BIRD RIVER RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2015

(UNAUDITED – PREPARED BY MANAGEMENT)

<u>Notice to Reader</u>

Under National Instrument 51-102, Part 4, paragraph 4.3(3)(a), if an auditor has not performed a review of interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

BIRD RIVER RESOURCES INC.

Condensed Interim Consolidated Statements of Financial Position (unaudited)

(Expressed in Canadian Dollars)

		As at April 30 2015		As at July 31 2014
ASSETS				
Current				
Cash and cash equivalents (note 4)	$	105,989	$	205,895
Trade receivables		13,002		8,787
Goods and service tax recoverable		1,179		1,066
Inventory		19,068		19,229
Note receivable (note 5)		35,000		35,633
Total current assets		174,238		270,610
Non-current				
Property and equipment (note 6)		395,578		341,907
Exploration and evaluation assets (note 8)		126,977		126,977
Total non-current assets		522,555		468,884
Total assets	**$**	**696,793**	**$**	**739,494**
LIABILITIES				
Current				
Trade payables	$	60,342	$	26,126
Other payables (note 9)		49,243		59,353
Total current liabilities		109,585		85,479
Non-current liabilities				
Decommissioning obligations (note 10)		8,669		8,669
Total liabilities		118,254		94,148
SHAREHOLDERS' EQUITY				
Share capital (note 11)		1,012,247		1,012,247
Share-based payments reserve		40,349		40,349
Deficit		(474,057)		(407,250)
Total shareholders' equity		578,539		645,346
Total liabilities and shareholders' equity	**$**	**696,793**	**$**	**739,494**

Basis of preparation and going concern assumption (note 1)

Approved by the Board:

"Nelson Shodine" Director

"Jon Bridgman" Director

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

BIRD RIVER RESOURCES INC.
Condensed Interim Consolidated Statements of Comprehensive Loss (unaudited)
(Expressed in Canadian Dollars)

	3 months ended		9 months ended	
	April 30 2015	**April 30 2014**	**April 30 2015**	**April 30 2014**
Revenue				
Petroleum and natural gas revenue	$ 9,120	$ 19,422	$ 39,876	$ 61,221
Industrial mineral sales	9,902	8,051	29,108	33,547
	19,022	27,473	68,984	94,768
Expenses				
Depletion	3,700	3,736	11,100	12,538
Depreciation	177	230	530	692
General and administrative (note 13)	28,221	24,364	85,362	84,796
Production and operating - petroleum and natural gas	4,249	5,458	19,973	16,788
Production and operating - industrial minerals	7,813	5,974	22,308	24,780
Share based payments (note 12)	-	102	-	1,171
	44,160	39,864	139,273	140,765
Income (loss) from operations	(25,138)	(12,391)	(70,289)	(45,997)
Other income (expenses):				
Accretion expense	-	(62)	-	(187)
Interest income	783	1,376	3,482	4,831
Net loss and comprehensive loss for the period	**$ (24,355)**	**$ (11,077)**	**$ (66,807)**	**$ (41,353)**
Loss per common share (basic and fully diluted) (note 11)	**$ (0.002)**	**$ (0.001)**	**$ (0.006)**	**$ (0.004)**
Weighted average number of common shares outstanding Basic and diluted (note 11)	**10,570,225**	**10,570,225**	**10,570,225**	**10,570,225**

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

BIRD RIVER RESOURCES INC.
Condensed Interim Consolidated Statements of Cash Flows (unaudited)
(Expressed in Canadian Dollars)

	9 months ended April 30 2015	9 months ended April 30 2014
Cash provided by (used in) operating activities		
Net loss for the period	$ (66,807)	$ (41,353)
Adjustments for:		
Depletion	11,100	12,538
Depreciation	530	692
Accretion expense	-	187
Share-based payments	-	1,171
Changes in non-cash working capital items:		
Trade receivables	(4,215)	5,124
Goods and services tax recoverable	(113)	(30)
Inventory	161	3,058
Note receivable	633	-
Trade payables	34,216	10,293
Other payables	(10,110)	(4,537)
	(34,605)	(12,857)
Cash provided by (used in) investing activities		
Property and equipment	(65,301)	-
Increase (decrease) in cash and cash equivalents	(99,906)	(12,857)
Cash and cash equivalents, beginning of the period	205,895	217,347
Cash and cash equivalents, end of the period	**$ 105,989**	**$ 204,490**

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

BIRD RIVER RESOURCES INC.
Condensed Interim Consolidated Statements of Changes in Equity (unaudited)
(Expressed in Canadian Dollars)

	Share capital		Share-based payments		
	Shares	**Amounts**	**reserve**	**Deficit**	**Total**
Balances, July 31, 2013	**10,570,225**	**$ 1,012,247**	**$ 91,131**	**$ (330,547)**	**$ 772,831**
Share-based payments	-	-	1,478	-	1,478
Transfer of expired and forfeited amounts from share-based payments reserve to deficit	-	-	(52,260)	52,260	-
Net loss for the year	-	-	-	(128,963)	(128,963)
Balances, July 31, 2014	**10,570,225**	**1,012,247**	**40,349**	**(407,250)**	**645,346**
Net loss for the period	-	-	-	(66,807)	(66,807)
Balances, April 30, 2015	**10,570,225**	**$ 1,012,247**	**$ 40,349**	**$ (474,057)**	**$ 578,539**

1. Nature of operations and going concern

Bird River Resources Inc. (the "Company") is a publicly listed company incorporated under the laws of Manitoba on March 7, 1958. The mailing and office address of its executive office is 1059 Selkirk Avenue, Winnipeg, Manitoba, R2X 0C2.

The principal business activities include the acquisition and exploration of resource properties with the Company's primary focus on petroleum and natural gas properties. The Company also engages in secondary activities, from time to time, involving the purchase or acquisition of certain industrial minerals, typically diatomaceous earth and bentonite, for distribution and re-sale or for use in an abandoned water well sealing operation. The Company's shares are listed on the Canadian Stock Exchange under the symbol BRM.

The Company is in the exploration stage and has not yet determined whether its mineral properties contain reserves that are economically recoverable. The continued operations of the Company and the recoverability of amounts shown for exploration and evaluation assets is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral properties, and if they are proven successful, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis; all of which are uncertain.

The amount shown for exploration and evaluation assets does not necessarily represent its present or future value. Changes in future conditions could require a material change in the amount recorded for exploration and evaluation assets. These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has working capital as at April 30, 2015 of $64,653 (July 31, 2014 - $185,131) and may need to raise additional capital in the future to fund its ongoing operations and exploration activities. As a result of these circumstances, there could be material uncertainties which could significant doubts as to the appropriateness of the going concern presumption. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and classifications in the statement of financial position that may be necessary were the Company unable to continue as a going concern and these adjustments could be material.

2. Basis of preparation and summary of significant accounting policies

These unaudited condensed interim consolidated financial statements of the Company for the nine month period ended April 30, 2015 (the "consolidated interim financial statements") have been prepared in accordance with IAS 34 Interim Financial Reporting.

These consolidated interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended July 31, 2014 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated interim financial statements have been prepared using accounting policies consistent with those used in the Company's July 31, 2014 annual financial statements.

The consolidated interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The consolidated interim financial statements were authorized for issue by the Board of Directors on June 27, 2015.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the condensed interim financial statements are disclosed in Note 3.

Basis of measurement

These consolidated interim financial statements have been prepared on a historical cost basis, with the exception of financial instruments classified as at fair value through profit or loss, which are measured at fair value. In addition, these consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Significant accounting judgments and estimates

The preparation of these consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Future accounting changes

Recent accounting announcements

The following standards were effective for fiscal years beginning on or after January 1, 2013 therefore have been adopted by the Company during the current year. The adoption of these new standards had no significant impact on the presentation and disclosure in the Company's consolidated interim financial statements.

IFRS 10 *Consolidated Financial Statements*
IFRS 11 *Joint Arrangements*
IFRS 12 *Disclosure of Interests in Other Entities*
IFRS 13 *Fair Value Measurement*
IAS 1 *Presentation of Financial Statements* (Amended)
IAS 19 *Employee Benefits* (Amended)
IAS 27 *Separate Financial Statements*
IAS 28 *Investment in Associates and Joint Ventures* (Amended)

Standards issued but not yet effective up to the date of issuance of these consolidated interim financial statements are listed below. This listing is of the standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on its consolidated interim financial statements to be significant.

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 addresses the classification, measurement and recognition of financial assets and liabilities. IFRS 9 was issued in November 2009 and amended in October 2010. It replaces the parts of IAS 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 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.

(Expressed in Canadian dollars)

For financial liabilities, the standard retains most of the requirements from IAS 39. 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 or loss rather than in profit or loss, unless this creates an accounting mismatch. This standard currently does not have a mandatory effective date but is available for adoption. An effective date will be added when all phases of the project are complete and a final version of IFRS 9 is issued.

Basis of consolidation

These consolidated interim financial statements include the accounts of the company and its wholly-owned subsidiary 2411181 Manitoba Ltd. All significant inter-company transactions have been eliminated on consolidation.

3. Exploration and evaluation expenses

During the period ended April 30, 2015, the Company has directly expensed exploration and evaluation costs in the amount of $Nil (2013- $Nil).

4. Cash and cash equivalents

	April 30, 2015	July 31, 2014
Cash	$ 13,411	$ 18,705
Treasury bills - money market fund	92,578	187,190
	$ 105,989	$ 205,895

Cash and cash equivalents are deposited at established Canadian financial institutions.

5. Note receivable

The note receivable bears interest at 13% was due in August 2014 (2013 - due in August 2013), and is secured by a general security agreement. The terms of the note is now on a month to month basis by mutual agreement of the parties and the Company receives interest on a timely basis.

(Expressed in Canadian dollars)

6. Property and equipment

	Exploration and evaluation equipment ($)	Vehicles ($)	Petroleum and natural gas properties ($)	Totals ($)
Cost:				
Balance, July 31, 2013	52,333	11,342	449,758	513,433
Impairment loss	-	-	(41,532)	(41,532)
Balance, July 31, 2014	52,333	11,342	408,226	471,901
Additions	-	-	65,301	65,301
Balance, April 30, 2015	52,333	11,342	473,527	537,202
Depreciation and impairment losses:				
Balance, July 31, 2013	49,360	10,247	38,096	97,703
Depreciation for the year	594	329	31,368	32,291
Balance, July 31, 2014	49,954	10,576	69,464	129,994
Depreciation for the period	358	172	11,100	11,630
Balance, April 30, 2015	50,312	10,748	80,564	141,624
Carrying amounts:				
At July 31, 2014	2,379	766	338,762	341,907
At January 31, 2015	2,141	651	396,663	395,578

At July 31, 2014, the Company assessed the recoverability of its investment in petroleum and natural gas properties by performing an impairment test at the cash-generating unit level. The recoverable amount of each cash-generating unit was estimated based on the higher of the value in use and the fair value less costs to sell. The estimated fair value less costs to sell was used and was determined using estimated future cash flows based on estimated reserves, discounted at 10%, with prices as noted below. Based on the impairment test, the carrying amount of the investment in petroleum and natural gas properties was determined to be impaired in the amount of $41,532 relating to wells HZ 11-26-1-28 and HZ 7-34-1-28. This amount was recognized in profit or loss for the year.

The benchmark and Company's forecast prices used in the impairment test calculations for the year ended July 31, 2014 were primarily based on future commodity prices and are as follows:

	Light oil (Cdn$/bbl)
2015	$89.80
2016	$88.29
2017	$86.94

Thereafter, 2% increase for inflation.

7. Interests in joint arrangements

The Company has entered into a joint operation with Antler River Resources Ltd. and other parties relating to twelve oil wells in southwestern Manitoba (LSD 6-13-7-29, LSD 2-29-2-28, LSD 14-15-8-28, HZ 13-15-8-28, HZ 11-26-1-28, HZ 12-15-8-28, HZ 7-34-1-28, HZ 13-23-1-28, HZ 15-30-1-27, HZ 3-15-8-28, HZ 16-16-7-28 and HZ 3-22-7-28). The Company has rights to the assets and obligations for the liabilities relating to this joint operation, therefore has recognized its share of the assets, liabilities, revenues and expenses in these consolidated financial statements. Pursuant to the arrangement, expenditures are limited to costs of surface access, building location, drilling, completing, equipping and operating or abandoning the oil wells. The related expenditures are deferred in the accounts of the Company until the technical and commercial viability of extracting resources has been demonstrated. The Company has earned an interest equal to 80% of their contribution to the costs of surface access, building location, drilling, completing, equipping and operating or abandoning the oil wells, which represents approximately a 4% interest in the joint operation. As at July 31, 2014, technical and commercial viability of extracting resources has been demonstrated on all twelve oil wells and as a result the amounts previously capitalized to exploration and evaluation assets have been transferred to petroleum and natural gas properties in property and equipment and are being depleted accordingly (see Note 6).

(Expressed in Canadian dollars)

8. Exploration and evaluation assets

(a) The Company has capitalized the following amounts:

	April 30, 2015	July 31, 2014
Petroleum and natural gas properties:		
Lease holdings (i)	$ 126,704	$ 126,704
Mineral exploration properties (ii)	273	273
	$ 126,977	$ 126,977

(i) The Company has invested in eight lease holdings as follows:

1) Northwest quarter 23-1-28, 25% owned with a three-year lease term;
2) Southwest quarter 23-1-28, 25% owned with a three-year lease term;
3) Northeast quarter 14-4-22, 100% owned with a five-year lease term;
4) Northeast quarter 17-1-27, 25% owned with a three-year lease term;
5) Northeast quarter 23-1-28, 25% owned with a three-year lease term;
6) Northeast quarter 30-1-27, 25% owned with a three-year lease term;
7) Northeast quarter 2-3-26, 100% owned with a two-year lease term; and
8) Southeast quarter 2-3-26, 100% owned with a two-year lease term.

(ii) The Company holds one Quarry Lease, QL - 1530, located 85 kilometers southwest of Winnipeg near Miami, Manitoba. The 8 hectare lease hosts a narrow bed of bentonite.

The Company previously held an exploration property known as the Ore Fault property located on the Bird River Greenstone Belt, 125 kilometers northeast of Winnipeg, Manitoba. On August 19, 2008, Marathon PGM acquired the balance of the Ore Fault property consisting of 19 claims which covers 446 hectares. Under the joint arrangement, Marathon had an option to earn 100% of the Ore Fault property once their interest reached 70%. Marathon exercised its option to require the company to sell the remaining 30% interest in the property for a purchase price of $1,450,000. The Company retains a 1% net smelter return ("NSR") royalty on the Ore Fault Property.

(b) A summary of the exploration and evaluation asset activity for the year ended July 31, 2014 and period ended April 30, 2015 is as follows:

	April 30, 2015	July 31, 2014
Balance, beginning of period/year	$ 126,977	$ 126,977
Transfers to property and equipment	-	-
	$ 126,977	$ 126,977

(Expressed in Canadian dollars)

9. Other payables

The Company's other payables are comprised of the following:

	April 30, 2015	July 31, 2014
Provincial sales taxes payable	$ 40	$ 173
Accrued liabilities	49,203	59,180
	$ 49,243	$ 59,353

10. Decommissioning obligations

The Company's decommissioning obligations result from its ownership interest in petroleum and natural gas properties. The total provision for decommissioning obligations is estimated based on the Company's net ownership interest in all wells and facilities, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years. The total estimated undiscounted cash flows required to settle the obligations, before considering salvage, as at July 31, 2014 is approximately $19,000, which has been discounted using a pre-tax rate of 2.96% reflecting the time value of money and the risks specific to the obligation. These obligations are to be settled based on the economic lives of the underlying assets, which currently extend up to 25 years (2013 - 25 years) into the future and will be funded from general corporate resources at the time of abandonment.

The Company's decommissioning obligations for the period ended April 30, 2015 and the year ended July 31, 2014 were as follows:

	April 30, 2015	July 31, 2014
Balance, beginning of period/year	$ 8,669	$ 8,420
Accretion	-	249
	$ 8,669	$ 8,669

11. Share capital

(a) Authorized

Authorized share capital consists of an unlimited number of common voting shares.

(b) Changes in issued common shares are summarized below:

	Number of common shares	Amount
Balance, July 31, 2013	10,570,225	$ 1,012,247
Changes during the year	-	-
Balance, July 31, 2014	10,570,225	1,012,247
Changes during the period	-	-
Balance, April 30, 2015	10,570,225	$ 1,012,247

(c) Loss per share

Basic loss per share is calculated by dividing the net loss by the weighted average number of common shares outstanding during the period:

(Expressed in Canadian dollars)

	January 31, 2015	April 30, 2014
Loss attributable to common shareholders	$ 66,807	$ 41,353
Weighted average number of common shares	10,570,225	10,570,225
Basic and diluted loss per share	$ (0.006)	$ (0.004)
Weighted average number of common shares:		
Balance, July 31, 2014 and 2013	10,570,225	10,570,225
Changes during the period	-	-
Balance, April 30, 2015 and 2014	10,570,225	10,570,225

All of the outstanding stock options were anti-dilutive for the relevant period.

12. Share-based payments

(a) Outstanding options

The following table summarizes the 800,000 outstanding options as at April 30, 2015:

	Number outstanding	Exercise price	Expiry date
Directors' options	700,000	$ 0.10	June 10, 2015
Directors' options	100,000	0.10	March 14, 2019
	800,000		

(b) Changes in stock options

A summary of the changes in stock option activity for the period ended April 30, 2015 and the year ended July 31, 2014 is as follows:

	2015		2014	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding, beginning of period/year	$ 0.10	800,000	$ 0.10	800,000
Granted	-	-	0.10	100,000
Forfeited	-	-	(0.10)	(100,000)
Outstanding and exercisable, end of period/year	$ 0.10	800,000	$ 0.10	800,000

The options outstanding at the end of the period have an exercise price of $0.10 per share (2014 - $0.10 per share) and had a weighted average remaining contractual life of 1.33 years as at July 31, 2014.

(c) Effects on profit or loss

The total estimated fair value of the options vested and recognized as an expense for the period ending April 30, 2015 is $Nil (year ended July 31, 2014 = $1,478).

(Expressed in Canadian dollars)

13. General and administrative expenses

The general and administrative expenses incurred by the Company for the periods ended April 30, 2015 and 2014 are as follows:

	3 months ended April 30, 2015	3 months ended April 30, 2014	9 months ended April 30, 2015	9 months ended April 30, 2014
Automotive	$ 991	$ 1,362	$ 900	$ 6,219
Management fees	12,000	12,000	36,000	36,000
Office and general	8,309	1,456	11,081	4,678
Professional fees	1,350	3,745	5,935	13,110
Rent	2,400	2,400	12,000	7,200
Repairs and maintenance	188	-	414	238
Stock transfer and filing fees	1,779	2,150	12,579	14,332
Telephone	1,205	578	2,189	2,068
Travel	-	673	1,685	951
	$ 28,221	$ 24,364	$ 85,362	$ 84,796

14. Related party transactions

(a) Key management personnel compensation

The Company did not pay employment based remuneration to directors, officers and other members of key management for the nine month period ended April 30, 2015 and the year ended July 31, 2014, however, the Company did pay contract based remuneration to directors, officers and other members of key management as disclosed in part (b) below.

(b) Other related party transactions

During the nine month period ended April 30, 2015, the Company paid management fees in the amount of $22,500 (year ended July 31, 2014 - $30,000) to a director and officer of the Company and $13,500 (2014 - $18,000) to another director and officer. The Company also paid rent in the amount of $12,000 (2014 - $9,600) to a director and officer of the Company. These amounts are recorded at the exchange amount, which is the amount agreed upon by the related parties.

As at April 30, 2015, included in trade payables and other payables are amounts owing to directors and officers of the company in the amount of $52,876 (July 31, 2014 - $39,000).

15. Financial instruments

(a) Risk management and hedging activities

In the normal course of operations the Company is exposed to various financial risks. Management’s close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not meaningfully participate in the use of financial instruments to control these risks. The Company has no designated hedging transactions. The financial risks and management’s risk management objectives and policies are as follows:

(i) Currency risk

The Company does not hold any assets or liabilities denominated in a foreign currency therefore is not exposed to currency risk.

(Expressed in Canadian dollars)

(ii) Price risk

The Company is exposed to price risk with respect to commodity prices of oil and gas. The Company monitors commodity prices in order to manage their exposure to these risks. An annual average change of 1% in crude oil prices would affect the reported net income by $762 (for the year ended July 31, 2014).

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company is exposed to credit risk on its financial assets. Cash is held with established Canadian financial institutions and the Company's other receivables are from Canadian government entities, from which management believes the risk of loss to be remote. The Company does not have any derivatives or similar instruments that mitigate the maximum exposure to credit risk.

The carrying amount of financial assets recorded in the consolidated interim financial statements of $174,238 (July 31, 2014 - $251,831) represents the maximum exposure to credit risk at the reporting date.

(iv) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. Management monitors the Company's liquidity by assessing forecast and actual cash flows and by maintaining adequate cash on hand. It is management's opinion that it is unlikely that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. As at January 31, 2015, the Company has working capital in the amount of $64,653 (July 31, 2014 - $185,131).

The contractual maturities of financial liabilities based on the earliest date on which payment can be required are as follows:

	Total amount	6 months or less	More than 6 months
As at April 30, 2015:			
Trade payables	$ 60,342	$ 13,765	$ 46,577
Other payables	49,243	7,984	41,259
	$ 109,585	21,749	87,836
As at July 31, 2014:			
Trade payables	$ 26,126	$ 26,126	$ -
Other payables	59,353	59,353	-
	$ 85,479	$ 85,479	$ -

(v) Interest rate risk

The Company is not exposed to any meaningful interest rate risk due to the short term nature of its interest generating assets.

(b) Sensitivity analysis

The Company has cash and cash equivalents subject to interest rate risk of $105,989 (2014 - $205,895). A 1% change in the primary interest rate would affect the reported net income, on an annualized basis, by $1,060 (2014 - $2,059).

(Expressed in Canadian dollars)

(c) Fair values, carrying amounts and changes in fair value

The fair values of the Company's financial instruments approximate their carrying value due to their short-term nature. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the consolidated interim statement of financial position, have been prioritized into three levels.

Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level two includes inputs that are observable other than quoted prices included in level one.
Level three includes inputs that are not based on observable market data.

The Company's financial instruments within the fair value hierarchy as at April 30, 2015 are as follows:

	Level 1	Level 2	Level 3
As at April 30, 2015:			
Cash and cash equivalents	$ 105,989	$ -	$ -
As at July 31, 2014:			
Other payables	$ 205,895	$ -	$ -

(d) Collateral

The carrying value of financial assets the company has pledged as collateral is $Nil (2013 - $Nil).

16. Capital management

The Company considers its capital structure to consist of share capital, stock options and warrants. When managing capital, the Company's objective is to ensure that the Company 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 acquisition, exploration and development of mineral and petroleum and natural gas 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 to sustain future development of the Company's operations. As at April 30, 2015, the Company had managed capital, being total equity on the consolidated interim statement of financial position, of $578,539 (July 31, 2014 - $645,346).

A number of 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 expenses, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties it if feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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 current or prior period. The Company is not subject to externally imposed capital requirements.