RESINCO
CAPITAL PARTNERS

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2014

(UNAUDITED – PREPARED BY MANAGEMENT)

(EXPRESSED IN CANADIAN DOLLARS)

Notice to Reader

These interim financial statements of Resinco Capital Partner Inc. have been prepared by management and approved by the audit committee of the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

RESINCO CAPITAL PARTNERS INC.
INTERIM STATEMENTS OF FINANCIAL POSITION
(UNAUDITED – PREPARED BY MANAGEMENT)
(EXPRESSED IN CANADIAN DOLLARS)

	Note		September 30, 2014		December 31, 2013		January 1, 2013
					Note 17		*Note 17*
ASSETS							
Cash	*5*	$	171,656	$	135,063	$	367,100
Restricted cash			-		-		28,750
Receivables			10,335		-		-
Due from related parties	*6*		-		19,793		233,243
Prepaid expenses			689		3,287		4,722
Related party loan receivable	*7*		-		-		275,000
Investments at fair value	*4*		2,495,235		3,077,889		9,242,321
Equipment	*8*		-		2,587		9,762
		$	2,677,915	$	3,238,619	$	10,160,898
LIABILITIES AND SHAREHOLDERS' EQUITY							
Liabilities							
Trade and other payables		$	6,244	$	34,961	$	59,904
Due to related parties	*9*		95,250		220,540		959,583
			101,494		255,501		1,019,487
Shareholders' equity							
Share capital	*10*		40,132,099		40,132,099		40,132,099
Share-based reserve	*10*		8,752,136		8,752,136		8,748,541
Deficit			(46,307,814)		(45,901,117)		(39,739,229)
			2,576,421		2,983,118		9,141,411
		$	2,677,915	$	3,238,619	$	10,160,898

Nature of operations	*1*
Commitments	*16*
First time adoption of IFRS	*17*

These interim financial statements are approved for issue by the Audit Committee of the Board of Directors on November 26, 2014.

They are signed on the Company's behalf by:

"Lex Poulus" Director *"Ron Shorr"* Director

- See accompanying notes to the interim financial statements -

RESINCO CAPITAL PARTNERS INC.
INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED – PREPARED BY MANAGEMENT)
(EXPRESSED IN CANADIAN DOLLARS)

	Note	Three months ended September 30, 2014	Three months ended September 30, 2013 *Note 17*	Nine months ended September 30, 2014	Nine months ended September 30, 2013 *Note 17*
REVENUES					
Net realized loss on disposal of investments		$ (1,485,457)	$ (111,568)	$ (1,571,956)	$ (143,176)
Net change in unrealized gain (loss) on investments		857,347	1,574,503	1,253,519	(3,960,838)
		(628,110)	1,462,935	(318,437)	(4,104,014)
Other income		149	5,435	385	15,406
		(627,961)	1,468,370	(318,052)	(4,088,608)
EXPENSES					
Consulting fees		25,200	51,450	75,600	184,905
Depreciation		-	732	388	2,196
Interest expense		-	29,095	-	90,130
Office and miscellaneous		4,774	33,487	65,480	120,409
Professional fees		2,372	(8,010)	25,716	40,899
Rent		-	6,752	-	25,089
Salaries and benefits		-	7,745	-	30,933
Share-based payments	*10*	-	888	-	3,299
Transaction costs		669	2,623	2,088	4,331
		(33,015)	(124,762)	(169,272)	(502,191)
OTHER ITEMS					
Recovery of due from related parties	*6*	82,826	-	82,826	-
Write-off of equipment	*8*	-	-	(2,199)	-
		82,826	-	80,627	-
Net income (loss) and comprehensive income (loss) for the period		$ (578,150)	$ 1,343,608	$ (406,697)	$ (4,590,799)
Basic and diluted income (loss) per share		$ (0.00)	$ 0.01	$ (0.00)	$ (0.04)
Weighted average number of common shares outstanding		123,019,885	123,019,885	123,019,885	123,019,885

- See accompanying notes to the interim financial statements -

RESINCO CAPITAL PARTNERS INC.
INTERIM STATEMENTS OF CASH FLOWS
(UNAUDITED – PREPARED BY MANAGEMENT)
(EXPRESSED IN CANADIAN DOLLARS)

	Nine months ended September 30, 2014	Nine months ended September 30, 2013
		Note 17
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the period	$ (406,697)	$ (4,590,799)
Items not affecting cash:		
Net realized loss on disposal of investments	1,571,956	143,176
Net change in unrealized (gain) loss on investments	(1,253,519)	3,960,838
Depreciation	388	2,196
Share-based payments	-	3,299
Recovery of due from related parties	(82,826)	-
Write-off of equipment	2,199	-
Changes in non-cash working capital items:		
Receivables	(10,335)	-
Due from related parties	19,793	(42,146)
Prepaid expenses	2,598	(3,814)
Trade and other payables	(28,717)	(57,292)
Due to related parties	(125,290)	81,532
	(310,450)	(503,010)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on disposal of investments	347,043	290,088
Related party loan receivable	-	(11,000)
	347,043	279,088
Change in cash during the period	36,593	(223,922)
Cash, beginning of period	135,063	367,100
Cash, end of period	$ 171,656	$ 143,178
Supplemental cash flow information		
Income taxes paid	$ -	$ -
Interest expense paid	$ -	$ -

- See accompanying notes to the interim financial statements -

RESINCO CAPITAL PARTNERS INC.
INTERIM STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED – PREPARED BY MANAGEMENT)
(EXPRESSED IN CANADIAN DOLLARS)

	Number of shares		Share capital		Share-based reserve		Deficit		Total Shareholders' Equity
Balance, December 31, 2013 *(Note 17)*	123,019,885	$	40,132,099	$	8,752,136	$	(45,901,117)	$	2,983,118
Loss and comprehensive loss for the period	-		-		-		(406,697)		(406,697)
Balance, September 30, 2014	123,019,885	$	40,132,099	$	8,752,136	$	(46,307,814)	$	2,576,421

	Number of shares		Share capital		Share-based reserve		Deficit		Total Shareholders' Equity
Balance, January 1, 2013 *(Note 17)*	123,019,885	$	40,132,099	$	8,748,541	$	(39,739,229)	$	9,141,411
Share-based payments	-		-		3,299		-		3,299
Loss and comprehensive loss for the period	-		-		-		(4,590,799)		(4,590,799)
Balance, September 30, 2013 *(Note 17)*	123,019,885	$	40,132,099	$	8,751,840	$	(44,330,028)	$	4,553,911

- See accompanying notes to the interim financial statements -

1. NATURE OF OPERATIONS

Resinco Capital Partners Inc. ("Resinco" or the "Company") was incorporated under the laws of British Columbia on May 25, 2004 and since September 23, 2013 the Company's common shares have been listed for trading on the TSX Venture Exchange under the ticker symbol "RIN". The Company was previously listed on the Toronto Stock Exchange. The registered office of the Company is Unit 1 – 15782 Marine Drive, White Rock, British Columbia, Canada, V4B 1E6.

Resinco is a global investment company which specializes in providing early-stage financing to private and public exploration and mining companies in the hard rock minerals, precious metals, rare-earth minerals, oil, gas, water and renewable energy markets.

2. BASIS OF PRESENTATION

Statement of compliance

These interim financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). The policies applied in these financial statements are based on International Financial Reporting Standards ("IFRS") issued and outstanding as at the date the Board of Directors approved these interim financial statements for issue.

These are the Company's first interim financial statements prepared in accordance with IFRS and, as a result, IFRS 1 First-time Adoption of International Financial Reporting Standards has been applied. Prior to the adoption of IFRS, the Company's financial statements were prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

Canadian publicly listed enterprises were required to adopt IFRS in replacement of Canadian GAAP on January 1, 2011. The Company elected to defer adoption of IFRS. This election is permitted by the Canadian Accounting Standards Board and applies to Investment Companies and Segregated Accounts of Life Insurance Enterprises. The decision was in response to the International Accounting Standards Board's announcement in late 2010 that its Investment Company project was delayed.

As these are the Company's first set of interim financial statements in accordance with IFRS, the Company's disclosures exceed the minimum requirements under IAS 34. The Company has elected to exceed the minimum requirements in order to present the Company's accounting policies in accordance with IFRS and the additional disclosures required under IFRS, which also highlight the changes from the Company's 2013 annual financial statements prepared in accordance with Canadian GAAP.

In 2015 and beyond, the Company may not provide the same amount of disclosure in the Company's interim financial statements under IFRS as the reader will be able to rely on the annual financial statements which will be prepared in accordance with IFRS.

The disclosures that accompany these interim financial statements are limited to the significant accounting policies applied and the significant judgments and estimates applicable to the preparation of the financial statements, and the other disclosure requirements of IFRS 1, First-Time Adoption of International Financial Reporting Standards relevant to the financial statements (Note 17).

2. BASIS OF PRESENTATION (continued)

Basis of presentation

These interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These interim financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency.

Use of estimates and judgments

The preparation of the interim financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates are estimates, judgments and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

<u>Going concern</u> – The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

<u>Fair value of investment in securities not quoted in an active market or private company investments</u> – Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

<u>Fair value of financial derivatives</u> – Investments in options and warrants which are not traded on a recognized securities exchange do not have a readily available market value. When there are sufficient and reliable observable market inputs, a valuation technique is used; if no such market inputs are available, the warrants are valued at intrinsic value.

<u>Share-based payments</u> – The fair value of stock options issued are subject to the limitation of the Black-Scholes option pricing model which incorporates market data and which involves uncertainty and subjectivity in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price, changes in the subjective input assumptions can materially affect the fair value estimate.

2. BASIS OF PRESENTATION (continued)

Use of estimates and judgments (continued)

Recovery of deferred tax assets – Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Investments

All investments are designated upon initial recognition at fair value through profit or loss, with changes in fair value reported in profit (loss).

Purchases and sales of investments are recognized on the settlement date. Investments are initially recognized at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income (loss).

Investments are derecognized when the rights to receive cash flows from the investments have expired or the Company has transferred the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9, Financial Instruments.

Subsequent to initial recognition, all investments are measured at fair value. Gains and losses arising from changes in the fair value of the investments are presented in the statement of comprehensive income (loss) within unrealized gains or losses on investments in the period in which they arise.

The determination of fair value requires judgment and is based on market information where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements.

The Company is also required to disclose details of its investments (and other financial assets and liabilities reported at fair value) within three hierarchy levels (Level 1, 2, or 3) based on the transparency of inputs used in measuring the fair value, and to provide additional disclosure in connection therewith (Note 13).

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

1. Public investments

a. Securities, including shares, options, and warrants which are traded on a recognized securities exchange and for which no sales restrictions apply are presented at fair value based on quoted closing bid prices at the statement of financial position date or the closing bid price on the last day the security traded if there were no trades at the statement of financial position date. These are included in Level 1 in Note 13.
b. Securities which are traded on a recognized securities exchange but which are escrowed or otherwise restricted as to sale or transfer are recorded at amounts discounted from market value to a maximum of 10%. In determining the discount for such investments, the Company considers the nature and length of the restriction. These are included in Level 2 in Note 13.
c. For options and warrants which are not traded on a recognized securities exchange, no market value is readily available. When there are sufficient and reliable observable market inputs, a valuation technique is used; if no such market inputs are available, the warrants are valued at intrinsic value, which is equal to the higher of the closing bid price at the statement of financial position date of the underlying security less the exercise price of the warrant, and zero. These are included in Level 2 in Note 13.

2. Private investments

All privately-held investments (other than options and warrants) are initially recorded at the transaction price, being the fair value at the time of acquisition. Thereafter, at each reporting period, the fair value of an investment may, depending upon the circumstances, be adjusted using one or more of the valuation indicators described below. These are included in Level 3 in Note 13. Options and warrants of private companies are carried at nil.

The determinations of fair value of the Company's privately-held investments at other than initial cost are subject to certain limitations. Financial information for private companies in which the Company has investments may not be available and, even if available, that information may be limited and/or unreliable.

Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these techniques may not be realized or realizable.

The following circumstances are used to determine if the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. In addition to the events described below which may affect a specific investment, the Company will take into account general market conditions when valuing the privately-held investments in its portfolio. Absent the occurrence of any of these events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

The fair value of a privately-held investment may be adjusted upward if:

a. there has been a significant subsequent equity financing provided by outside investors, at a valuation above the current value of the investee company, in which case the fair value of the investment is set to the value at which that financing took place; or

b. there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

Such events include, without limitation:

i. political changes in a country in which the investee company operates which, for example, reduce the corporate tax burden, permit mining where, or to an extent that, it was not previously allowed, or reduce or eliminate the need for permitting or approvals;
ii. receipt by the investee company of environmental, mining, aboriginal or similar approvals, which allow the investee company to proceed with its project(s);
iii. filing by the investee company of a National Instrument 43-101 technical report in respect of a previously non-compliant resource;
iv. release by the investee company of positive exploration results, which either proves or expands their resource prospects; and
v. important positive management changes by the investee company that the Company's management believes will have a very positive impact on the investee company's ability to achieve its objectives and build value for shareholders.

In the circumstances described above under (i) through (v), or in circumstances where general market conditions so warrant it, an adjustment to the fair value of an investment will be based upon management's judgment and any value estimated may not be realized or realizable.

The fair value of a privately-held investment may be adjusted downward if:

a. there has been a significant subsequent equity financing provided by outside investors, at a valuation below the current value of the investee company, in which case the fair value of the investment is set to the value at which that financing took place;
b. the investee company is placed into receivership or bankruptcy;
c. based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern; or
d. there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable.

Such events include, without limitation:

i. political changes in a country in which the investee company operates which increases the tax burden on companies, which prohibit mining where it was previously allowed, which increases the need for permitting or approvals, etc.;
ii. denial of the investee company's application for environmental, mining, aboriginal or similar approvals which prohibit the investee company from proceeding with its projects;
iii. the investee company releases negative exploration results; and
iv. changes to the management of the investee company take place which the Company believes will have a negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

In the circumstances described above under (i) through (iv), or in circumstances where general market conditions so warrant it, an adjustment to the fair value of an investment will be based upon management's judgment and any value estimated may not be realized or realizable.

The resulting values for non-publicly traded investments may differ from values that would be realized if a ready market existed. In addition, the amounts at which the Company's privately-held investments could be disposed of currently may differ from the carrying value assigned.

Restricted cash

Restricted cash is cash not available for immediate use due to it being held as security for the Company credit card. The credit card was cancelled in fiscal 2013.

Equipment

Equipment is recorded at cost, less accumulated depreciation. Equipment consists of computer equipment and is amortized over its useful life using the declining balance method at a rate of 30%.

Revenue recognition

Purchases and sales of investments are recognized on the settlement date. Realized gains and losses on disposal of investments and unrealized gains and losses in the value of investments are reflected in the statement of comprehensive income (loss) and are calculated on an average cost basis.

Upon disposal of an investment, previously recognized unrealized gains or losses are reversed, so as to recognize the full realized gain or loss in the period of disposition. All transaction costs associated with the acquisition and disposition of investments are expensed to the statement of comprehensive income (loss) as incurred. Dividend income is recorded on the ex-dividend date and when the right to receive the dividend has been established.

Interest income is recorded on an accrual basis when reasonable assurance exists regarding measurement and collectability.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets

(i) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets at FVTPL are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorized as FVTPL unless they are designed as effective hedges. Assets in this category include cash and restricted cash.

Financial assets at FVTPL are initially recognized, and subsequently carried, at fair value with changes recognized in profit or loss. Attributable transaction costs are recognized in profit or loss when incurred.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months or those that are expected to be settled after 12 months from the end of the reporting period, which are classified as non-current assets. Assets in this category include receivables.

Loans and receivables are initially recognized at fair value plus any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is used to determine the amortized cost of a loans and receivables and to allocate interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period.

(iii) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortized cost, 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 losses were recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

(iv) De-recognition of financial assets

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

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. The Company has classified trade and other payables as other financial liabilities.

Share-based payments

The stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payments expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to share capital.

The fair value is measured at the grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit and loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period, adjusted for own shares held. Diluted loss per share is calculated by dividing the earnings (loss) by the weighted average number of common shares outstanding assuming that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

In the Company's case, diluted loss per share is the same as basic loss per share, as the effect of outstanding share options on income (loss) per share would be anti-dilutive.

Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purpose. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable operations, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(EXPRESSED IN CANADIAN DOLLARS)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards, interpretations and amendments not yet effective

Certain new standards, amendments to standards and interpretations are not yet effective as of September 30, 2014, and have not been applied in preparing these interim financial statements.

Indefinitely postponed, with a proposed effective date of January 1, 2018

- New standard IFRS 9, Financial Instruments

  Partial replacement of IAS 39, Financial Instruments: Recognition and Measurement. This standard simplifies the current measurement model for financial instruments under IFRS and establishes two measurement categories for financial assets: amortized cost, and fair value. The existing IAS 39 categories of loans and receivables, held to maturity investments, and available for sale financial assets will be eliminated.

The Company has not early adopted this revised standard and this standard is not expected to have a material effect on the financial statements.

4. INVESTMENTS AT FAIR VALUE

At September 30, 2014, the Company held the following investments:

Investee	Shares	Warrants	Options	Cost	Fair Value
Public Companies					
"Woulfe" - Woulfe Mining Corp.	19,261,353	-	-	$ 4,203,789	$ 1,540,908
"Lions Gate" - Lion Gate Metals Inc. (ii)	1,147,734	39,063	-	5,020,527	45,909
"Terreno" - Terreno Resources Corp. (i) (ii)	8,621,600	-	60,000	1,342,246	86,216
"Teslin" - Teslin River Resources Corp. (ii) (iii)	10,756,643	-	-	2,826	2,826
Total of 9 other public company investments, each valued under $10,000				1,320,488	19,376
				11,889,876	1,695,235
Private Companies					
"Pembrook" - Pembrook Mining Corp.	320,000	-	-	452,000	800,000
				$12,341,876	$ 2,495,235

i) Director of Resinco is also a director of the investee company.
ii) Resinco holds greater than 10% of the outstanding share capital of the investee company.
iii) On September 9, 2014, Teslin completed a 4 for 1 share consolidation.

(EXPRESSED IN CANADIAN DOLLARS)

4. INVESTMENTS AT FAIR VALUE (continued)

At December 31, 2013, the Company held the following investments:

Investee	Shares	Warrants	Options	Cost	Fair Value
Public Companies					
Woulfe	20,110,353	-	-	$ 4,389,083	$ 1,910,484
Lions Gate (ii) (iii)	1,147,734	39,063	-	5,020,527	91,819
Terreno (i) (ii)	8,621,600	-	60,000	1,342,246	129,324
Teslin (i) (ii)	3,343,284	-	-	1,553,705	33,433
Total of 9 other public company investments, each valued under $10,000				771,232	36,914
				13,076,793	2,201,974
Private Companies					
Pembrook	320,000	-	-	452,000	800,000
"Coral Rapids" - Coral Rapids Minerals Inc. (i) (ii)	21,000,000	-	-	100,000	75,915
				552,000	875,915
				$13,628,793	$ 3,077,889

i) Director or officer of Resinco is also a director or officer of the investee company.
ii) Resinco holds greater than 10% of the outstanding share capital of the investee company.
iii) During the year ended December 31, 2013, Lions Gate completed a 4 for 1 share consolidation.

At January 1, 2013, the Company held the following investments:

Investee	Shares	Warrants	Options	Cost	Fair Value
Public Companies					
Woulfe	25,113,353	-	-	$ 5,480,987	$ 7,408,439
Lions Gate (ii)	1,147,734	154,687	-	5,020,527	436,139
Terreno(ii)	8,621,600	2,333,333	120,000	1,342,246	517,296
Teslin (i) (ii)	3,343,284	625,000	-	1,553,705	167,164
"Salmon River" - Salmon River Resources Ltd.	1,364,338	-	-	161,647	63,555
Total of 8 other public company investments, each valued under $50,000				615,079	121,813
				14,174,191	8,714,406
Private Companies					
Pembrook	320,000	-	-	452,000	452,000
Coral Rapids (i) (ii)	21,000,000	-	-	100,000	75,915
Total of 4 other private company investments, each valued at $nil				1,987,750	-
				2,539,750	527,915
				$16,713,941	$ 9,242,321

i) Director or officer of Resinco is also a director or officer of the investee company.
ii) Resinco holds greater than 10% of the outstanding share capital of the investee company.

(EXPRESSED IN CANADIAN DOLLARS)

5. CASH

	September 30, 2014	December 31, 2013	January 1, 2013
Canadian dollar denominated deposits in bank	$ 170,245	$ 48,518	$ 152,689
US dollar denominated deposits in bank	1,261	1	27
Canadian dollar denominated deposits held with broker	150	86,544	214,384
Total	$ 171,656	$ 135,063	$ 367,100

6. DUE FROM RELATED PARTIES

	September 30, 2014	December 31, 2013	January 1, 2013
Due from Coral Rapids	$ -	$ 18,293	$ 5,758
Due from Lions Gate	-	1,500	1,449
Due from Teslin	-	-	224,491
Due from Woulfe	-	-	1,545
Total	$ -	$ 19,793	$ 233,243

As at December 31, 2013, Teslin owed Resinco amounts related to corporate services that Resinco had been providing to Teslin in prior years of $169,438 (January 1, 2013 – $169,438), expense reimbursements of $16,962 (January 1, 2013 - $Nil) as well as interest of $34,746 (January 1, 2013 – $15,053), a one-time administration fee of $25,000 (January 1, 2013 - $25,000) and bonus shares of $15,000 (January 1, 2013 - $15,000), all related to the loan Resinco advanced to Teslin (Note 7). As at December 31, 2013, the Company recorded an impairment charge of $261,146 due to uncertainty over collectability.

As at December 31, 2013, the Company also recorded an impairment charge of $286,000 on a Teslin loan due to uncertainty over collectability (Note 7).

On June 26, 2014, the Company and Teslin entered into an agreement to settle the outstanding debts aggregating $552,082 ($286,000 plus $261,146 plus $4,936 accrued interest for fiscal 2014) for $82,826. Pursuant to the agreement Teslin issued Resinco 10,756,643 common shares. The issuance of the shares was subject to regulatory and Teslin shareholder approval which was received on August 29, 2014. Accordingly, the Teslin shares were issued to Resinco on September 24, 2014. The common shares are subject to a four-month hold period expiring January 24, 2015. On receipt of the Teslin shares, the Company recorded a recovery of $82,826 on the statement of comprehensive income (loss). Also on September 24, 2014, the Company entered into a share purchase option agreement with a third party (the "Optionee") to grant the Optionee the right for 5 months to purchase up to 10,756,643 common shares of Teslin for $82,826. In consideration, the Optionee paid the Company $80,000 as a non-refundable deposit. The balance of $2,826 is due upon exercise of the option. The shares have been placed in escrow during the term of the option.

(EXPRESSED IN CANADIAN DOLLARS)

7. RELATED PARTY LOAN RECEIVABLE

In April 2012, Resinco and Teslin entered into a loan agreement whereby Resinco may lend Teslin up to $300,000. During the year ended December 31, 2012, Resinco advanced Teslin $275,000 and during the year ended December 31, 2013, Resinco advanced Teslin an additional $11,000 for a total of $286,000. The loan was unsecured and interest bearing with a one-time administration fee of $25,000 and 60,000 bonus shares valued at $15,000. The administration fee and the interest on the loan were included in the amounts due from related parties (Note 6). All amounts were due by December 31, 2014. As at December 31, 2013, the Company recorded an impairment charge of $286,000 on the loan due to uncertainty over collectability.

8. EQUIPMENT

	September 30, 2014	Write-off	Additions	December 31, 2013	Additions	January 1, 2013
Computer equipment						
Cost	$ -	$ (46,192)	$ -	$ 46,192	$ -	$ 46,192
Accumulated depreciation	-	43,993	(388)	(43,605)	(7,175)	(36,430)
	$ -	$ (2,199)	$ (388)	$ 2,587	$ (7,175)	$ 9,762

During the nine months ended September 30, 2014, the Company wrote-off equipment with a net book value of $2,199 and fully amortized equipment of $43,993 as the equipment is no longer in use.

9. DUE TO RELATED PARTIES

	September 30, 2014	December 31, 2013	January 1, 2013
Due to the former CEO (i)	$ -	$ -	$ 730,643
Due to the former CFO	-	-	8,400
Due to current and former directors	95,250	95,250	95,250
Due to Coral Rapids (ii)	-	125,290	125,290
Total	$ 95,250	$ 220,540	$ 959,583

Other than for the details below, all amounts due to related parties are unsecured and have no fixed terms of repayment.

(i) During fiscal 2010, a company controlled by the former CEO earned an incentive payment of $964,407. The incentive payment was payable in three equal instalments of $321,469 on April 30, 2011, December 31, 2011, and December 31, 2012. Interest at prime plus 2% applied on any amounts unpaid by April 30, 2011. Further interest applied if any instalment was not paid by the date payable, at a rate of prime plus 10% per annum for the first 6 months, prime plus 15% for the next 6 months and prime plus 20% for any period thereafter. The total incentive payment plus accrued interest was to be repaid by December 31, 2013.

9. DUE TO RELATED PARTIES (continued)

As at January 1, 2013, the amount outstanding related to the second instalment of $321,469, the third instalment of $321,469, and accrued interest of $87,705.

On October 9, 2013, the Company settled the outstanding incentive payments of $642,938 plus accrued interest of $177,637 in consideration for full and final mutual release through the transfer of 3,000,000 common shares of Woulfe to a company controlled by the former CEO. The Woulfe shares were valued at $405,000 and accordingly, the Company recorded a gain on settlement of $415,575.

(ii) In September 2014, the Company repaid amounts owing to Coral Rapids. Also in September 2014, Coral Rapids was dissolved and the Company received $101,382 as its proportionate share of the Coral Rapids assets resulting in a net realized gain on disposal of investments of $1,382.

10. SHARE CAPITAL

a) Authorized share capital

At September 30, 2014, the authorized share capital comprised an unlimited number of common shares without par value.

b) Issued share capital

At September 30, 2014, the Company had 123,019,885 common shares issued and outstanding (December 31, 2013 – 123,019,885; January 1, 2013 – 123,019,885). A summary of changes in share capital is contained on the statements of changes in equity for the nine months ended September 30, 2014 and 2013.

c) Warrants

There was no share purchase warrant activity for the nine months ended September 30, 2014 or the year ended December 31, 2013. As at September 30, 2014, there were no warrants outstanding.

d) Stock options

The Board of Directors of the Company may from time-to-time grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares, exercisable for a period of up to five years from the date of grant. The Company’s stock option plan requires that options vest 20% immediately, with 20% vesting every six months thereafter; however, the Board may change such provisions at its discretion or as required on a grant-by-grant basis.

(EXPRESSED IN CANADIAN DOLLARS)

10. SHARE CAPITAL (continued)

d) Stock options (continued)

The continuity for stock options for the nine months ended September 30, 2014 is as follows:

Expiry date	Exercise price	Balance, December 31, 2013	Granted	Exercised	Expired/ cancelled	Balance, September 30, 2014	
February 9, 2014	$0.060	200,000	-	-	(200,000)	-	
July 1, 2014	$0.055	300,000	-	-	(300,000)	-	
October 19, 2014	$0.080	700,000	-	-	-	700,000	*
November 25, 2014	$0.110	1,740,000	-	-	(240,000)	1,500,000	*
February 1, 2015	$0.100	250,000	-	-	-	250,000	
January 24, 2016	$0.155	2,800,000	-	-	(800,000)	2,000,000	
April 13, 2016	$0.105	250,000	-	-	(250,000)	-	
May 16, 2016	$0.085	75,000	-	-	(75,000)	-	
November 4, 2016	$0.055	250,000	-	-	(250,000)	-	
		6,565,000	-	-	(2,115,000)	4,450,000	
Weighted average exercise price		$0.12	$0.00	$0.00	$0.08	$0.12	

* Expired unexercised

The continuity for stock options for the year ended December 31, 2013 is as follows:

Expiry date	Exercise price	Balance, January 1, 2013	Granted	Exercised	Expired/ cancelled	Balance, December 31, 2013
February 9, 2014	$0.060	200,000	-	-	-	200,000
July 1, 2014	$0.055	300,000	-	-	-	300,000
October 19, 2014	$0.080	700,000	-	-	-	700,000
November 25, 2014	$0.110	1,740,000	-	-	-	1,740,000
January 22, 2015	$0.130	300,000	-	-	(300,000)	-
February 1, 2015	$0.100	250,000	-	-	-	250,000
December 18, 2015	$0.135	80,000	-	-	(80,000)	-
January 24, 2016	$0.155	2,800,000	-	-	-	2,800,000
March 15, 2016	$0.110	357,000	-	-	(357,000)	-
April 13, 2016	$0.105	250,000	-	-	-	250,000
May 16, 2016	$0.085	75,000	-	-	-	75,000
August 8, 2016	$0.085	60,000	-	-	(60,000)	-
November 4, 2016	$0.055	250,000	-	-	-	250,000
March 28, 2017	$0.060	10,000	-	-	(10,000)	-
June 12, 2017	$0.040	26,000	-	-	(26,000)	-
		7,398,000	-	-	(833,000)	6,565,000
Weighted average exercise price		$0.12	$0.00	$0.00	$0.12	$0.12

e) Share-based payments

During the nine months ended September 30, 2014, the Company recorded $Nil (2013 - $3,29) of share-based payments for options vested during the period.

(EXPRESSED IN CANADIAN DOLLARS)

11. RELATED PARTY TRANSACTIONS

a) The Company's related parties consist of two companies owned in whole in or in part by current and former executive officers of the Company.

Name	**Nature of transactions**
Golden Oak Corporate Services Limited	Consulting fees for corporate compliance and financial reporting
JRI Strategy Consultants Inc.	Executive services

The Company incurred the following fees in the normal course of operations in connection with companies owned by key management and directors:

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Consulting fees	$ 25,200	$ 51,450	$ 75,600	$ 184,905

b) Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid, or payable, to key management personnel, which include the amounts disclosed above, during the nine months ended September 30, 2014 and 2013 were as follows:

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Consulting fees	$ 25,200	$ 51,450	$ 75,600	$ 184,905
Interest expense	-	28,897	-	89,932
Share-based compensation	-	888	-	3,299
	$ 25,200	$ 81,235	$ 75,600	$ 278,136

During the nine months ended September 30, 2014, the Company accrued interest income (recorded as other income) of $Nil (2013 - $14,646) from Teslin (Note 6).

Amounts due from related parties are disclosed in Note 6 and 7.

Amount due to related parties are disclosed in Note 9.

12. SEGMENTED INFORMATION

The Company operates in one business segment being the financing of private and public exploration and mining companies in the hard rock minerals, precious metals, rare-earth minerals, oil, gas, water and renewable energy markets. The majority of the Company's public company investments are traded on Canadian exchanges and all of the Company's equipment is located in Canada.

(EXPRESSED IN CANADIAN DOLLARS)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

The Company's financial instruments consist of cash, restricted cash, receivables, due from related parties, investments, trade and other payables, and due to related parties. The fair value of receivables, due from related parties, trade and other payables, and due to related parties approximate their fair value due to the short-term nature. Cash and restricted cash are recorded at fair value using Level 1 of the fair value hierarchy. Investments are recorded at fair value using Level 1 to 3 of the fair value hierarchy.

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The following table presents the Company's investments, measured at fair value on the statements of financial position and categorized into levels of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
September 30, 2014	$ 1,695,235	$ -	$ 800,000	$ 2,495,235
December 31, 2013	$ 2,201,974	$ -	$ 875,915	$ 3,077,889
January 1, 2013	$ 8,689,056	$ 25,350	$ 527,915	$ 9,242,321

During the year ended December 31, 2013, $25,350 of the investments which were held in Level 2 as at January 1, 2013 were transferred out to Level 1 as the shares were no longer restricted.

The following table reconciles the Company's Level 3 fair value investments from January 1, 2013 to September 30, 2014:

Level 3	Nine months ended September 30, 2014	Year ended December 31, 2013
Balance, beginning of period	$ 875,915	$ 527,915
Sold	(101,382)	
Realized gain	25,467	-
Unrealized gains	-	348,000
Balance, end of period	$ 800,000	$ 875,915

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Risk management

The Company is or may be subject to certain risks including interest rate risk, currency risk, credit risk and market risk. Risk management strategies may expose the Company to further gains or losses, but serve to stabilize future cash flows, reduce the volatility of operating results and increase overall financial strength.

Interest rate risk

The Company has loans receivable and, therefore, may be subject to interest rate risk. Management believes the exposure to the interest rate risk is immaterial given the size of the loans outstanding and the current low global interest rate environment. This risk is further mitigated by fixing interest rates at the inception of the loans where possible.

Currency risk

The Company has foreign investments and is therefore subject to currency risk. Management believes these investment and transaction amounts are not significant and there are no material foreign currency commitments. The currency risk is therefore manageable and not significant. The Company does not currently use any derivative instruments to reduce its exposure to fluctuations in foreign currency exchange rates.

Credit risk

Credit risk is the risk associated with the inability of a third party to fulfil its payment obligations. The Company is exposed to the risk that third parties that owe money or securities in connection with services provided, or for other purposes, will default on their underlying obligations.

Prior to accepting any service engagement or providing any loan, the Company assesses future recoverability by examining the entities' financial conditions, properties and assets, business development activities and management. The Company manages its exposure to credit risk by reviewing the outstanding balances on an ongoing basis, monitoring the amount attributable to each counterparty and the length of time taken for amounts to be settled. Where necessary, management takes appropriate action to follow up on those balances considered overdue.

Liquidity risk

Liquidity risk is the risk that the Company will have insufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if the Company does not have access to the capital markets, whether as a result of a downturn in general market conditions or related to matters specific to the Company, or if the value of the Company's investments decline, resulting in lower proceeds and/or losses on disposition. The Company generates cash flows primarily from the disposition of its investments and from its financing activities. The Company's investments focus on early-stage natural resource and renewable energy companies which can at times be relatively illiquid and if the Company decides to dispose of certain securities, it may not be able to do so at favorable prices at that time, or at all. However, the Company has sufficient marketable securities which are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions such that, in the absence of overall market disruptions or exceptional circumstances, liquidity risk can be minimized.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices. The Company's investments are primarily concentrated in the junior natural resource industry, which results in exposure to higher volatility than broader market investments and indexes. The Company's investments are accounted for at fair value and are sensitive to changes in market bid prices, such that changes in market prices result in a proportionate change in the carrying value of the Company's investments. A 10% change in the fair values of the Company's investments at September 30, 2014, would have a $250,000 impact on operations.

Concentration risk

The Company is subject to concentration risk due to the nature of the Company's operations as an investment company and the number of investments held in the portfolio which consists primarily of early-stage natural resource and renewable energy companies and their related technologies. As a result, the investment portfolio is directly exposed to the risks associated with companies operating in this industry sector.

As at September 30, 2014, approximately 99% of the fair value of the Company's investment portfolio consisted of investments in four companies with the largest single investment comprising 62% of the total portfolio value.

14. MANAGEMENT OF CAPITAL

The Company considers its common shares, options and warrants to comprise its capital.

The Company's objectives when managing capital are:

(a) To ensure that the Company maintains the level of capital necessary to meet its operational requirements;
(b) To allow the Company to respond to changes in economic and/or marketplace conditions by maintaining its ability to purchase new investments;
(c) To create sustained growth in shareholder value by increasing shareholders' equity and minimizing shareholder dilution; and
(d) To maintain a flexible capital structure that optimizes the cost of capital at acceptable levels of risk.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its underlying assets. The Company maintains or adjusts its capital level to meet its objectives, in order of preference, by:

(a) Realizing proceeds from the disposition of investments and provision of corporate services; and
(b) Raising funds through equity financings.

The Company has been able to avoid shareholder dilution by maintaining its capital and liquidity through the sale of investments and has not needed to raise funds by the issuance of equity since 2007.

The Company is not subject to any externally imposed capital requirements. Management monitors the Company's capital to ensure capital resources will be sufficient to discharge its liabilities on an ongoing basis.

(EXPRESSED IN CANADIAN DOLLARS)

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

		Nine months ended September 30,		
		2014		2013
Net income (loss) for the period	$	(406,697)	$	(4,590,799)
Expected income tax expense (recovery)	$	(107,000)	$	(1,182,000)
Permanent differences		(22,000)		(11,000)
Change in unrecognized temporary differences		(696,000)		(902,000)
Other differences		825,000		2,095,000
Total income tax expense (recovery)	$	-	$	-

The significant components of the Company's unrecorded deferred tax assets are as follows:

		September 30, 2014		December 31, 2013
Deferred tax assets				
Canadian non-capital losses available for future periods	$	40,300	$	39,315,000
Investments at fair value		(4,155,000)		(348,000)
Equipment		6,000		3,000
Allowable capital losses		438,000		438,000
Total unrecognized deferred tax assets	$	(3,670,700)	$	39,408,000

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

		September 30, 2014	Expiry Date
Temporary differences			
Canadian non-capital losses available for future periods	$	10,478,000	2030-2034
Investments at fair value		(1,039,000)	No expiry date
Equipment		1,000	No expiry date
Allowable capital losses		114,000	No expiry date

(EXPRESSED IN CANADIAN DOLLARS)

16. COMMITMENTS

The Company has one office lease agreement with the following lease commitments remaining:

2014	$ 13,512
2015	54,050
2016	18,017

In November 2012, the Company entered into a sublease agreement on the above office lease agreement and will recover 100% of the above lease payments over the term of the lease.

17. FIRST TIME ADOPTION OF IFRS

For all periods up to and including the year ended December 31, 2013, the Company prepared its financial statements in accordance with Canadian GAAP. The financial statements as at and for the nine months ended September 30, 2014 have been prepared in accordance with IFRS.

In preparing these interim financial statements, the opening statement of financial position was prepared as at January 1, 2013, the Company's date of transition to IFRS. This note explains the principal adjustments made in restating the previous Canadian GAAP balance sheet as at January 1, 2013 and its previously published Canadian GAAP financial statements for the nine months ended September 30, 2013 and as at December 31, 2013.

IFRS exemptions applied

IFRS 1, First-Time Adoption of International Financial Reporting Standards allows first-time adopters certain exemptions from the retrospective application of IFRS.

The Company has elected to apply the following exemptions:

(i) IFRS 2 Share-based Payment has not been applied to the options issued under the Stock Option Plans that were vested prior to January 1, 2013.

(ii) Designation of previously recognized financial instruments - IFRS 1 provides an exemption that permits a first-time adopter to designate financial assets and liabilities as at fair value through profit or loss or as available-for-sale at the date of transition to IFRS. The Company has elected to use this option and has designated all its investments as carried at fair value through profit and loss.

Reconciliation between Canadian GAAP and IFRS

In preparing the Company's opening IFRS statement of financial position, the Company has not adjusted any amounts reported previously in its financial statements prepared in accordance with previous Canadian GAAP.

IFRS 1 requires reconciliations and disclosures that explain how the transition from Canadian GAAP to IFRS has affected the Company's previously reported financial statements prepared in accordance with previous Canadian GAAP for the nine months ended September 30, 2013 and the year ended December 31, 2013. The Company evaluated the impact of IFRS and determined that there were no adjustments required to the Company's statements of financial position, statements of comprehensive income (loss), statements of cash flow, nor statements of changes in equity. Therefore no reconciliations were required as there were no differences.

17. FIRST TIME ADOPTION OF IFRS (continued)

IFRS conversion

Two common IFRS conversion issues were evaluated to have no transition impact as follows:

(i) IFRS 2 Share-based Payments ("IFRS 2") requires the Company to retrospectively apply the valuation methods to outstanding and non-vested stock options as at the transition date of January 1, 2013, and to stock options transactions during the period ended December 31, 2013, including issuances and cancellations. The Company determined no changes were required upon application of IFRS 2, particularly as the majority of stock options were fully vested as at the transition date, and no stock options were issued during the year ended December 31, 2013.

(ii) IFRS 10 Consolidated Financial Statements ("IFRS 10"), which is effective for annual periods beginning on or after January 1, 2013, provides an exception to the consolidation requirement for entities that meet the definition of an investment entity. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. The IFRS 10 investment entity exception is applicable to the Company. The Company has historically accounted for investments at fair value through profit or loss; hence application of this standard had no impact to the Company.