ROCKSHIELD CAPITAL CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
FEBRUARY 28, 2015

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

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

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	February 28, 2015 $	November 30, 2014 $
ASSETS			
Current assets			
Cash		2,878,060	3,857,602
Amounts receivable		2,047	2,596
GST receivable		31,355	53,399
Prepaid expenses		5,750	8,800
Investments	4	6,704,650	5,717,801
Total current assets		9,621,862	9,640,198
Non-current assets			
Long-term investment and advances	5	1,915,355	1,240,935
Property, plant and equipment	6	54,581	59,667
Exploration and evaluation assets	7	94,463	94,463
Total non-current assets		2,064,399	1,395,065
TOTAL ASSETS		11,686,261	11,035,263
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9	39,887	172,487
TOTAL LIABILITIES		39,887	172,487
SHAREHOLDERS' EQUITY			
Share capital	8	25,226,795	25,226,795
Share-based payments reserve		3,525,049	3,525,049
Deficit		(17,105,470)	(17,889,068)
TOTAL SHAREHOLDERS' EQUITY		11,646,374	10,862,776
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		11,686,261	11,035,263

Nature of Operations - See Note 1

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on April 23, 2015 and are signed on its behalf by:

/s/ ***Frank Taggart***	/s/ ***Nick DeMare***
Frank Taggart	Nick DeMare
Director	Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited - Expressed in Canadian Dollars)

	Note	Three Months Ended February 28, 2015 $	Three Months Ended February 28, 2014 $
Expenses			
Accounting and administration	9(b)(ii)	16,572	12,480
Audit fees		15,000	22,440
Depreciation	6	5,086	6,902
Foreign value added tax		542	2,715
General and administrative expenses		2,578	9,462
General exploration		-	25,224
Investor relations		-	7,500
Legal fees		6,211	1,052
Officer and director compensation	9	30,000	59,202
Professional fees		15,086	6,886
Regulatory fees		1,545	6,519
Rent		-	2,500
Shareholder communications		-	414
Telephone, website and internet costs		2,334	2,859
Transfer agent		1,125	1,313
Travel and related		6,691	3,782
		102,770	171,250
Loss before other items		(102,770)	(171,250)
Other items			
Realized loss on sale of investments	4	(2,965)	-
Unrealized gain on investments	4	854,793	-
Interest income		12,914	19,753
Foreign exchange gain		21,626	15,175
		886,368	34,928
Net income (loss) and comprehensive income (loss) for the period		783,598	(136,322)
Income (loss) per share - basic and diluted		$0.02	$(0.00)
Weighted average number of common shares outstanding - basic and diluted		45,527,855	30,527,855

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended February 28, 2015				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at November 30, 2014	45,527,855	25,226,795	3,525,049	(17,889,068)	10,862,776
Net income	-	-	-	783,598	783,598
Balance at February 28, 2015	45,527,855	25,226,795	3,525,049	(17,105,470)	11,646,374

	Three Months Ended February 28, 2014				
	Share Capital				
	Number of Shares	Amount $	Share-Based Payments Reserve $	Deficit $	Total Equity $
Balance at November 30, 2013	30,527,855	24,089,879	3,464,007	(21,292,647)	6,261,239
Net loss	-	-	-	(136,322)	(136,322)
Balance at February 28, 2014	30,527,855	24,089,879	3,464,007	(21,428,969)	6,124,917

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

ROCKSHIELD CAPITAL CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended	
	February 28, 2015 $	February 28, 2014 $
Operating activities		
Net income (loss) for the period	783,598	(136,322)
Adjustments for:		
Depreciation	5,086	6,902
Realized loss on sale of investments	2,965	-
Unrealized gain on investments held	(854,793)	-
	(63,144)	(129,420)
Changes in non-cash working capital items:		
Decrease (increase) in amounts receivable	549	(1,269)
Decrease in GST receivable	22,044	3,611
Decrease in prepaid expenses	3,050	2,400
Increase in accounts payable and accrued liabilities	8,041	6,605
	33,684	11,347
Net cash used in operating activities	(29,460)	(118,073)
Investing activities		
Proceeds from sale of investments	23,510	-
Purchase of investments	(158,531)	-
Long-term investment and advances	(813,059)	-
Expenditures on exploration and evaluation assets	(2,002)	(2,768)
Proceeds from sale of equipment	-	41,250
Net cash used in investing activities	(950,082)	38,482
Net change in cash	(979,542)	(79,591)
Cash at beginning of period	3,857,602	6,087,136
Cash at end of period	2,878,060	6,007,545
Cash comprises:		
Cash	1,367,548	3,477,945
Demand deposits	1,510,512	2,529,600
	2,878,060	6,007,545

Supplemental cash flow information - See Note 12

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. Nature of Operations

The Company's common shares trade on the Canadian Securities Exchange ("CSE"). The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

Historically, the Company has been a mineral exploration company. In fiscal 2013 the Company terminated its option agreement on its principal mineral exploration property, the Santa Elena Project, with the Company retaining few mineral properties and the majority of its assets in cash while seeking new investment opportunities. On May 6, 2014 the Company announced its intention to become a diversified company and carry on business both as an investment company and a resource company.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not generated significant revenues from operations. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. Management considers the Company has adequate resources to maintain operations, investment activities and planned exploration activities on its exploration and evaluation assets for the next twelve months.

2. Basis of Preparation

Statement of Compliance

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended November 30, 2014, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these condensed consolidated interim financial statements are consistent with those applied in the Company's consolidated financial statements for the year ended November 30, 2014.

Basis of Measurement

The Company's consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value.

Basis of Presentation

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

(Unaudited - Expressed in Canadian Dollars)

3. Subsidiaries

The subsidiaries of the Company are as follows:

Company	Location	Ownership Interest February 28, 2015	Ownership Interest February 28, 2014
Minera Pelaya S.A.S. (*formerly Minera CuOro S.A.S.*)	Colombia	100%	100%
Rockshield Plywood Corp. ("Rockshield Plywood")	Canada	100%	0%
Pelaya Copper Corporation ("Pelaya Copper")	Canada	100%	0%

Rockshield Plywood was incorporated on August 27, 2014 and Pelaya Copper was incorporated on May 30, 2014 as wholly-owned subsidiaries of the Company.

4. Investments

In fiscal 2014 the Company determined to diversify its business and seek opportunities in the investment sector with a particular focus on investments in early stage, high growth companies at all stages of development, including pre-initial public offering and /or early stage companies requiring start-up or development capital. The Company's investments in marketable securities include common shares and other equity instruments of Canadian and U.S. companies that are listed on the Toronto Stock Exchange, the TSX Venture Exchange or other stock exchanges of the United States of America. The majority of the marketable securities instruments are shares of companies in the mining, oil and gas, media technology and medical technology industries.

Management has designated its investments in common shares and warrants of publicly traded companies as "investments in equity instruments" with the change in fair value recognized in profit or loss. The carrying values of the common shares have been directly referenced to published price quotations in an active market. The carrying values of the warrants are valued at fair value using the Black-Scholes option pricing model, with the following assumptions: risk-free interest rate of 0.98% - 1.04%; estimated volatility of 72.74% - 89.02%; expected life of 1.08 years - 2.46 years; expected dividend yield of 0%; and expected forfeiture rate of 0%.

During the three months ended February 28, 2015 the Company sold certain of its investments for $23,510 and recognized a loss of $2,965. In addition, the Company recorded an unrealized gain of $854,793 on investments held.

5. Long-term Investment and Advances

In fiscal 2014 the Company, together with a third-party industry management and investment group, identified a business opportunity in northern Ontario, Canada, to purchase the assets of a previously operating hardwood plywood mill. The mill went into bankruptcy and the Company and the third party group worked to purchase the key mill equipment to enable operations to resume. As at November 30, 2014 the Company had incurred $1,240,395 in deposits, equipment and costs towards its investment in the newly formed company, Rockshield Engineered Wood Products ULC ("REWP"). Subsequent to November 30, 2014 the Company incurred additional amounts on behalf of REWP and advanced a total of $400,000 to REWP. On February 18, 2015 REWP issued 2,077,079 Class A common shares, representing an initial 59.33% ownership, for $1,500,000, and a promissory note for the principal amount of $381,907 to the Company.

The promissory note bears interest at an interest rate of 18% per annum, compounded monthly. The principal amount and all outstanding interest is due and payable within 30 days from: (i) the date on which REWP receives proceeds of not less than $1,500,000 from the sale of new subordinated debt; or (ii) the date that the Company demands payment, after June 30, 2015. During the three months ended February 28, 2015 the Company recorded $2,072 of interest income.

(Unaudited - Expressed in Canadian Dollars)

5. Long-term Investment and Advances (continued)

As at February 28, 2015 the Company's investment in and advances to REWP are as follows:

	$
Investment in REWP	1,500,000
Promissory note issued by REWP	381,907
	1,881,907
Additional advances, terms to be determined	31,376
	1,913,283
Outstanding interest on promissory note	2,072
	1,915,355

Additional capitalization, including debt and capital contributions of REWP will be required. Although the Company currently owns a 59.33% interest in REWP it does not have majority representation on REWP's board of directors nor is it part of the management of REWP. In addition the Company expects that its ownership interest in REWP will shortly decrease or be diluted to below a 50%. interest. The Company anticipates that it will receive distributions of net income and the Company also anticipates to realize proceeds from the ultimate disposition of its ownership interest in REWP. Accordingly the investment in REWP is accounted for under the equity method.

Subsequent to February 28, 2015 the Company made additional advances of $140,000 to REWP.

6. Property, Plant and Equipment

	Office Furniture and Equipment $	Computer and Telephone Equipment $	Machinery and Equipment $	Vehicles $	Total $
Cost:					
Balance at November 30, 2013	74,131	83,524	148,627	133,468	439,750
Disposals	(729)	(7,930)	(6,461)	(92,030)	(107,150)
Balance at November 30, 2014 and February 28, 2015	73,402	75,594	142,166	41,438	332,600
Accumulated Depreciation:					
Balance at November 30, 2013	69,874	73,204	93,403	57,956	294,437
Depreciation	1,892	5,928	7,561	9,100	24,481
Disposals	(213)	(5,016)	(1,238)	(39,518)	(45,985)
Balance at November 30, 2014	71,553	74,116	99,726	27,538	272,933
Depreciation	446	1,478	1,771	1,391	5,086
Balance at February 28, 2015	71,999	75,594	101,497	28,929	278,019
Carrying Value:					
Balance at November 30, 2014	1,849	1,478	42,440	13,900	59,667
Balance at February 28, 2015	1,403	-	40,669	12,509	54,581

(Unaudited - Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets

	Pelaya Project $
Balance at November 30, 2013	32,977
Exploration Costs	
Consulting	47,561
Foreign value added tax	2,074
Travel	11,851
	61,486
Balance at November 30, 2014 and February 28, 2015	94,463

The Pelaya Copper Project comprises two contiguous applications for concession contracts in the Cesar Department of the Republic of Colombia. New applications were filed with the National Mining Agency of Colombia in January 2014 and are currently under legal and technical reviews.

8. Share Capital

(a) *Authorized Share Capital*

The Company's authorized share capital consisted of an unlimited number of common shares without par value. All issued common shares are fully paid.

(b) *Reconciliation of Changes in Share Capital*

No financings were conducted by the Company during the three months ended February 28, 2015.

During fiscal 2014 the Company completed a private placement financing of 15,000,000 units at a price of $0.085 per unit for gross proceeds of $1,275,000. Each unit comprised one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of $0.11 for a period of three years.

The Company paid finders' fees of $72,000 cash and issued 847,059 non-transferable warrants to the finders. Each warrant entitles the holder to purchase one additional common share of the Company at a price of $0.11 per share, for a period of two years. The $61,042 fair value of the warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: risk-free interest rate of 1.094%; estimated volatility of 82.73%; expected life of 2 years; and expected dividend yield of 0% .

The Company also paid $5,042 for legal costs and filing fees connected with the private placement.

(c) *Warrants*

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at February 28, 2015 and 2014 and the changes for the three months ended on those dates is as follows:

	2015		2014	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning and end of period	15,847,059	0.11	-	-

(Unaudited - Expressed in Canadian Dollars)

8. Share Capital (continued)

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding and exercisable at February 28, 2015:

Number	Exercise Price $	Expiry Date
748,236	0.11	June 20, 2016
98,823	0.11	July 10, 2016
13,352,947	0.11	June 20, 2017
1,647,053	0.11	July 10, 2017
15,847,059		

(d) *Share Option Plan*

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of ten years.

During the three months ended February 28, 2015 and 2014 the Company did not grant any share options or have any share options vest.

A summary of the Company's share options at February 28, 2015 and 2014 and the changes for the three months ended on those dates, is as follows:

	2015		2014	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning of period	785,000	1.37	841,000	1.35
Expired	(150,000)	1.00	(36,000)	0.52
Balance, end of peirod	635,000	1.46	805,000	1.39

The following table summarizes information about the share options outstanding and exercisable at February 28, 2015:

Number Outstanding	Exercise Price $	Expiry Date
345,000	1.00	April 20, 2016
290,000	2.00	August 24, 2016
635,000		

(Unaudited - Expressed in Canadian Dollars)

9. Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) *Transactions with Key Management Personnel*

During the three months ended February 28, 2015 and 2014 the following compensation amounts were incurred with respect to the Company's current and former Chief Executive Officers ("CEO"), the Chief Financial Officer ("CFO") and the Company's former Vice-President of Exploration ("VP Exploration") during their capacity in these positions:

	2015 $	2014 $
Current CEO	15,000	-
Current CFO	7,500	7,500
Former CEOs	-	15,000
Former VP Exploration	-	26,968
	22,500	49,468

During three months ended February 28, 2014, $21,702 of the fees paid to the VP Exploration was expensed to officer and director compensation and $5,266 was capitalized to exploration and evaluation assets.

As at February 28, 2015, $15,000 (2014 - $5,000) remained unpaid and has been included in accounts payable and accrued liabilities.

(b) *Transactions with Other Related Parties*

(i) During the three months ended February 28, 2015 the Company incurred $15,000 (2014 - $15,000) for compensation to the Company's directors, of which $7,500 (2014 - $15,000) was expensed to officer and director compensation and $7,500 (2014 - $nil) was capitalized to long-term investment.

As at February 28, 2015, $2,500 (2014 - $2,500) remained unpaid and has been included in accounts payable and accrued liabilities.

(ii) During the three months ended February 28, 2015 the Company incurred a total of $13,600 (2014 - $5,800) by Chase Management Ltd. ("Chase"), a private corporation owned by the CFO of the Company, for accounting and administration services provided by Chase personnel, excluding the CFO. As at February 28, 2015, $11,900 (2014 - $5,800) remained unpaid and has been included in accounts payable and accrued liabilities.

(Unaudited - Expressed in Canadian Dollars)

10. Segmented Information

Information on reportable segments is a follows:

	February 28, 2015				
	Corporate $	Investments $	Long-term Investment $	Exploration and Evaluation Assets $	Total $
Interest income	12,914	-	-	-	12,914
Loss on sale of investments	-	(2,965)	-	-	(2,965)
Unrealized gain on investments	-	854,793	-	-	854,793
Segment profit (loss)	1,345,424	851,828	-	(1,413,654)	783,598
Segment assets	2,911,499	6,704,650	1,915,355	154,757	11,686,261

	November 30, 2014				
	Corporate $	Investments $	Long-term Investment $	Exploration and Evaluation Assets $	Total $
Interest income	73,182	-	-	-	73,182
Gain on sale of investments	-	78,904	-	-	78,904
Unrealized gain on investments	-	3,891,511	-	-	3,891,511
Segment profit (loss)	605,407	3,970,415		(1,172,243)	3,403,579
Segment assets	3,908,812	5,717,801	1,240,935	167,715	11,035,263

11. Financial Instruments and Risk Management

Categories of Financial Assets and Financial Liabilities

Financial instruments are classified into one of the following four categories: FVTPL; held-to-maturity investments; loans and receivables; and available-for-sale. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	February 28, 2015 $	November 30, 2014 $
Cash	FVTPL	2,878,060	3,857,602
Amounts receivable	Loans and receivables	2,047	2,596
Investments	FVTPL	6,704,650	5,717,801
Long-term investment and advances	Held-to-maturity	1,915,355	1,240,935
Accounts payable and accrued liabilities	Other liabilities	(39,887)	(172,487)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Fair Value

The fair values of the Company's financial assets and liabilities approximates the carrying amounts either due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

(Unaudited - Expressed in Canadian Dollars)

11. Financial Instruments and Risk Management (continued)

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The following is an analysis of the Company's financial assets measured at fair value as at February 28, 2015 and November 30, 2014:

	February 28, 2015		
	Level 1 $	Level 2 $	Level 3 $
Cash	2,878,060	-	-
Investments	5,049,344	1,655,306	-
	7,927,404	1,655,306	-

	November 30, 2014		
	Level 1 $	Level 2 $	Level 3 $
Cash	3,857,602	-	-
Investments	4,393,340	1,324,461	-
	8,250,942	1,324,461	-

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

	Contractual Maturity Analysis at February 28, 2015				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	2,878,060	-	-	-	2,878,060
Amounts receivable	2,047	-	-	-	2,047
Investments	6,704,650	-	-	-	6,704,650
Long-term investment and advances	-	-	1,915,355	-	1,915,355
Accounts payable and accrued liabilities	(39,887)	-	-	-	(39,887)

11. Financial Instruments and Risk Management (continued)

	Contractual Maturity Analysis at November 30, 2014				
	Less than 3 Months $	3 - 12 Months $	1 - 5 Years $	Over 5 Years $	Total $
Cash	3,857,602	-	-	-	3,857,602
Amounts receivable	2,596	-	-	-	2,596
Investments	5,717,801	-	-	-	5,717,801
Long-term investment and advances	-	-	1,240,935	-	1,240,935
Accounts payable and accrued liabilities	(172,487)	-	-	-	(172,487)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and demand deposits bear floating rates of interest. The interest rate risk on cash and subscription held in trust and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company has operations in Canada and Colombia subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian Dollars and Colombian Pesos and the fluctuation of the Canadian dollar in relation to other currencies could have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. However, as the Company does not maintain significant cash balances in foreign currencies and settles any transactions in foreign currencies quickly, its exposure to currency risk is considered insignificant as at February 28, 2015. As such the Company has not hedged its exposure to currency fluctuations.

(c) Equity Price Risk

The Company holds investments in publicly traded equity securities. Market prices for equity securities are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value.

The Company intends to hold its long-term investment for a long period of time so the Company is not affected by short-term price volatility with respect to the investment provided that the underlying business, economic and management characteristics of the investee remains favorable.

(d) Concentration Risk

As at February 28, 2015, $5,758,097 of the Company's portfolio of investments was held in one company. This investment represents 49% of the Company's total assets and poor performance in the market price of this investment could adversely affect the Company's results.

(Unaudited - Expressed in Canadian Dollars)

11. Financial Instruments and Risk Management (continued)

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its investment and resource activities. 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 business. The Company defines capital that it manages as share capital. The Company will continue to assess new investment and property acquisition opportunities as opportunities arise 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 have been no changes to the Company's approach to capital management during the three months ended February 28, 2015. The Company is not subject to any externally imposed capital requirements.

12. Supplemental Cash Flow Information

Non-cash activities conducted by the Company during the three months ended February 28, 2015 and 2014 are as follows:

	2015 $	2014 $
Operating activities		
Accounts payable and accrued liabilities related to exploration and evaluation assets	(2,002)	2,498
Accounts payable and accrued liabilities related to long term investment	(138,639)	-
	(140,641)	2,498
Investing activities		
Accounts payable and accrued liabilities related to exploration and evaluation assets	2,002	(2,498)
Accounts payable and accrued liabilities related to long term investment	138,639	-
	140,641	(2,498)