



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTHS ENDED MAY 31, 2015

(Unaudited - 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 condensed consolidated interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

MUSGROVE MINERALS CORP.**Condensed consolidated interim statements of financial position
(Unaudited - Expressed in Canadian Dollars)**

	Note	May 31, 2015	November 30, 2014
ASSETS			
Current			
Cash		48,303	139,442
Marketable securities	4	14,500	22,000
GST receivables		6,594	16,290
TOTAL ASSETS		69,397	177,732
LIABILITIES			
Current			
Payables and accrued liabilities	7	77,695	110,416
Short-term loans	8	1,205	1,205
		78,900	111,621
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	9	16,513,350	16,513,350
Reserves	12	5,018,188	5,026,343
Deficit		(21,541,041)	(21,473,582)
		(9,503)	66,111
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		69,397	177,732

Note 1: Nature of business and continuance

APPROVED FOR ISSUANCE BY THE BOARD OF DIRECTORS

"Norman Brewster"

Director

"Rana Vig"

Director

- See Accompanying Notes to the consolidated interim financial statements -

MUSGROVE MINERALS CORP.**Condensed consolidated interim statements of comprehensive loss****(Unaudited - Expressed in Canadian Dollars)**

		Three months ended		Six months ended	
		May 31,		May 31,	
		2015	2014	2015	2014
	Note	\$	\$	\$	\$
EXPENSES					
Amortization	5	-	264	-	528
Advertisement and promotion		-	-	8,500	-
Consulting	13	37,700	63,875	69,500	80,375
Filing and transfer agent fees		3,973	6,879	5,313	11,120
Professional fees		10,809	7,240	12,809	10,240
Miscellaneous property exploration		-	-	12,000	-
Office		11,816	5,360	12,994	9,997
LOSS BEFORE OTHER ITEMS		(64,298)	(83,618)	(121,116)	(112,260)
Foreign exchange gain (loss)		(250)	-	2,609	-
Option payment received in excess of underlying mineral properties carrying value		80,000	-	80,000	-
Loss from disposition of marketable securities		(30,000)	-	(30,000)	-
Other income		1,048	-	1,048	-
NET LOSS		(13,500)	(83,618)	(67,459)	(112,260)
Basic and diluted loss per share		(0.01)	(0.08)	(0.04)	(0.11)
Weighted Average number of outstanding shares		1,778,366	1,037,625	1,778,366	1,037,625
COMPREHENSIVE LOSS					
Net loss for the period		(13,500)	(83,618)	(67,459)	(112,260)
Other Comprehensive loss :					
Translation gain (loss)		(655)	8,778	(655)	10,028
Unrealized gain (loss) of marketable securities	4	(500)	5,000	(7,500)	32,000
Comprehensive loss for the period		(14,655)	(69,840)	(75,614)	(70,232)

– See Accompanying Notes to the consolidated interim financial statements –

MUSGROVE MINERALS CORP.

Condensed consolidated interim statements of changes in equity (deficiency)

(Unaudited - Expressed in Canadian Dollars)

	Note	Number of shares	Share capital	Reserves				Deficit	Equity attributed to shareholders
				Investment revaluation reserve	Translation reserve	Option reserve	Warrant reserve		
			\$	\$	\$	\$	\$	\$	
Balance at November 30, 2013		1,037,625	16,313,350	26,250	40,852	1,968,249	2,987,714	(20,683,191)	653,224
Translation gain from subsidiaries		-	-	-	10,028	-	-	-	10,028
Unrealized loss on marketable securities		-	-	32,000	-	-	-	-	32,000
Loss for the period		-	-	-	-	-	-	(112,260)	(112,260)
Balance at May 31, 2014		1,037,625	16,313,350	58,250	50,880	1,968,249	2,987,714	(20,795,451)	582,992

	Note	Number of shares	Share capital	Reserves				Deficit	Equity (deficiency) attributed to shareholders
				Investment revaluation reserve	Translation reserve	Option reserve	Warrant reserve		
			\$	\$	\$	\$	\$	\$	
Balance at November 30, 2014		1,778,366	16,513,350	3,000	67,380	1,968,249	2,987,714	(21,473,582)	66,111
Loss for the period		-	-	-	-	-	-	(67,459)	(67,459)
Unrealized gain (loss) on marketable securities	4	-	-	(7,500)	-	-	-	-	(7,500)
Translation gain (loss)		-	-	-	(655)	-	-	-	(655)
Balance at May 31, 2015		1,778,366	16,513,350	(4,500)	66,725	1,968,249	2,987,714	(21,541,041)	(9,503)

– See Accompanying Notes to the consolidated interim financial statements –

MUSGROVE MINERALS CORP.
Condensed consolidated interim statements of cash flows
(Unaudited - Expressed in Canadian Dollars)

	Note	Six months ended May 31,	
		2015	2014
		\$	\$
Operating activities			
Net loss		(67,459)	(112,260)
Adjustments for non-cash items:			
Amortization		-	528
Loss from marketable securities		30,000	-
Option payment received in excess of underlying mineral properties carrying value		(80,000)	-
Changes in non-cash working capital items:			
Receivable		9,696	(4,953)
Payables and accrued liabilities		(33,376)	(67,922)
Cash flows used in operating activities		(141,139)	(184,607)
Investing activities			
Acquisition of exploration and evaluation assets	6	-	(10,860)
Cash option payment received	6	30,000	20,000
Proceeds received on disposal of marketable securities	4,6	20,000	40,000
Receipt of reclamation bond		-	5,859
Cash flows provided by investing activities		50,000	54,999
Increase(decrease) in cash		(91,139)	(129,608)
Cash and cash equivalent, beginning of period		139,442	214,475
Cash and cash equivalent, end of period		48,303	84,867
Non-cash transactions:			
ExGen Shares received (2015 six months : 2,000,000 shares; 2014 six months : 8,000,000 shares)	6	50,000	220,000

– See Accompanying Notes to the consolidated interim financial statements –

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

1. Nature and continuance of operations

Musgrove Minerals Corp. (the “Company”) was incorporated under the laws of British Columbia, Canada on March 29, 2000. The Company’s office is located at Suite 2600-1066 West Hasting St., Vancouver, V6E 3X1. Its principal activity is the acquisition and exploration of mineral properties in the USA and Mexico. The Company’s common shares are traded on the TSX Venture Exchange (the “Exchange”) under the symbol “MGS”.

These condensed consolidated 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 assets and discharge liabilities in the ordinary course of operations. As at May 31, 2015, the Company had not advanced its 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 mineral property exploration activities and its ability to attain profitable operations and generate funds from equity and/or debt financing that is sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance the Company’s operations over the next twelve months with cash on hand, loans from directors and companies controlled by directors and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value and presentation of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. Statement of compliance with International Financial Reporting Standards

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

These condensed consolidated interim financial statements for three and six months ended May 31, 2015 (the “Interim Financial Statements”) are 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. Certain disclosures required in annual financial statements have been condensed or omitted. It is therefore recommended that these Interim Financial Statements be read in conjunction with the Company’s consolidated financial statements for the most recent year ended November 30, 2014.

These Interim Financial Statements were authorized for issuance by the Board of Directors on July 29, 2015

3. Significant accounting policies

Basis of preparation and consolidation

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

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

3. Significant accounting policies (continued)

These consolidated financial statements include the accounts of the Company and its wholly-owned Mexican subsidiary, Minerales Jazz S.A. de C.V. (“Minerales Jazz”), its wholly owned USA subsidiary, Mugrove Minerals Corp. (“Musgrove USA”) and two inactive wholly-owned inactive subsidiaries: Journey Unlimited Equipment Inc. (Canada) and Journey Unlimited Equipment Inc. (USA). All inter-company transactions and balances have been eliminated on consolidation.

Significant accounting judgments and estimates

Significant estimates

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, decommissioning, restoration and similar liabilities and contingent liabilities.

Critical judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company’s financial statements include:

- the assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of expenditures as exploration and evaluation expenditures or operating expenses;
- the classification of financial instruments; and
- the determination of the functional currency of the parent company and its subsidiaries.

Adoption of new accounting standards and accounting standards issued but not yet effective

The Company has not adopted new accounting standards since its recent year ended November 30, 2014.

The following new standards, amendments and interpretations that have not been early adopted in these consolidated financial statements, is not expected to have a material effect on the Company’s future results and financial position: IFRS 9 Financial Instruments (new; to replace IAS 39 and IFRIC 9); and Amendments to IAS 32 Financial Instruments: Presentation.

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 consolidated financial statements.

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

4. Marketable securities

As at November 30, 2014 and May 31, 2015 the Company's marketable securities comprised of investments in common shares of Canadian companies. The Company designates its marketable securities as available for sale and the carrying value of such investment were marked to market on each reporting date. A summary of the Company's marketable securities are as follows:

As at November 30, 2014			
Cost	Unrealized gain	Accumulated Impairment	Fair value
\$	\$	\$	\$
280,000	3,000	(261,000)	22,000

As at May 31, 2015			
Cost	Unrealized loss	Accumulated Impairment	Fair value
\$	\$	\$	\$
280,000	(4,500)	(261,000)	14,500

During three and six months ended May 31, 2015, Company received 2,000,000 common shares of ExGen Resources Inc. at fair value of \$50,000, disposed these shares at \$20,000, and recorded a loss of \$30,000.

5. Equipment

	Computer equipment	Furniture and fixtures	Leasehold improvements	Vehicle	Total
	\$	\$	\$	\$	\$
Cost:					
At November 30, 2013	15,752	7,291	6,547	5,887	35,477
Additions	-	-	-	-	-
At November 31, 2014 and May 31, 2015	15,752	7,291	6,547	5,887	35,477
Amortization:					
At November 30, 2013	14,696	7,291	6,547	5,887	34,421
Charge for the year	1,056	-	-	-	1,056
At November 31, 2014 and May 31, 2015	15,752	7,291	6,547	5,887	35,477
Net book value:					
At November 30, 2014	-	-	-	-	-
At May 31, 2015	-	-	-	-	-

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

6. Exploration and evaluation assets

	November 30, 2012	Additions	November 30, 2013	Additions	November 30, 2014 and May 31, 2015
	\$	\$	\$	\$	\$
<u>Empire Mine Property, U.S.A.</u>					
Acquisition Costs	192,321	-	192,321	-	192,321
Exploration Expenditures:					
Administrative	46,979	-	46,979	-	46,979
Assay	13,072	-	13,072	-	13,072
Drilling	165,130	-	165,130	-	165,130
Field and exploration	561,572	-	561,572	-	561,572
Geological	352,434	-	352,434	-	352,434
Staking and maintenance fees	6,929	13,382	20,311	-	20,311
Option payments received	(318,730)	(45,000)	(363,730)	(303,397)	(667,127)(i)
Impairment	-	(715,444)	(715,444)	-	(715,444)
Effect of change in foreign exchange	-	18,773	18,773	11,979	30,750
	1,019,707	(728,289)	291,418	(291,418)	-
<u>Musgrove, U.S.A.</u>					
Acquisition	696,995	10,234	707,229	20,860	728,089
Exploration Expenditures:					
Administrative	101,586	-	101,586	-	101,586
Assay	79,244	-	79,244	-	79,244
Drilling	433,931	-	433,931	-	433,931
Field and Exploration	87,066	-	87,066	-	87,066
Geochemical Survey	201,249	-	201,249	-	201,249
Geological	185,752	-	185,752	-	185,752
Staking and maintenance fees	110,110	1,920	112,030	18,303	130,333
Impairment	-	(1,740,000)	(1,740,000)	(226,297)	(1,740,000)
Effect of change in foreign exchange	-	5,748	5,748	13,300	19,048
	1,895,933	12,154	173,835	(173,835)	-
Total	2,915,640	(716,135)	465,253	(465,253)	-

Empire Mine Property, USA

On July 26, 2011, the Company exercised its options on exploration and lease agreements (the "Underlying Agreements") to earn a 100% operating interest in certain mining claims at the Empire Mine Property in Idaho, U.S.A. The lease has a term of 12 years.

Under the terms of the Underlying Agreement, the Company is required to:

- Make annual royalty payments of US\$57,000;
- Pay the annual holding fees to the Bureau of Land Management;
- Make an advanced royalty payment of US\$30,000 by June 1, 2012 (paid);

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)**Empire Mine Property, USA (continued)**

- Complete metallurgical studies and laboratory analysis by September 1, 2013 (completed);
- Upon the completion sufficient drilling to make the "initial reserves" calculation, make a payment of US\$11,500 or issue the equivalent amount of the Company's common shares;
- Upon completion of resource calculations and delivering a copy to the underlying owners of the property, make a payment of US\$31,500 or issue the equivalent amount of the Company's common shares;
- Complete a NI 43-101 report within 5 years; and make a payment of \$51,500 or issue the equivalent amount of the Company's common shares; and
- Upon completion of a Record of Decision issued by the United States Forest Service or the completion of a Permit to Operate issued by the State of Idaho, make a payment of \$125,000 or issue the equivalent amount of the Company's common shares.

Upon commencement of commercial production, the property is subject to a 2.5 % Net Smelter Return ("NSR") royalty which may be reduced to 1.5% for a payment of US\$2,400,000.

During the year ended November 30, 2012, the Company entered into an option agreement with Konnex Resources Inc. ("Konnex"), a subsidiary of ExGen Resources Inc., formerly Boxxer Gold Corp. ("ExGen or Boxxer"), to grant Konnex the option to acquire 100% of the Company's interest in its Empire Mine Property (the "Konnex Agreement"). Under the Konnex Agreement dated April 23, 2012, and as amended on February 7, 2013 and March 5, 2014, Konnex assumed all the property payments and commitments and is also required to make the following payments to the Company:

Cash payments	\$
April 6, 2012 (received)	40,000
May 10, 2012 (received)	200,000
July 10, 2012 (received)	50,000
April 1, 2013 (received)	25,000
September 10, 2013 (received)	10,000
October 1, 2013 (received)	10,000
January 1, 2014 (received)	10,000
April 1, 2014 (received)	10,000
July 1, 2014 (received)	10,000
October 1, 2014 (received)	10,000
January 1, 2015 (received)	10,000
Payments from April 1, 2014 to January 1, 2017 totaling(i)	60,000
Total	445,000

Share issuances	Number of ExGen Shares	Number of Konnex Shares
November 9, 2012 (received, with a fair value of \$Nil)	-	150,000
April 1, 2013 (received, with a fair value of \$Nil)	-	1,000,000
October 30, 2013 (received, with a fair value of \$40,000)	2,000,000	-
April 30, 2014 (received, with a fair value of \$180,000)	6,000,000	-
April 19, 2015 (received with a fair value of \$50,000) (i)	2,000,000	-
Total	10,000,000	1,150,000

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)

Empire Mine Property, USA (continued)

(i) On April 11, 2015, the Company received a notice from ExGen to exercise its option to fully acquire the Empire Mine Property by paying \$30,000 cash and issuance of 2,000,000 common shares of ExGen with a fair value of \$50,000 (totalling \$80,000 option payment were received). As these \$80,000 option payments has exceeded the carrying value of the Empire Mine Property, the Company recorded the \$80,000 option payments directly to the condensed consolidated interim statements of comprehensive loss instead to the Company's exploration and evaluation assets as at and for the three and six months ended May 31, 2015

In addition, the remaining obligations arising from Empire Mine Property have been passed to ExGen when the Company received these \$80,000 option payments.

Musgrove Creek Property, USA

On June 13, 2007, the Company acquired the Musgrove Creek Property situated in the Cobalt Mining District, Lemhi County, Idaho, USA and under the terms of the option agreement, the Company assumed the underlying lease agreement dated June 12, 2003 with respect to certain mineral claims that comprise the Musgrove Creek Property.

For certain claims' underlying the Musgrove Creek Property, the lease has a 10 year term and can be renewed for two successive terms of 10 years provided that the conditions of the lease are met. The Company is required to pay annual lease payments to the underlying lessor of US\$50,000 per year for the remaining life of the lease. These claims are subject to an underlying 2% production royalty and a lump sum payment of US\$350,000 upon completion of a feasibility study. The Company is also required to incur minimum annual exploration expenditures of US\$100,000 during the term of the lease. Any excess expenditure incurred in previous years may be carried forward and credited to the subsequent years.

On December 10, 2014, the lease agreement was further amended as follows:

Annual lease payments	US\$
June 12, 2013 (paid)	10,000
December 12, 2013 (paid)	10,000
June 12, 2014 (paid)	10,000
December 12, 2014 (paid)	10,000
June 12, 2015 (paid)	5,000
December 12, 2015	5,000
June 12, 2016 and	10,000
December 12, 2016, and each succeeding anniversary of such dates	10,000

The minimum annual exploration expenditures were also waived for the period of May 1, 2013 to April 30, 2019.

During the year ended November 30, 2014, the Company redeemed a reclamation bond of \$5,859 which was previously deposited in connection with this Musgrove Creek Property.

During the year ended November 30, 2013, management assessed that the property was impaired and recorded a \$1,740,000 impairment charge on the property. Subsequent to the year ended November 30, 2014, management fully impaired the property as they did not have any plans to explore the property.

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)**Musgrove Creek Property, USA (continued)**

During three and six months ended May 31, 2015, the Company paid \$12,000 (US\$ 10,000) lease payment as schedule. As the Company has written down this property, this lease payment has been expensed and recorded to the condensed consolidated interim statements of comprehensive loss directly

7. Payables and accrued liabilities

	May 31, 2015	November 30, 2014
	\$	\$
Trade payables	51,525	68,754
Due to related parties (Note 13)	1,500	12,500
Accruals	24,670	35,210
	<u>77,695</u>	<u>116,464</u>

8. Short-term loans

As at November 30, 2014 and May 31, 2015, the Company's had loans outstanding of \$1,205. These loans are unsecured, have no specified terms of repayment and do not bear interest.

9. Share capital**Authorized**

Unlimited number of common shares without par value.

Issued and Outstanding

On March 5, 2014, the Company consolidated its outstanding shares on a five to one basis. All share and per share amounts have been retroactively restated to reflect the stock consolidation.

Subsequent to the quarter ended May 31, 2015, the Company consolidated its common shares on a three to one basis on June 15, 2015. All share and per share amounts in the Interim Financial Statements have been retroactively restated to reflect this stock consolidation completed after the quarter ended May 31, 2015. There was no share issuance or redemption during six months ended May 31, 2015.

10. Stock options

The Company has established a stock option plan which provides for the granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. Terms of the options granted are subject to determination and approval by the Board of Directors.

The continuity of the Company's stock option is as follows:

Balance, November 30, 2012	26,750
Expired	(23,417)
Balance, November 30, 2013, and 2014 and May 31, 2015	<u>3,333</u>

As at May 31, 2015 the Company had 3,333 options outstanding and exercisable with an exercise price of \$15.00 and a remaining life of 0.78 years.

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

11. Warrants

A continuity of the Company's outstanding warrants is as follows:

Balance, November 30, 2013	433,333
Expired	(433,333)
Issuance on August 18, 2014	740,740
Balance, November 30, 2014 and May 31, 2015	740,740

As at May 31, 2015 the Company had 740,740 warrants outstanding and exercisable (November 30, 2014 – 740,740) with an exercise price of \$0.36 (November 30, 2014 – \$0.36) and a remaining life of 2.00 years (November 30, 2014 – 2.5 years).

12. Reserves***Option reserve***

The 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 will remain in the account.

Warrant reserve

The warrant reserve records the fair value of warrants issued until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the warrants expire unexercised, the amount recorded will remain in the account.

Foreign currency translation reserve

The foreign currency translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

Investment revaluation reserve

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

13. Related party transactions

	Six months ended May 31, 2015	Six months ended May 31, 2014
Directors' fees	\$ -	\$ -

Key Personnel Compensation:

	Six months ended May 31, 2015	Six months ended May 31, 2014
Consulting fees	\$ 63,500	\$ 63,875

As at May 31, 2015, \$Nil (2014/11/30 - \$10,000) was owing to the Chief Executive Officer of the Company and \$1,500 (2014/11/30 - \$2,500) was owing to the Chief Financial Officer of the Company. The amounts owing to related parties do not bear interest, are unsecured and are due on demand.

Musgrove Minerals Corp

Notes to the condensed consolidated interim financial statements

Three and six months ended May 31, 2015

(Unaudited - Expressed in Canadian dollars)

14. Financial instrumentsClassification of financial instruments

Financial assets of the Company are as follows:

	May 31, 2015	November 30, 2014
	\$	\$
Loans and receivables:		
Cash	48,303	137,076
Available for sale financial assets:		
Marketable securities	14,500	22,000
	62,803	159,076

Financial liabilities of the Company are as follows:

	May 31, 2015	November 30, 2014
	\$	\$
Non-derivative financial liabilities:		
Trade payables	51,525	62,317
Due to related parties	1,500	12,500
Short-term loans	1,205	1,205
	54,230	76,022

Fair value

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

The following is an analysis of the Company's financial assets measured at fair value as at November 30, 2014 and May 31, 2015

	As at May 31, 2015		
	Level 1	Level 2	Level 3
	\$	\$	\$
Marketable securities	14,500	-	-

	As at November 30, 2014		
	Level 1	Level 2	Level 3
	\$	\$	\$
Marketable securities	22,000	-	-