which casts substantial doubt upon the Company's ability to continue as a going concern. The Company will require additional financing in order to conduct its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and noncompliance with regulatory and environmental requirements.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

The Company's consolidated financial statements, including comparatives, have been prepared in accordance with and using accounting policies in full compliance with the International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended January 31, 2014.

These consolidated financial statements were authorized by the Board of Directors of the Company on May 23, 2014.

2.2 Basis of presentation

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3.

2. BASIS OF PRESENTATION (continued)

2.3 Adoption of new and revised standards and interpretations

Standards and interpretations adopted
The IASB issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2013. For the purpose of preparing and presenting the financial information for the relevant periods, the Company has consistently adopted all these new standards for the relevant reporting periods.

Several other new standards and amendments apply for the first time in 2013. However, they did not impact the consolidated financial statements of the Company.

The nature and impact of each new standard/amendment is described below:

- IAS 1 - Presentation of Financial Statements ("IAS 1") was amended by the IASB in June 2011. Items in other comprehensive loss will be required to be presented in two categories: items that might be reclassified into earnings or loss and those that will not be reclassified. The flexibility to present statement of comprehensive loss as one statement or two separate statements of earnings and loss and other comprehensive loss remains unchanged. The Company adopted this policy February 1, 2013 and there was no effect on its consolidated financial statements.

- IFRS 10 *Consolidated Financial Statements and* IAS 27 *Separate Financial Statements* IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replace the parts of previously existing IAS 27 Consolidated and Separate Financial Statements that dealt with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control such that an investor controls 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. To meet the definition of control in IFRS 10, all three criteria must be met, including: (a) an investor has power over the investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investors returns. This standard is effective for years beginning on or after January 1, 2013. The Company adopted this policy February 1, 2013 and there was no effect on its consolidated financial statements.

2. BASIS OF PRESENTATION (continued)

2.3 Adoption of new and revised standards and interpretations (continued)

- IFRS 11 - Joint Arrangement (“IFRS 11”) was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and exposure to variable returns from an investee; and the ability to use power (under joint control) to affect the reporting entity’s returns. For entities with the rights to the net assets of an arrangement, equity accounting is used. This standard is effective for years beginning on or after January 1, 2013. The Company adopted this policy February 1, 2013 and there was no effect on its consolidated financial statements.

- IFRS 12 - Disclosure of Interests in Other Entities (“IFRS 12”) was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. This standard is effective for years beginning on or after January 1, 2013. The Company adopted this policy February 1, 2013 and there was no effect on its consolidated financial statements.

- IFRS 13 *Fair Value Measurement.* IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value and related disclosure through a fair value hierarchy under IFRS when fair value is required or permitted. The Company adopted this policy February 1, 2013 and there was no effect on its consolidated financial statements.

- IAS 27 - Separate Financial Statements ("IAS 27") was effective for annual periods beginning on or after January 1, 2013, as a result of the issue of IFRS 10, IAS 27 has been reissued, as the consolidation guidance will now be included in IFRS 10. IAS 27 will now only prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The Company adopted this policy February 1, 2013 and there was no effect on its consolidated financial statements.

New standards and interpretations
At the date of authorization of these Financial Statements, the IASB and the IFRS Interpretations Committee (“IFRIC”) have issued the following new and revised Standards and Interpretations which are not yet effective and which the Company has not early adopted. However the Company is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

2. BASIS OF PREPARATION (continued)

2.3 Adoption of new and revised standards and interpretations (continued)

- IFRS 9, 'Financial instruments', effective for annual periods beginning on or after January 1, 2018, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of lAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the lAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the Board.

- IAS 32 *'Financial instruments, Presentation'* –is effective for annual periods beginning on or after January 1, 2014, with earlier adoption permitted. IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date.

- IAS 36 – Impairments of Assets ("IAS 36") was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014.

- IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39") was amended by the IASB in June 2013 to clarify that novation of a hedging derivative to a clearing counterparty as a consequence of laws or regulations or the introduction of laws or regulations does not terminate hedge accounting. The amendments to IAS 39 are effective for annual periods beginning on or after January 1, 2014. Earlier adoption is permitted.

- IFRIC 21 – Levies ("IFRIC 21") was issued in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"). IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. Earlier adoption is permitted.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary; Lakeside Minerals Corp.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. The Company controls an entity when it is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. All significant inter-company transactions and balances are eliminated on consolidation.

b) Mineral properties

Acquisition and exploration costs, net of incidental revenues, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment ("PPE").

c) Share based payments

Share based payment transactions

Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be measured reliably, they are measured at fair value of the share-based payment.

Equity settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value of the equity instruments at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in reserve for options.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

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

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position 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. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

e) Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes conversion, exercise or contingent issuance of options, warrants and securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share. For the years ended January 31, 2014 and 2013, no potential shares are included in the computation as they are anti-dilutive.

f) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with realized gains and losses recognized through earnings. The Company’s cash and cash equivalents are classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity are measured at amortized cost. The Company’s note receivable is classified as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for when there is objective evidence of impairment. At January 31, 2014 and 2013 the Company has not classified any financial assets as available for sale or held to maturity.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

g) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company’s line of credit and accounts payable and accrued liabilities are classified as other financial liabilities.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income. At January 31, 2014 and 2013 the Company has not classified any financial liabilities as FVTPL.

h) Impairment of financial assets

The Company assesses at each consolidated statement of financial position date whether a financial asset is impaired.

Assets carried at amortized cost
If there is objective evidence that an impairment loss on assets carried at amortized cost has 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 then reduced by the amount of the impairment. The amount of the loss is recognized in net income 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 net income or loss.

Available-for-sale
If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in net income or loss, is transferred from equity to net income or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit or loss.

i) Impairment of non-financial assets

At each consolidated statement of financial position date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

j) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and cash held in trust, which are readily convertible into a known amount of cash.

k) 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 or common significant influence, 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.

l) Flow-through shares

The Company has financed a portion of its exploration activities through the issuance of flow-through shares, which transfer the tax deductibility of exploration expenditures to the investors. Proceeds received on the issuance of such shares have been credited to share capital less the premium paid for the sale of tax deductions. To the extent that the Company issues common shares to subscribers on a flow-through basis at a premium to the market value of non flow-through common shares, any such premium is recorded as a liability on the Company's statement of financial position at the time of subscription. This liability is reduced, on a pro-rata basis, as the Company fulfills its expenditure renunciation obligation, when renunciation occurs, associated with such flow-through share issuances, with the premium recognized as income. The Company takes the initial recognition exemption on deferred taxes as it relates to flow-through shares.

m) Share issuance costs

Costs incurred in connection with the issuance of share capital are netted against the proceeds received. Costs related to the issuance of share capital and incurred prior to issuance are recorded as deferred share issuance costs and subsequently netted against proceeds when they are received.

n) Share capital

In situations where the Company issues units, the value of warrants is bifurcated and is included as the separate reserve of the Company's equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) Decommissioning, restoration and similar liabilities ("Asset retirement obligation" or "ARO")

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of mineral properties and PPE, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement obligation is recognized at its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding asset retirement obligation is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of-production method or the straight-line method, as appropriate. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. As at January 31, 2014 and 2013, no provision for restoration was necessary.

p) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

q) Significant accounting judgements and estimates

The preparation of these consolidated financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to: recoverability of taxes receivable, valuation of deferred income tax amounts, and the calculation of warrants and share-based payments. The most significant judgements relate to going concern assessment, recognition of deferred tax assets and liabilities, determination of the commencement of commercial production and the determination of the economic viability of a project.

4. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of share capital, reserves and accumulated deficit. When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business.

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

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital within current economic conditions by:

i) minimizing discretionary disbursements;
ii) reducing or eliminating exploration expenditures which are of limited strategic value; and
iii) exploring alternate sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient potential and if it has adequate financial resources to do so.

As at January 31, 2014, the Company's capital consists of share capital, reserves for warrants, reserves for options and accumulated deficit in the amount of $(375,795) (January 31, 2013 - $(521,758)).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company’s approach to capital management during the year ended January 31, 2014. The Company is not subject to externally imposed capital requirements.

5. RISK FACTORS

Fair value

The carrying amount of cash and cash equivalents, note receivable, line of credit, and accounts payables and accrued liabilities approximate fair value due to the relative short maturity of these financial instruments. As at January 31, 2014, cash and cash equivalents are considered level 1.

Credit Risk

Credit risk is the risk of loss associated with counterparty’s inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and note receivable. Cash and cash equivalents are held with a reputable Canadian chartered bank and law firm. Management believes that the credit risk concentration with respect to financial instruments included in cash and cash equivalents and note receivable is minimal.

(Expressed in Canadian Dollars)

5. RISK FACTORS (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at January 31, 2014, the Company had a cash and cash equivalents balance of $3,670 (January 31, 2013 - $18,026) and current liabilities of $460,507 (January 31, 2013 - $803,872).

Commodity Price Risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. These metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of these metals may be produced in the future, a profitable market will exist for them. As of January 31, 2014, the Company was not a producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

6. EXPLORATION AND EVALUATION EXPENDITURES

Lakeside Minerals Inc. is engaged, through Lakeside Minerals Corp., a wholly-owned subsidiary of the Company, in acquiring, exploring, and developing mineral properties in the mining friendly jurisdiction of Quebec. Currently the Company holds a portfolio of properties with an emphasis on gold.

The evaluation and exploration expenditures for the Company for the years ended January 31, 2014 and 2013 are as follows:

Property:	**2014**	**2013**
Dufay	$ -	$ 305,069
Disson	-	73,165
Launay	24,532	1,093,023
Kipawa	-	482
	$ 24,532	$ 1,471,739

To January 31, 2014, Lakeside held two main properties, Launay and Disson. On August 8, 2013, the Company terminated the option agreement on the original 36 claims of the Disson property. The Launay and Disson properties are briefly described below. Lakeside terminated the option agreement on the Dufay property and allowed all of the Kipawa claims to expire.

6. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Launay Property

The property is located some 48 km northeast of Rouyn-Noranda, in Launay, Privat, and Manneville Townships, northwestern Quebec. Through staking, option and purchase agreements, the Company consolidated a large land package over the prospective Macamic deformation zone, a major deformation zone in the Abitibi subprovince.

As of April 2, 2014, the Launay property comprises 276 non-contiguous claims that cover a total area of 125.8 sq km:

- 187 claims, 88.8 sq km, were staked by and are 100% owned by the Company.
- 29 claims, 11.8 sq km, are under option agreement to the Company to acquire a 100% interest, subject to property payments, work commitments and subject to a 2% NSR with buyback of 1% NSR for $1,000,000.
- 21 claims, 8.8 sq km, are 100% owned by the Company; these claims were purchased from Melkior Resources Inc. with Company shares: 15 of these claims are subject to a 2% NSR with buyback of 1% NSR for $1,000,000; the other six claims are subject to a 1% NSR with total buyback for $500,000.
- 13 claims, 5.3 sq km, (initially 35 claims, 16.0 sq km) are 100% owned by the Company; these claims were acquired from Les Explorations Carat Inc. with cash payments and Company shares; claims are subject to a 2% NSR with buyback of 1% NSR for $1,000,000.
- 11 claims, 4.5 sq km, are 100% owned by the Company; the claims were purchased from Jack Stoch Geoconsultant Services Ltd. with Company shares, subject to a two percent (2%) gross metal royalty ("GMR"); the Company has the option of first refusal to buy back a one percent (1%) GMR.
- 15 claims, 6.7 sq km, are 100% owned by the Company; these claims were purchased from 9219-8845 Québec Inc. with Company shares; claims are subject to a 2% NSR with buyback of 1% NSR for $1,000,000.

The Company entered into an agreement with arm's length parties dated December 7, 2010, to acquire a 100% interest in the Launay property originally consisting of 29 non-contiguous claims covering 11.7 sq km. Pursuant to the terms of the Launay Agreement, the Company issued 250,000 shares of its common stock issued at an estimated fair value of $0.05 per common share and paid $10,000 to the vendors immediately upon signing the agreement. The Company also agreed to issue an additional 750,000 common shares and pay $90,000 as follows:

a) $15,000 due within seven days of the Company completing a going public transaction (paid).
b) $20,000 and 250,000 shares on the first anniversary of the agreement (paid and issued).
c) $25,000 (amended as per below) and 250,000 shares on the second anniversary.
d) $30,000 (amended as per below) and 250,000 shares on the third anniversary.

The Company shall perform $250,000 in exploration on the mining claims over a period of three years from the date of the agreement.

Upon successful completion of all these obligations the vendor shall transfer title to the claims to the Company, subject to a NSR of 2%, of which a 1% NSR may be acquired upon payment of $1,000,000.

6. EXPLORATION AND EVALUATION EXPENDITURES (continued)

On April 30, 2012, the Company entered into an agreement with Melkior Resources Inc. (TSX-V: MKR) ("Melkior") to acquire twenty-one (21) mineral claims, the Trojan and Launay South blocks, which are adjacent to Lakeside's Launay property claim blocks located in Privat and Launay Townships. Under the terms of the agreement, Lakeside acquired 100% interest in the mineral claims by issuing 750,000 common shares (issued) to Melkior and recognizing the continuance of third party net smelter royalties on the mineral claims.

On June 5, 2012, the Company entered into an agreement with Les Explorations Carat Inc. ("Les Explorations") to acquire thirty-five (35) mineral claims, located east of the Rochette block and east and west of the Labreteche block. Under the terms of the agreement, Lakeside acquired 100% interest in the mineral claims by agreeing to make two cash payments of $5,000 each within 6 months (paid) and 12 months of the execution of the agreement; issuing 200,000 common shares (issued) to Les Explorations; and, granting of a 2% net smelter royalty on the mineral claims. The Company can buy back half of the 2% net smelter royalty with a payment of $1,000,000.

On September 7, 2012, the Company entered into an agreement with privately owned Jack Stoch Geoconsultant Services Ltd. (JSGS) to acquire eleven (11) mineral claims covering 4.5 sq km, also known as the Freegold property. Under the terms of the agreement, the Company can acquire a 100% interest in the Freegold property subject to the Company issuing 600,000 common shares (issued) to JSGS. JSGS retains a two percent (2%) GMR and the Company has the option of first refusal to buy back a one percent (1%) GMR.

On October 22, 2012, the Company and its vendors amended the terms of the agreement relating to 29 of 229 claims of the Launay property. The cash payments of $25,000 payable on December 7, 2012 and $30,000 payable on December 7, 2013 have been amended to:

(a) $25,000 payable to the vendors on June 1, 2013 (amended as per below)
(b) $30,000 payable to the vendors on June 1, 2014

All of the common shares issuable remain the same.

On January 8, 2013, the Company entered into an agreement with 9219-8845 Quebec Inc. ("Canadian Mining House") to acquire 15 mineral claims. Under the terms of the agreement, the Company can acquire 100% interest subject to the Company issuing 150,000 shares. Canadian Mining House retains a 2% net smelter royalty on the claims. The Company can buy back half of the 2% net smelter royalty with a payment of $1,000,000.

As of June 11, 2013, the Company and vendors negotiated an amendment to the terms of the option agreement relating to 29 claims of the Launay property. The cash payment of $25,000 payable on June 1, 2013 has been amended to $10,000 payable on June 1, 2013 (paid) and $15,000 payable on the earlier of the closing of any equity or convertible debt financing undertaken by the Company, or June 1, 2014 and $30,000 payable on June 1, 2014. In addition, the vendors acknowledge that the work commitments have been fulfilled and the Company's obligation is therein fully discharged.

6. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Disson Property

Located 22 km northeast of La Sarre, northwestern Quebec, the Disson property consisted of 85 non-contiguous claims that covered a total area of 38.93 sq km. Of the 85 claims, 36 claims, 11.18 sq km, were under option agreement to earn 100% interest and 49 claims, 27.74 sq km, were 100% owned by the Company. The property is easily accessed via secondary gravel roads off Highway 111. On August 8, 2013 the Company terminated the option agreement on the original 36 claims of the Disson property.

The Company entered into an agreement with arm's length parties dated December 7, 2010, to acquire a 100% interest in the Disson property initially consisting of 36 contiguous claims. Pursuant to the terms of the agreement, the Company issued 250,000 shares of its common stock issued at an estimated fair value of $0.05 per common share and paid $15,000 to the vendors immediately upon signing the agreement. The Company also agreed to issue an additional 1,250,000 common shares and pay $245,000 as follows:

a) $20,000 within seven days of the Company completing a going public transaction (paid).
b) $35,000 and 250,000 shares on the first anniversary of the agreement (paid and issued).
c) $50,000 and 250,000 shares on the second anniversary (issued), (amended as per below).
a) $60,000 and 250,000 shares on the third anniversary (amended as per below).
b) $80,000 and 500,000 shares on the fourth anniversary (amended as per below).

The agreement also called for the Company to perform $300,000 in exploration on the mining claims over a period of three years from the date of the agreement.

Upon successful completion of all these obligations the vendors shall transfer title to the claims to the Company, subject to a NSR of 1%, of which a 0.5% NSR may be acquired upon payment of $1,000,000.

Under the vendors' prior agreement with Globex Mining Enterprises Inc. a total of 32 Disson mining claims are subject to a 1% Gross Metal Royalty.

On July 31, 2011, the Company staked 40 claims covering 22.64 sq km south and west of the Disson claims.

On June 21, 2012, the Company staked an additional 9 claims covering 5.10 sq km adjacent to the southeast edge of the Disson claims.

On October 22, 2012, the Company and its vendors amended the cash terms of the agreement relating to 36 of 85 claims of the Disson property. The cash payments of $50,000 payable on December 7, 2012, $60,000 payable on December 7, 2013 and $80,000 payable on December 7, 2014 have been amended to:

(a) $25,000 payable to the vendors on June 1, 2013
(b) $30,000 payable to the vendors on June 1, 2014
(c) $40,000 payable to the vendors on June 1, 2015
(d) $95,000 payable to the vendors on June 1, 2016

All of the common shares issuable remain the same.

From February 2011 to August 2012, the Company spent $86,249 on exploration of the Disson property. Work included compilation, site visits, rock sampling and line cutting.

6. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Prior to the June 1, 2013 property payment, the Company entered into negotiations with the vendor to modify the terms of the amended property payments. Due to the Company's limited financial resources, on August 8, 2013 the Company terminated the option agreement on the original 36 claims of the Disson property. In order to preserve financial resources and focus on the Launay property, management elected not to renew 27 claims, which are 100% owned by Lakeside. The Company will review the maintenance of the remaining 22 claims, 100% owned by Lakeside.

Previous Properties – The Company held other properties in Quebec, namely Dufay, 21M16, New Claims, and Quevillon. Changes to the status of these properties are as follows:

Dufay Property

The property was located 30 km west-southwest of Rouyn-Noranda, northwestern Quebec, covered 27.45 sq km and consisted of 53 contiguous claims. In order to concentrate on the advancement of its flagship Launay property, on January 30th, 2013, management terminated the option agreement on the Dufay property.

Kipawa Property

The property is located 38 km east of the town of Témiscaming, northwestern Quebec, some 170 km south of city of Rouyn-Noranda. The property originally consisted of 45 contiguous claims in one irregularly shaped block covering a total of 26.48 sq km. The property now comprises 27 contiguous claims in one irregularly shaped block covering a total of 15.92 sq km. The property was under option agreement to acquire 100% interest.

The Company entered into an agreement with arm's length parties dated December 2, 2010, to acquire a 100% interest in the Kipawa property consisting of 45 claims located 38 km east of the town of Témiscaming, Quebec. Pursuant to the terms of the agreement, the Company issued 50,000 shares of its common stock to the vendors immediately upon signing the agreement valued at $2,500. The Company also agreed to pay $4,500 within seven days of the Company closing a going public transaction (paid).

Upon successful completion of all these obligations the vendor shall transfer title to the claims to the Company.

As no additional work is planned for the Kipawa property and management does not intend to maintain the claims, as at January 31, 2014, the Company has not requested transfer of title of the claims from the vendor.

21M16 Property

The Company entered into an agreement with arm's length parties dated November 15, 2010, to acquire a 100% interest in 21M16 property consisting of 56 claims located in the province of Quebec.

As of September 2011, management elected not to renew the 21M16 claims. The majority of these claims expired in November 2011 and the remaining claims expired in April 2012.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION EXPENDITURES (continued)

New Claims Property

The Company entered into an agreement with arm's length parties dated December 2, 2010, to acquire a 100% interest in Uranium 22B15 property consisting of 293 claims located in the province of Quebec.

On March 31, 2011, the Company terminated the Uranium 22B15 property agreement and forfeited its option to acquire the claims. The Company received from the vendor, for consideration of $1, forty-four (44) claims here referred to as the "New Claims" property.

In December 2011, management elected not to renew the "New Claims" property claims.

Quevillon Property

The Company entered into an agreement with arm's length parties dated December 7, 2010, to acquire a 100% interest in the Quevillon property consisting of 8 claims located southwest of Lebel-sur-Quebec in the province of Quebec. As of June 2012, management elected to terminate the Quevillon property agreement.

7. LINE OF CREDIT

As at January 31, 2014, the Company had drawn $nil (January 31, 2013 - $5,489) against a secured line of credit of $250,000. The facility's interest was prime plus 1.75%. Advances under the facility are payable in full upon demand. As of January 31, 2014, the line of credit has been closed.

8. HST RECEIVABLE AND OTHER RECEIVABLES

The Company's HST and other receivables arise from harmonized services tax ("HST"), and amounts due from government taxation authorities.

Below is an aged analysis of the Company's HST and other receivables:

		January 31, 2014		January 31, 2013
Less than 1 year	**$**	**21,200**	$	193,633
Greater than 1 year		**-**		64,000
Total HST and other receivables	**$**	**21,200**	$	257,633

The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables.

9. NOTE RECEIVABLE

On December 23, 2013, the Company loaned USD$52,411 to Alpaca Resources Inc., bearing interest at 10% per annum. This note receivable would be considered as an advance payment relating to a joint venture arrangement to be entered between the Company and Alpaca Resources Inc. In the event of default the note is repayable immediately. As of January 31, 2014, $56,542 (January 31, 2013 - $nil) is receivable under the note and due immediately given default on completing the joint venture agreement. The note receivable was fully collected subsequent to the year end.

(Expressed in Canadian Dollars)

10. PREPAID EXPENSES

		January 31, 2014		January 31, 2013
Advances to suppliers	$	**3,300**	$	6,300
Insurance		**-**		155
Total prepaid expenses	$	**3,300**	$	6,455

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities, professional fees, amounts payable for financing activities and payroll liabilities.

The following is an aged analysis of the accounts payables:

		January 31, 2014		January 31, 2013
Less than 90 days	$	**101,314**	$	667,852
Greater than 90 days		**359,193**		110,531
Total accounts payable and accrued liabilities	$	**460,507**	$	778,383

12. FLOW-THROUGH PREMIUM

The Company financed its exploration activities through the issuance of flow-through shares, which transferred the tax deductibility of exploration expenditures to the investors. Proceeds received on the issuance of such shares have been credited to share capital less the premium paid for the sale of tax deductions. To the extent that the Company issued common shares to subscribers on a flow-through basis at a premium to the market value of non-flow-through common shares, any such premium was recorded as a liability on the Company's statement of financial position at the time of subscription. This liability was reduced when renunciation occurred, associated with such flow-through share issuances, with the premium recognized as income. Renunciation of flow through shares issued in the prior calendar year occurred during the year ended January 31, 2014 and thus flow-throw premium liability at January 31, 2014 amounts to $nil (January 31, 2013 - $20,000).

13. SHARE CAPITAL

Share Issuances

<u>During the year ended January 31, 2014:</u>

On March 4, 2013, the Company issued 150,000 shares as part of its property option agreement for the Launay property. The shares were valued at $3,750 using the market price of the shares on the date of issuance.

On March 25, 2013, the Company entered into shares for debt agreements totalling $333,640 with arm's length and non-arm's length parties. A total of 5,865,734 units, for gross proceeds of $293,287 were issued to unrelated parties for settlement of debt, and 807,053 common shares for gross proceeds of $40,353 were issued to insiders and related parties for outstanding fees. Each unit, priced at $0.05, consists of one (1) Share and one (1) share purchase warrant. Each full warrant entitles the holder to acquire one common share of the Company at a price of $0.10 per share for a period of five years from the closing date. The term of the warrant is subject to an acceleration right at the option of the Company, provided that the common shares of the Company trade at or above $0.40 for a full 20 consecutive trading days and the Company has provided warrant holders with 30 days prior written notice of the accelerated warrant exercise date. The shares issued were valued at $166,820, based on the market price of the shares on date of issuance, and the warrants were valued at $79,000 as per note 12 resulting in the Company recognizing a gain on settlement of debt in the amount of $87,820 for the year ended January 31, 2014.

<u>During the year ended January 31, 2013:</u>

On March 14, 2012, the Company closed a non-brokered private placement of 1,713,079 units for gross proceeds of $222,700. As part of the private placement, the Company converted $28,250 payable to FronTier Consulting, (an unrelated entity), to 217,308 units. The Company also issued 384,615 units to convert $50,000 worth of legal fees. Each unit, priced at $0.13, is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.20 for 24 months from the date of closing, subject to an acceleration clause.

The Company paid a finder's fee equal to 8% of the gross proceeds raised under the Offering and issued compensation options equal to 8% of the number of units sold under the Offering. Each compensation option is exercisable at a price of $0.13 into one common share of the Company and one warrant, exercisable at any time until 24 months from the date of closing.

On May 14, 2012 and July 9, 2012, the Company issued 750,000 shares and 200,000 shares respectively as part of its property option agreement for the Launay property.

On September 27, 2012, the Company issued 600,000 shares as part of its property agreement for the Freegold property as part of the greater land package of the Launay property.

On November 8, 2012, the Company issued 250,000 shares, 400,000 shares and 250,000 shares as part of its property agreement for the Disson, Dufay and Launay properties respectively.

On December 27, 2012, the Company closed a non-brokered private placement of 1,270,000 units for gross proceeds of $63,000. The private placement comprised two types of units. Each unit A (“Unit A”), priced at $0.04 per unit, consists of one (1) common share of the Company (a "Common Share") and one half (1/2) of one Common Share purchase warrant (each a "Warrant A"); each unit B (“Unit B”), priced at $0.25 per unit, consists of four (4) flow-through shares (each a "FT Share"), one (1) Common Share of the Company, and one (1) Common Share purchase warrant (“Warrant B”). The relative fair value of the flow-through premium on the units was determined to be $20,000.

(Expressed in Canadian Dollars)

13. SHARE CAPITAL (continued)

Each full Warrant A entitles the holder to acquire one common share of the Company at a price of $0.06 per Common Share for a period of 12 months from the closing date, then the exercise price of the Warrant A rises to $0.10 for an additional 12 months. Each full Warrant B entitles the holder to acquire one common share of the Company at a price of $0.10 per share for a period of 24 months from the closing date. The terms of both the Warrant A and B are subject to an acceleration right at the option of the Company, provided that the common shares of the Company trade at or above $0.20 for a full 20 consecutive trading days and the Company has provided Warrant holders with 30 days prior written notice of the accelerated Warrant exercise date. Details of the warrant valuation are disclosed in Note 14.

The Company paid a cash amount equal to 8% ("Finder's Fee") of the gross proceeds received from the sale of Units B, and finder's warrants ("Finder's Warrant") equal to 8% of the number of Units B sold under the Offering. Each Finder’s Warrant will be exercisable at $0.25 to purchase five (5) additional common shares (the “Finder’s Shares”) and one (1) warrant, which is exercisable at a price of $0.10 per common share for a period of two (2) years from the closing date.

14. RESERVE FOR WARRANTS

Warrants to purchase common shares carry exercise prices and terms to maturity at January 31, 2014 as follows:

Date of Expiry	No. of warrants	Exercise Price ($)
March 14, 2014	2,097,694	0.20
March 14, 2014 – broker	137,046	0.13
December 27, 2014	25,000	0.06*
December 27, 2014	244,000	0.10
December 27, 2014 – broker	17,920	0.25**
March 26, 2018	5,865,734	0.10
	8,387,394	

* Up to December 27, 2014 and $0.10 thereafter.
** Exercisable into 1 unit to purchase 5 common shares and 1 warrant. Warrant is exercisable at a price of $0.10 per common share.

(Expressed in Canadian Dollars)

14. RESERVE FOR WARRANTS (continued)

The following table summarizes the weighted average assumptions used with the Black-Scholes valuation model for the determination of the fair value of the warrants and broker warrants granted during the year ended January 31, 2014:

Issue date	**March 26, 2013**
No. of warrants	5,865,734
Share price	$ 0.0255
Exercise price	$ 0.100
Expected life in years	5.00
Volatility	100%
Risk-free interest rate	1.33%
Dividend yield	-
Fair value of warrants	$ 79,000

The following table summarizes the weighted average assumptions used with the Black-Scholes valuation model for the determination of the fair value of the warrants and broker warrants granted during the year ended January 31, 2013:

Issue date	**March 14, 2012**	**March 14, 2012 broker**	**December 27, 2012**	**December 27, 2012**	**December 27, 2012 broker units**	**Total**
No. of warrants	2,097,694	137,046	25,000	244,000	17,920	2,521,660
Share price	$ 0.095	$ 0.095	$ 0.03	$ 0.03	$ 0.03	
Exercise price	$ 0.20	$ 0.13	$ 0.06**	$ 0.10	$ 0.25	
Expected life in years	2.00	2.00	2.00	2.00	2.00	
Volatility	113%	113%	100%	100%	100%	
Risk-free interest rate	1.24%	1.24%	1.14%	1.14%	1.14%	
Dividend yield	-	-	-	-	-	
Fair value of warrants	$ 79,493	$ 5,873	$ 264	$ 1,824	$ 211	$ 87,665

Expected volatility is based on comparable companies.

(Expressed in Canadian Dollars)

15. RESERVE FOR OPTIONS

The Company awards stock options to directors, management and employees of the Company. The compensation expense is recognized when options are issued if exercisable immediately; otherwise, expense is recognized over the vesting term.

The Company established a stock option plan to provide additional incentive to its directors, officers, employees and consultants in their efforts on behalf of the Company in the conduct of its affairs. The stock option plan provides that the total number of shares which may be issued thereunder is limited to 10% of the aggregate number of shares outstanding. Under the terms of the plan, options vest immediately and expire on the fifth anniversary from the date of issue unless otherwise stated. As at January 31, 2014, the Company has 1,829,828 (January 31, 2013 – 747,550) options available for issuance under the plan.

Lakeside has the following stock options outstanding:

	January 31, 2014		January 31, 2013	
	Weighted Average Exercise Price	**Number of 0ptions**	Weighted Average Exercise Price	Number of Options
Outstanding - beginning of year	**$ 0.23**	**2,650,000**	$ 0.23	2,450,000
Transactions during the year:				
Granted	**0.10**	**740,000**	0.20	200,000
Expired/cancelled	**0.17**	**(1,140,000)**	-	-
Outstanding	**$ 0.21**	**2,250,000**	$ 0.23	2,650,000
Exercisable	**$ 0.21**	**2,250,000**	$ 0.23	2,600,000

The weighted average remaining contractual life for outstanding options is as follows:

Price Range	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life (years)	Number of Options - exercisable	Weighted Average Exercise Price
$0.10	400,000	$ 0.10	4.25	400,000	$ 0.10
$0.20	1,500,000	$ 0.20	2.18	1,500,000	$ 0.20
$0.40	350,000	$ 0.40	2.59	350,000	$ 0.40
$0.10 - $0.40	2,250,000	$ 0.21	2.61	2,250,000	$ 0.21

(Expressed in Canadian Dollars)

15. RESERVE FOR OPTIONS, (continued)

During the year ended January 31, 2014, $4,000 of share based payments was recorded in connection with 400,000 options issued on May 1, 2013, $500 of share based payments was recorded in connection with vesting of 85,000 options out of 340,000 options issued on May 18, 2013 and $247 of share based payments expense was recognized in relation to the vesting of the options issued on March 23, 2011.

The estimated fair value of share based compensation during the year ended January 31, 2014 was determined using the Black-Scholes option pricing model with the following assumptions:

	May 1, 2013	May 18, 2013
Share price	$0.020	$0.015
Risk-free interest rate	1.15%	1.35%
Expected life of options	5 years	5 years
Expected volatility	100%	100%
Expected dividend yield	0%	0%

During the year ended January 31, 2013, $3,000 of share based payments was recorded in connection with 200,000 options issued on October 1, 2012 and $3,387 of share based payments expense was recognized in relation to the vesting of the options issued on March 23, 2011.

The estimated fair value of share based compensation during the year ended January 31, 2013 was determined using the Black-Scholes option pricing model with the following assumptions:

	October 1, 2012
Share price	$0.035
Risk-free interest rate	1.28%
Expected life of options	5 years
Expected volatility	100%
Expected dividend yield	0%

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimated, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company’s stock options. Expected volatility is based on comparable companies.

16. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The Company and Foundation Opportunities Inc. ("FOI") entered into a financial advisory and consulting agreement on October 15, 2010. FOI is a subsidiary of Foundation Financial Holdings Corp. ("FFHC"). FFHC is an entity in which Adam Szweras, an officer of the Company, is a director and each of Yannis Banks, and officer and director of the Company, and Jeremy Goldman, a director of the Company, is an officer, director and shareholder. In consideration for services the Company agreed to pay a fee of $7,000 per month for a period of eighteen months that ended April 2012. The Company and FOI entered into a financial advisory and consulting agreement on April 14, 2012 and the Company agreed to pay a fee of $5,000 per month for a period of three months. This agreement was further replaced by an agreement in May 2012 where the Company agreed to pay $5,000 per month for a period of three months after which the contract continues on a month by month basis unless terminated by either party. For the year ended January 31, 2014, the Company was charged $60,000 by FOI (2013 - $64,000). At January 31, 2014 $62,905 is included in accounts payable and accrued liabilities in relation to FOI. In addition, Foundation Markets Inc. ("FMI") a subsidiary of FFHC received a cash commission payment of $nil (2013 - $14,816) and nil broker warrants (2013 – 113,969) valued at $nil (2013 - $4,884) for the placement of the Company's common shares, which are included in share capital and reserve for warrants respectively.

The Company and Cavalry Corporate Solutions Ltd ("Cavalry") entered into a management services agreement on November 1, 2010. The management services agreement includes the services of the Company's Chief Financial Officer ("CFO"). Cavalry is an entity in which FFHC is the sole shareholder. In consideration for services the Company agreed to pay $4,000 for the first three month period and $5,000 per month until January 31, 2012. The agreement was amended to $7,500 per month thereafter. On May 1, 2013, the agreement was further amended to $5,000 per month. For the year ended January 31, 2014, the Company recorded $67,500 (2013 - $90,000) for management services provided by Cavalry. At January 31, 2014 $41,740 is included in accounts payable and accrued liabilities in relation to Cavalry. These services include CFO services.

During the year ended January 31, 2014, Fogler Rubinoff LLP ("Fogler") a law firm in which Adam Szweras an officer of the Company is also a partner, provided $5,588 (2013 - $43,149) of legal services, which are included in professional fees. As at January 31, 2014, $92,757 due to Fogler is included in accounts payable and accrued liabilities. The Company also issued nil units (2013 - 384,615) priced at $nil (2013 - $0.13) to convert $nil (2013 - $50,000) worth of legal fees. Each unit, priced at $0.13, is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.20 for 24 months from the date of closing, subject to an acceleration clause.

The Company entered into a general consultancy agreement with Caracle Creek International Consulting Inc. ("CCIC") in which Scott Jobin-Bevans is a director and a significant, but not controlling, shareholder. Scott Jobin Bevans is a former director of the Company. CCIC was engaged to provide a NI 43-101 report and field work on the Dufay mineral property. CCIC provided $nil (2013 - $5,242) of consulting services during the year ended January 31, 2014, which was expensed in exploration and evaluation expenditures.

During the year ended January 31, 2014, $29,500 (2013 - $140,841) was paid to the Chief Executive Officer. As at January 31, 2014, $5,731 is included in accounts payable and accrued liabilities.

On March 26, 2013, the Company issued 807,053 shares to insiders and related parties for settlements of outstanding fees as follows: $20,353 to the Company CEO, $12,500 to Foundation Opportunities Inc., and $7,500 to Cavalry Corporate Solutions. No warrants were issued pursuant to settlements by insiders and related parties.

(Expressed in Canadian Dollars)

17. SEGMENTED INFORMATION

At January 31, 2014, the Company's operations comprise of a single reporting operating segment engaged in mineral exploration in Quebec.

18. COMMITMENTS AND CONTINGENCIES

Environmental Contingencies
The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

19. INCOME TAX

Provision for Income Taxes

No deferred tax asset has been recognized because of the uncertainty as to the utilization of the losses for income tax purposes. The Company has accumulated losses for Canadian income tax purposes of approximately $3,147,595 (2013 - $2,956,450) which will expire between 2028 and 2034.

The Company has not deducted Canadian exploration and development expenditures of $451,160 (2013 - $475,428) available for deduction against future Canadian taxable income.

	January 31, 2014	January 31, 2013
Loss before income taxes	$ (99,996)	$ (1,682,735)
Tax rate	26.50%	26.50%
Calculated income tax recovery	(26,499)	(445,925)
Quebec rebate receivable	-	(70,000)
Non deductible expense and non taxable income	(3,946)	(65,125)
Change in rate and others	(8,357)	249,070
Change in deferred taxes not recognized	38,802	261,980
Income tax recovery	$ -	$ (70,000)

The tax effects of temporary differences that give rise to future income tax assets and liabilities are as follows:

	January 31, 2014	January 31, 2013
Deferred income tax assets		
Non-capital loss carry forwards	$ 834,113	$ 783,459
Share issue costs	61,273	85,225
Cumulative exploration and development expenses	119,557	107,458
	1,014,943	976,142
Less: Deferred taxes not recognized	(1,014,943)	(976,142)
	$ -	$ -

20. EVENTS AFTER THE REPORTING DATE

On March 12, 2014, the Company entered into a subscription agreement with Canada Pacific Capital Corp. (“CPCC”), a capital pool company listed on the TSX Venture Exchange, for a private placement of 5,800,000 Lakeside units (the “Units”), at a price of $0.05 per Unit, for aggregate consideration of $290,000 in cash. Each Unit consists of one common share in the capital of Lakeside and one-half of one share purchase warrant exercisable for three years at a price of $0.10 per Lakeside Share.

Lakeside Units issued pursuant to the Private Placement will be issued after completing 4 for 1 share consolidation, previously announced by the Company in the press release dated March 3, 2014.

In addition, the Company entered into shares for debt agreement in the amount of $77,884, with an arm's length party. Following the Share Consolidation a total of 1,557,676 Lakeside Shares and 778,838 Lakeside Warrants will be issued to Forages M. Rouillier Drilling Inc, a Quebec-based underground and surface drilling company.

On February 15, 2014, the Company entered into shares for debt agreements totalling $95,170, with arm's length and non-arm's length parties. Following the share consolidation as described below a total of 217,303 Lakeside units for gross proceeds of $10,865 were issued to unrelated parties for settlement of debt, and 1,686,107 Lakeside shares for gross proceeds of $84,305 were issued to insiders and related parties for outstanding fees. Each unit is comprised of one share and one half share purchase warrant exercisable for a period of 36 months at $0.10.

The 1,686,107 Lakeside shares issued to insiders and related parties are for settlements of outstanding fees to the following: $51,605 to the Foundation Opportunities Inc., and $32,700 to Cavalry Corporate Solutions Ltd.

On March 31, 2014, the Company entered into shares for debt agreements totalling $15,641, with an arm's length party. Following the share consolidation as described below a total of 312,820 Lakeside units for gross proceeds of $15,641 will be issued for settlement of debt. Each unit is comprised of one share and one half share purchase warrant exercisable for a period of 36 months at $0.10.

Lakeside shares will be consolidated on the basis of four (4) current shares for one (1) post consolidation share, subject to necessary approvals.

On April 23, 2014, subject to completion of satisfactory due diligence, a definitive purchase agreement and receipt of applicable regulatory approvals, Lakeside, through a wholly-owned subsidiary, intends to acquire all of the issued and outstanding common shares of Unite Capital Corp. (“Unite”) in consideration for 2,600,000 common shares of Lakeside (post-consolidation) and 1,300,000 common share purchase warrants of Lakeside. Common shares of Unite will be converted into common shares of Lakeside on the basis of 0.4884 Lakeside Shares (post consolidation) and 0.2442 Lakeside Warrants for each Unite share. Each warrant will entitle the holder thereof to purchase one Lakeside share at a price of $0.10 per share for a period of three years from issuance. Outstanding stock options of Unite will be exchanged at the same ratio for stock options of Lakeside. Currently, 3,300,000 common shares of Unite are subject to Exchange escrow provisions, and the 1,611,720 Lakeside Shares and 805,860 Lakeside Warrants for which they will be exchanged will be subject to the same escrow provisions, which include graduated release dates for a period of 36 months from the date of completion of the Qualifying Transaction. The current working capital of Unite is approximately $130,000 and the expenses of the Qualifying Transaction will be borne by Lakeside. The Qualifying Transaction is an arm's length transaction.

20. EVENTS AFTER THE REPORTING DATE (continued)

On May 20, 2014, the Company entered into shares for debt agreement with an arm's length party. Following the Share Consolidation an additional 1,652,000 Lakeside Units for gross proceeds of $82,600 will be issued an unrelated party for settlement of debt. Each unit is comprised of one share and one half share purchase warrant exercisable for a period of 36 months at $0.10. The issuance of the Lakeside Shares will not result in a change of control of the Company, will be subject to a four-month hold period from the date of settlement, and will be subject to the approval of the TSX Venture Exchange.

The total aggregate amount of debt settled for shares is $271,295 that will result in issuance of 3,739,799 Lakeside Units and 1,686,107 Lakeside Shares.