Acana Capital Corp.

Condensed Consolidated Interim Financial Statements

First Quarter Ended December 31, 2013

Unaudited

Expressed in Canadian Dollars

NOTICE TO READER

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

The accompanying unaudited condensed consolidated interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

Acana Capital Corp.
Condensed consolidated interim statements of financial position
(Unaudited - Expressed in Canadian Dollars)

	Note	December 31, 2013	September 30, 2013
		$	$
Assets			
Current assets			
Cash		970,606	1,363,153
Marketable securities	6	731,399	698,539
Other receivable	9	619,077	548,790
Prepaid		108,190	1,250
		2,429,272	2,611,732
Non-current			
Property for sale	7	2,481,283	2,127,556
Properties	8	9,070,010	8,707,832
Total assets		**13,980,565**	**13,447,120**
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities	11	677,030	467,358
Due to related party	12	15,911	20,984
		692,941	488,342
Non-current liabilities			
Retractable preferred shares	12	8,500,000	8,500,000
Note payable	10	176,451	169,950
Total liabilities		9,369,392	9,158,292
Shareholders' equity			
Share capital	5	2,808,250	2,808,250
Reserves		4,094,963	3,763,990
Deficit		(4,094,210)	(3,979,521)
Equity attributed to shareholders		2,809,003	2,592,719
Non-controlling interests		1,802,170	1,696,109
Total Equity		4,611,173	4,288,828
Total liabilities and shareholders' equity		**13,980,565**	**13,447,120**

Nature of operations and going concern (Note 1)

See accompanying notes to the consolidated financial statements

Approved and authorized for issuance by the Board of Directors on March 1, 2014

"Eugene Beukman"
Director

"Lucky Janda"
Director

Acana Capital Corp.
Condensed consolidated interim statements of comprehensive loss
(Unaudited - Expressed in Canadian Dollars)

		Quarter ended December 31,	
	Note	**2013**	**2012**
		$	$
Rental income	8	18,320	13,364
Rental expenses		2,739	1,826
Net Rental income		15,581	11,538
Expenses			
Amortization		–	11,010
Office and administration		12,331	9,907
Professional fees		5,575	11,061
Property taxes		35,714	–
Trust and filing fees		6,002	7,235
Total operating expenses		59,622	39,213
Lose before other items		(44,041)	(27,675)
Dividends on retractable preferred shares		(106,250)	–
Gain (losses) on marketable securities	6	25,360	(373,169)
Foreign exchange gain (loss) and finance charges		(1,730)	(1,669)
Net loss		(126,661)	(402,513)
Other comprehensive loss:			
Translation gain (loss)		395,506	(5,915)
Comprehensive loss		268,845	(408,428)
Net loss attributable to:			
Equity holders of the Company		(114,689)	(402,513)
Non-controlling interests		(11,972)	–
		(126,661)	(402,513)
Other comprehensive income attributable to:			
Equity holders of the Company		330,973	(5,915)
Non-controlling interests		64,533	–
		395,506	(5,915)
Comprehensive income (loss) attributable to:			
Equity holders of the Company		216,284	(408,428)
Non-controlling interests		52,561	–
		268,845	(408,428)
Loss per share attributable to the equity holders of the Company			
Loss per share, basic and diluted		(0.00)	(0.04)
Weighted average number of outstanding shares, basic and diluted		30,646,670	10,644,496

See accompanying notes to the consolidated financial statements

Acana Capital Corp.

Condensed consolidated interim statements of cash flows

(Unaudited - Expressed in Canadian Dollars)

	Quarter ended December 31,	
	2013	**2012**
Cash (used in) provided by:	$	$
Operating activities		
Loss for the period	(114,689)	(402,513)
Items not involving cash :		
Amortization	-	11,010
Loss (gain) on marketable securities	(25,360)	373,169
Share of loss of non-controlling shareholders	(11,972)	-
Changes in non-cash operating working capital		
Other receivables and prepaid	(102,984)	236
Accounts payable and accrued liabilities	191,123	(757)
Due to related party	(5,208)	-
Cash used in operating activities	(69,090)	(18,855)
Financing activities		
Common shares issued for cash	-	375,000
Issuance of convertible debentures	-	1,000,000
Increase of short-term loan	-	229,688
Issuance of promissory notes	-	710,000
Cash provided by financing activities	-	2,314,688
Investing activities		
Acquisition of marketable securities	(7,500)	(381,665)
Increase of property for sale	(254,884)	-
Acquisition of properties	(16,076)	(1,965,910)
Additon of deferred development cost	(56,674)	-
Cash used in investing activities	(335,134)	(2,347,575)
Effect of holding cash in foreign currency	11,677	-
Decrease of cash	(392,547)	(51,742)
Cash, beginning of year	1,363,153	154,012
Cash, end of year	970,606	102,270
Supplementary information:		
Cash paid for interest	1,730	-
Cash paid for income taxes	-	-

See accompanying notes to the consolidated financial statements

Acana Capital Corp.

Condensed consolidated interim statements of changes in equity

(Unaudited - Expressed in Canadian Dollars except for number of shares)

	Common shares		Preferred shares		Reserve						
	Number	Amount	Number	Amount	Warrant	Loan	Translation gain (loss)	Deficit	Equity attributed to the equity holders of the Company	Non-controlling interests	Total equity
		$			$		$	$	$	$	$
Balance, September 30, 2012	7,546,670	1,653,250	–	–	918,000	–	–	(213,715)	2,357,535	–	2,357,535
Share issuance for cash	7,500,000	375,000	–	–	–	–	–	–	375,000	–	375,000
Translation loss							(5,915)		(5,915)	–	(5,915)
Net loss	–	–	–	–	–	–	–	(402,513)	(402,513)	–	(402,513)
Balance, December 31, 2012	15,046,670	2,028,250	–	–	918,000	–	(5,915)	(616,228)	2,324,107	–	2,324,107

	Common shares		Preferred shares		Reserve						
	Number	Amount	Number	Amount	Warrant reserve	Loan	Translation gain (loss)	Deficit	Equity attributed to the equity holders of the Company	Non-controlling interests	Total equity
		$		$	$	$	$	$	$	$	$
Balance, September 30, 2013	30,646,670	2,808,250	10,250,000	–	918,000	2,664,963	181,027	(3,979,521)	2,592,719	1,696,109	4,288,828
Contribution by minority interest	–	–	–	–	–	–	–	–	–	53,500	53,500
Translation from subsidiaries	–	–	–	–	–	–	330,973	–	330,973	64,533	395,506
Net loss	–	–	–	–	–	–	–	(114,689)	(114,689)	(11,972)	(126,661)
Balance, December 31, 2013	30,646,670	2,808,250	10,250,000	–	918,000	2,664,963	512,000	(4,094,210)	2,809,003	1,802,170	4,611,173

See accompanying notes to the consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Acana Capital Corp. (the "Company") was incorporated on June 18, 2007 in British Columbia, Canada. The Company's principal activity is the acquisition and development of real estate properties. The Company's head office is located at Suite 200 – 8338 120th Street, Surrey, BC, V3W 3N4. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "APB".

Going concern

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at December 31, 2013, the Company is not able to finance its day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful sale or lease of its properties and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and through the issuance of its common and preferred shares. The Company's ability to continue as a going concern requires the continued support of the Chief Executive Officer ("CEO") who is also, along with companies he controls and other related parties, a key shareholder. The CEO and related parties also hold 100% of the redeemable preferred shares (Note 4) and the redemption of the preferred shares at a future date may result in a dissolution or windup of the Company. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements for the first quarter ended December 31, 2013, together with the comparative figures herein have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These condensed interim financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for the year ended September 30, 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments measured at their fair value, and are presented in Canadian dollars, unless otherwise noted.

These consolidated financial statements incorporate the accounts of the Company and its controlled subsidiaries:

Name	Country of incorporation/formation	Ownership percentage as at December 31, 2013
JG Wealth Management Corp.	Canada	100%
* JDLP LLP	USA	50%
Acana Capital USA Inc.	USA	100%
Acana Capital LLC.	USA	100%
Corning 106 LLC	USA	100%
Crocker Acana LLC	USA	100%
Pershing-Churchill LLC	USA	100%

* *The Company has control over the partnership; therefore, it is consolidated and its non-interest is reflected in non-controlling interests in the consolidated statements of financial position.*

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Significant estimates and assumptions

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

Estimates where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and the fair value of the properties and property held for sale.

Significant judgments

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of new accounting standards

During the first quarter ended December 31, 2013, there were no significant changes in the accounting policies that were discussed in Note 3 of the Company's audited annual financial statements for the most recent year ended September 30, 2013 except for the adoption of following new standards commencing October 1, 2013:

IAS 1 – Presentation of Financial Statements amendment issued by the IASB in June 2011 provides improved consistency and clarity of the presentation of items of other comprehensive income. The main change was a requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

IFRS 10 – Consolidated Financial Statements supersedes SIC 12 – Consolidation – Special Purpose Entities and the requirements relating to consolidated financial statements in IAS 27 – Consolidated and Separate Financial Statements. IFRS 10 establishes the principle and application of control as the basis for an investor to identify whether an investor controls an investee and thereby requiring consolidation. This standard is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted.

IFRS 11 – Joint Arrangements establishes the principle a joint arrangement is classified as joint operations or joint ventures based on the rights and obligations of the parties to the joint arrangement, rather than its legal form. This standard is effective for annual periods beginning on or after January 1, 2013.

IFRS 12 – Disclosure of Interests in Other Entities requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. This standard is effective for annual periods beginning on or after January 1, 2013.

IFRS 13 – Fair value measurements establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted.

Effective October 1, 2013, the beginning of the Company's fiscal 2014, the Company adopted all of the above standards. The adoption of these standards did not have a material impact on the condensed consolidated interim financial statements.

Accounting standards issued but not yet in effective

IFRIC 21 – Levies, an interpretation of IAS 37 was issued by the IASB in May 2013 and provides interpretation on when to recognize a liability for a levi imposed by a government and clarifies the criteria for the recognition of a liability. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is still in the process of assessing the impact of the application of IFRIC 21 on the Company's financial statements.

4. RETRACTABLE PREFERRED SHARES

Class B preferred shares - Issued and outstanding

As at December 31 and September 30, 2013, the number of outstanding Class B preferred shares was 8,000,000 (with retractable value of $4,000,000) and the number of outstanding Class B Series A preferred shares was 2,250,000 (with retractable value of $4,500,000). There was no issuance nor redemption in the first quarter of 2014. These Class B preferred shares are held by the Company's CEO and related parties.

The Class B non-voting preferred shares have the following features:

Conversion

Each Class B preferred share is convertible into one common share of the Company at the discretion of the holder. The conversion price will be the average closing price of the Company's common shares during ten trading days before conversion. This conversion right will expire on the second anniversary of the issuance.

Dividends

Cumulative dividends of 5% per annum. Holders are entitled to receive dividends over the holders of the common shares.

Redemption

Class B preferred shares are redeemable for cash at $0.50 per share after the second anniversary of the issuance of the shares at the option of the holder. Class B Series A preferred shares are redeemable for cash at $2 per share after the second anniversary of the issuance of the shares at the option of the holder.

Rights on Liquidation

Holders of the Class B shares shall receive priority over the holders of the common shares on any distribution of the assets of the Company on the voluntary or involuntary liquidation, dissolution or winding-up of the Company.

Per International Accounting Standard ("IAS") 32, "Financial Instruments: Presentation", the substance of a financial instrument, rather than its legal form, governs its classification in an entity's statement of financial position. As the shares include a contractual obligation to deliver cash, the preferred shares have been classified as a financial liability.

As at December 31, 2013, $238,442 (September 30, 2013 - $132,192) in dividends payable have been accrued for and have been included in the Company's accounts payable and accrued liabilities. (Note 11)

5. SHARE CAPITAL

Authorized

Unlimited number of Class A common shares without par value.
Unlimited number of non-voting Class B preferred shares without par value.

Common shares - Issued and outstanding

There was no share issuance nor redemption during the first quarter ended December 31, 2013.

(Unaudited - expressed in Canadian dollars)

5. SHARE CAPITAL (Continued)

Share warrants

The Company did not have outstanding share warrants as at December 31 and September 30, 2013.

Translation reserve

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

Loan reserve

Recorded in the loan reserve is the discount on the convertible debentures issued and settled in prior periods

6. MARKETABLE SECURITIES

As at December 31, 2013 and September 30, 2013, the Company's marketable securities comprise of investments in shares and share purchase warrants of Canadian public companies (Note 12). The Company designates its marketable securities at fair value through profit or loss. The fair value of warrants is determined using a Black–Scholes pricing model. Details are as follows:

September 30, 2013	Cost	Gain (loss)	Fair value
	$	$	$
Common shares	1,533,725	(940,302)	593,423
Warrants	34,500	70,616	105,116
	1,568,225	(869,686)	698,539

December 31, 2013	Cost	Gain (loss)	Fair value
	$	$	$
Common shares	1.541.225	(885,509)	655,716
Warrants	34,500	41,183	75,683
	1,575,725	(844,326)	731,399

The fair value of the warrants was determined using the Black-Scholes option pricing model using the following assumptions:

	December 31, 2013	**September 30, 2013**
Expected life of warrants (years)	0.17 - 4.55	0.21 - 4.77
Annualized volatility	34% - 173%	34% - 173%
Risk-free interest rate	1.19% - 1.69%	1.19% - 1.69%
Dividend rate	0%	0%

(Unaudited - expressed in Canadian dollars)

6. MARKETABLE SECURITIES (Continued)

During the quarter ended December 31, 2013, the Company acquired common shares and share purchase warrants for a cost of $7,500 (quarter ended December 31, 2012 - $381,665). There was no dispositions during the quarter ended December 31, 2013 (quarter ended December 31, 2012 – Nil).

7. PROPERTY HELD FOR SALE

On February 11, 2013, the Company acquired a warehouse building located in Tuscon, Arizona (the "Tuscon Building") from a company controlled by a director of the Company.

In August 2013, the Tuscon Building was vandalized. As at September 30, 2013, the Company has accrued an insurance receivable of $417,248 (Note 9) in connection with the claim made, which has been fully received in the second quarter of fiscal 2014. The Company incurred $254,884 to repair the Tuscon Building during the quarter ended December 31, 2013.

	September 30, 2013	Addition	Effect of foreign exchange	December 31, 2013
	$	$	$	$
Tuscon building	1,954,130	-	85,137	2,039,267
Major repair and renovation	173,426	254,884	13,706	442,016
Total	2,127,556	254,884	98,843	2,481,283

The Company is actively listing the building for sale. Management expects to sell the building in the next 12 months.

8. PROPERTIES

The following table summarizes the properties held by the Company as at December 31 and September 30, 2013:

	September 30, 2013	Acquisition	Deferred development cost	Change of exchange rate	December 31, 2013
	$	$	$	$	$
Shangri La Unit	1,166,062	-	-	-	1,166,062
Crocker Drive Property	232,857	-	-	8,507	241,364
106 Glenn	629,437	-	-	24,078	653,515
860 Corning	2,744,580	-	-	104,987	2,849,567
Vineyard Plaza	2,641,260	-	53,464	102,023	2,796,747
River Road Property	414,616	16,076	-	15,861	446,553
Pershing-Churchill Property	37,444	-	-	1,454	38,898
Bradshaw Residential	556,925	-	3,210	21,629	581,764
Bader Road Lot	284,652	-	-	10,888	295,540
Total	**8,707,833**	**16,076**	**56,674**	**289,427**	**9,070,010**

8. PROPERTIES (Continued)

Shangri La Unit

Shangri La Unit is a residential unit located in University Avenue of Toronto, Canada. On October 1, 2012, the Company entered into a 1 year agreement with a company that has a director common with the Company to lease the Shangri La Unit for $6,107 per month commencing November 1, 2012 (Note 12). Beginning December 1, 2013, the lease changed to a month-to-month basis and may be terminated by either party with 30 days notice.

Crocker Drive Property

On July 31, 2012, the Company acquired a parcel of land for residential purposes in El Corado Hills, California, USA. The Company is in the process of building a plan to develop this property.

106 Glenn

On December 7, 2012, the Company acquired 106 acres of land in Corning, California through its 50% owned limited liability partnership JDLP. The Company's wholly owned subsidiary, Corning 106 LLC, is the general partner of JDLP. The Company intends to begin farming operations on the property in the near future.

860 Corning

On December 26, 2012, the Company acquired 860 acres of land in Corning, California through its 50% owned limited liability partnership JDLP. The Company intends to begin farming operations on the property in the near future.

Vineyard Plaza

On January 25, 2013, the Company completed the acquisition of a parcel of vacant land located in Sacramento, California, USA. Pre-construction costs toward the construction of a gas station are included in the deferred development cost during the quarter ended December 31, 2013.

River Road Property

On January 18, 2013, the Company acquired 74 acres of land located in Sacramento, California, USA from a company controlled by a director of the Company. On November 2013, the Company acquired a parcel of land adjacent to the River Road Property for $16,076.

Pershing-Churchill Property

On February 25, 2013, the Company acquired various parcels of land and related mineral rights in the Pershing County and Churchill County, Nevada, USA from a company controlled by a director of the Company. The mineral rights consist of net smelter return royalties over various mineral claims.

Bradshaw Residential

In April 2013, the Company acquired an approximately 10 acre parcel of land located in Sacramento, California, USA. The Company is in the process of getting a plan to develop this property. Expenditures toward the application of development are included in the deferred development cost during the quarter ended December 31, 2013.

Bader Road Lot

In June 2013, the Company acquired a parcel of land located in Elk Grove, California, USA. The Company is in the process of getting a plan to develop this residential properties.

(Unaudited - expressed in Canadian dollars)

9. OTHER RECEIVABLES

	December 31, 2013	September 30, 2013
	$	$
Sale taxes receivable	1,796	5,752
Receivable from JDLP's 50% partner	200,033	141,163
Insurance proceeds receivable (Note 7)	417,248	401,875
	619,077	548,790

10. NOTE PAYABLE

The Company had a promissory note payable in connection with the acquisition of the Bader Road Lot (Note 8). The outstanding balance as at December 31, 2013 was $176,451($165,000) (September 30, 2013 - $169,950 (US$165,000)). The note bears interest at 4% per annum, is due on June 26, 2016 and is secured by the Bader Road Lot property. Interest payments are due every quarter subsequent to the issuance of the note.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2013	September 30, 2013
	$	$
Trade payables	418,986	320,166
Accrued liabilities	19,602	15,000
Dividends payable	238,442	132,192
	677,030	467,358

12. RELATED PARTY TRANSACTIONS

During the quarter ended September 30, 2013, the Company acquired common shares and warrants of Canadian public companies that have directors or officers in common with the Company with purchase proceeds of $7,500 (2013 first quarter-$40,010).

During the quarter ended December 31, 2013, the Company incurred rent expense of $7,500 (2013 first quarter-$7,500) to a company controlled by a director of the Company.

The Company has an agreement with a company with a director in common to lease the Shangri La Unit (Note 8) for $6,107 per month.

As at September, 2013, the Company owed $15,911 (September 30, 2013-$20,984l) to the spouse of a director of the Company. The amount does not bear any interest, is unsecured and is due on demand.

(Unaudited - expressed in Canadian dollars)

13. SEGMENTS

Operating segments

The Company operates in a single reportable operating segment which is the acquisition and development of investment properties.

Geographic segments

The Company's non-current assets are located in the following countries:

	As at December 31, 2013		
	Canada	United States of America	Total
Property for sale	-	2,481,283	2,481,283
Properties	1,166,062	7,903,948	9,070,010
	1,166,062	10,385,231	11,551,293

	As at September 30, 2013		
	Canada	United States of America	Total
Property for sale	-	2,127,556	2,127,556
Properties	1,166,062	7,541,770	8,707,832
	1,166,062	9,669,326	10,835,388

14. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	December 31, 2013	September 30, 2013
	$	$
Cash	970,606	1,363,152
Financial assets held at fair value through profit and loss:		
Marketable securities	731,399	698,539
Loans and receivable		
Receivable from JDLP's 50% partner	200,033	141,163
Insurance proceeds receivable	417,248	401,875
	2,319,286	2,604,729

(Unaudited - expressed in Canadian dollars)

14. FINANCIAL INSTRUMENTS (Continued)

Financial liabilities included in the statement of financial position are as follows:

	December 31, 2013	September 30, 2013
	$	$
Non-derivative financial liabilities:		
Trade payables	418,986	320,166
Due to related party	15,911	20,894
Note payable	176,451	169,950
Other financial liabilities		
Retractable preferred shares	8,500,000	8,500,000
	9,111,348	9,011,010

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.

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 December 31 and September 30, 2013:

	As at September 30, 2013		
	Level 1	Level 2	Level 3
	$	$	$
Cash	1,363,152	-	-
Marketable securities	593,423	105,116	-
	1,956,575	105,116	-

	As December 31, 2013		
	Level 1	Level 2	Level 3
	$	$	$
Cash	970,606	-	-
Marketable securities	655,716	75,683	-
	1,626,322	75,683	-