ALEXANDRA CAPITAL CORP.

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

Nine Months Ended August 31, 2014

(Expressed in Canadian Dollars)

(Unaudited- Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Alexandra Capital Corp. (the "Company") for the nine months ended August 31, 2014 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"), consistent with International Financial Reporting Standards ("IFRS") appropriate in the circumstances.

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

Dated: October 1, 2014

"Blake Olafson"
Director

ALEXANDRA CAPITAL CORP.
(An exploration stage company)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
EXPRESSED IN CANADIAN DOLLARS

As at	**August 31, 2014**	**November 30, 2013**
ASSETS		
CURRENT		
Cash and cash equivalents	$ 131,651	$ 8,562
Sales tax receivable	5,029	365
Other receivables (Note 3)	2,908	4,575
Prepaid expense	2,600	1,300
Short-term investments (Note 2)	315,000	441,500
	457,188	456,302
Exploration and evaluation assets (Note 4)	35,000	-
Total Assets	$ 492,188	$ 456,302
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 3,354	$ 8,000
SHAREHOLDERS' EQUITY		
Share Capital (Note 5)	645,109	503,109
Contributed Surplus	89,837	89,837
Deficit	(246,112)	(144,644)
	488,834	448,302
Total Liabilities and Shareholder's Equity	$ 492,188	$ 456,302

These financial statements are authorized for issuance by the Board of Directors on October 1, 2014
Approved on behalf of the Board:

"Blake Olafson"	*"Patrick Morris"*
Director	Director

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

ALEXANDRA CAPITAL CORP.

(An exploration stage company)

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS

EXPRESSED IN CANADIAN DOLLARS

	Three Months Ended		Nine Months Ended	
	August 31, 2014	**August 31, 2013**	**August 31, 2014**	**August 31, 2013**
OPERATING EXPENSES				
General office expenses	$ 534	$ 371	$ 894	$ 743
Professional fees (Note 10)	41,482	4,450	77,654	11,200
Rent	300	300	900	900
Stock-based compensation	-	10,907	-	10,907
Transfer agent and filing fees	4,461	3,002	26,597	12,714
	(46,777)	(19,030)	(106,045)	(36,464)
OTHER INCOME				
Interest income	1,061	427	4,577	1,986
NET (LOSS) AND COMPREHENSIVE (LOSS) FOR THE PERIOD	(45,716)	$ (18,603)	$ (101,468)	$ (34,478)
(LOSS) PER SHARE, Basic and Diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, Basic and Diluted	10,718,176	10,094,000	10,302,058	10,094,000

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

ALEXANDRA CAPITAL CORP.

(An exploration stage company)

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

EXPRESSED IN CANADIAN DOLLARS

	Nine Months Ended August 31, 2014	Nine Months Ended August 31, 2013
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net (loss) for the period	$ (101,468)	$ (34,478)
Changes in non-cash working capital items:		
Sales tax receivable	(4,664)	(9)
Prepaid expenses	(1,300)	(2,167)
Other receivables	1,667	(338)
Accounts payable and accrued liabilities	(4,646)	(5,376)
	(110,411)	(42,368)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Common shares issued for cash, net of share issuance costs	142,000	-
Stock-based compensation	-	10,907
	142,000	10,907
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Exploration and evaluation assets expenditures	(35,000)	-
Short-term investments	126,500	25,000
	91,500	25,000
CHANGE IN CASH AND CASH EQUIVALENTS	123,089	(6,461)
Cash and cash equivalents, beginning of period	8,562	12,327
Cash and cash equivalents, end of period	**$ 131,651**	**$ 5,866**

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

ALEXANDRA CAPITAL CORP.

(An exploration stage company)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

EXPRESSED IN CANADIAN DOLLARS

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance at November 30, 2012	10,094,000	$ 503,109	$ 78,930	$ (96,449)	$ 485,590
Net (loss) and comprehensive (loss) for the period	-	-	-	(34,478)	(34,478)
Stock options granted during the period	0	-	10,907	-	10,907
Balance at August 31, 2013	10,094,000	503,109	89,837	(130,927)	462,019
Net (loss) and comprehensive (loss) for the period	-	-	-	(13,717)	(13,717)
Balance at November 30, 2013	10,094,000	503,109	89,837	(144,644)	448,302
Flow-through shares issued at a price of $0.05 per unit	2,400,000	120,000	-	-	120,000
Shares issued for Finder Fee of Flow-through units valued at $0.05 per share	240,000	12,000	-	-	12,000
Shares issued per Option on SB Property valued at $0.05 per share	200,000	10,000	-	-	10,000
Net (loss) and comprehensive (loss) for the period	-	-	-	(101,468)	(101,468)
Balance, August 31, 2014	12,934,000	645,109	89,837	(246,112)	488,834

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

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Alexandra Capital Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on October 17, 2011. The head office, principal address and registered and records office of the Company are located at 2075 West 37th Avenue, Vancouver, B.C., V6M 1N7. The Company does not have any subsidiaries. The Company was a capital pool company as defined by the rules of the TSX Venture Exchange ("TSX-V" or the "Exchange") in Policy 2.4 of the Exchange. Effective August 11, 2014, the Company's principal business activity is the exploration of mineral resources on the Southern Belle or "SB" Property.

On August 11, 2014 the Company completed its qualifying transaction with arm's length vendor (the "Vendor") Eastland Management Limited ("Eastland") and on August 13, 2014 commenced trading on the Exchange as a Tier 2 Mining Issuer**.** The Company has been granted an option to acquire a 100% interest in the Vendor's Southern Belle or "SB" Project by incurring exploration expenditures totaling $100,000 over one year. Additionally, the Company must make cash payments to the Vendor totalling $25,000 (paid) and issue 700,000 shares (200,000 upon Exchange approval (issued), 200,000 on the first anniversary of Exchange approval and 300,000 on or before the second anniversary).

The Company emphasizes that attention should be drawn to matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements have been prepared using accounting principles applicable to a going concern which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The recoverability of capitalized costs on the Southern Belle property is uncertain and dependent upon projects achieving commercial production or sale. The ability of the Company to carry out its business objectives dependent on the Company's ability to receive continued financial support from related parties, to obtain public equity financing, or to generate profitable operations in the future.

	August 31, 2014	November 30, 2013
Working capital	$ 453,834	$ 448,302
Deficit	$ (246,112)	$ (144,644)

These financial statements are authorized for issue by the Board of Directors on October 1, 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These condensed 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 accounting policies set out below have been applied consistently to all periods presented in these financial statements.

These financial statements have been prepared on the historical cost basis except for certain financial instruments classified as fair value through profit or loss ("FVTPL") and available-for-sale which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity of IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. Significant areas requiring the use of management estimates includes:

- The inputs used in assessing the recoverability of deferred tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income;
- the economic recoverability of exploration expenditures incurred and the probability of future economic benefits from these expenditures;
- asset carrying value and impairment charges; and
- the inputs used in accounting for share-based payments such as stock options and agent warrants granted.

Significant judgments used in the preparation of these financial statements include, but are not limited to:

- those relating to the assessment of the Company's ability to continue as a going concern.

Cash and cash equivalents

The Company considers all highly liquid instruments with an original maturity of three months or less at the time of issuance to be cash and cash equivalents. As at August 31, 2014 and November 30, 2013, the Company's cash and cash equivalents consist of cash only.

Exploration and evaluation expenditures

The Company is in the exploration stage with respect to its investment in mineral interests. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs.

These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable resources. The aggregate costs related to abandoned exploration and evaluation assets are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. The recoverability of amounts shown for exploration and evaluation assets is dependent up on the discovery of economically recoverable resources, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition. The Company recognized as income any costs recovered on exploration and evaluation assets when amounts received or receivable are in excess of the carrying amount.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Rehabilitation obligations

The Company recognizes liabilities for statutory, contractual or legal obligations associated with the reclamation of exploration and evaluation assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which they obligation is incurred. Upon initial recognition of the liability, the corresponding asset retirement cost is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of-production method or the straight-line method, as appropriate. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the amount or timing of the underlying cash flows needed to settle the obligation.

As at August 31, 2014, the Company has no asset retirement obligations and accordingly, has not recorded an asset retirement obligation in the financial statements.

Mining Tax Credit

Mining tax credits are recorded in the accounts when there is reasonable assurance that the Company has complied with, and will continue to comply with, all conditions needed to obtain the credits. These non-repayable mining credits are earned in respect to exploration costs incurred in British Columbia, Canada and are recorded as a reduction of the related exploration expenditures.

Flow-through shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for tax purposes by the investors who purchased the shares. The Company adopted a policy whereby the premium paid for flow through shares in excess of the market value of the shares without the flow through features at the time of issue is credited to other liabilities and included in income at the time the qualifying expenditures are made.

A deferred tax liability is recognized in respect of the taxable temporary difference that arises from the difference between the carrying amount of eligible expenditures capitalized as an asset in the statement of financial position and its tax basis. A portion of the deferred tax assets that were not previously recognized are recognized as a recovery of deferred taxes in the statements of operations and comprehensive loss up to the amount of the deferred tax liability upon renunciation.

Short-term investments

Short-term investments are investments which are transitional or current in nature with an original maturity greater than three months and less than twelve months. As at August 31, 2014, short-term investments consist of $20,000 Guaranteed Investment Certificates (“GICs”) with a variable rate of Prime minus 1.95% and maturing on April 28, 2015 and $295,000 GICs with a variable rate of Prime minus 1.80% maturing on November 10, 2014.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred financing costs

Costs directly identifiable with the raising of capital will be charged against the related capital stock. Costs related to shares not yet issued are recorded as deferred financing costs. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued.

Share Purchase Warrants

The Company bifurcates units consisting of common shares and share purchase warrants using the residual value approach whereby it first measures the common share component of the unit at fair value using market prices as input values and then allocates any residual amount to the warrant component of the unit. The residual value of the warrant component is credited to reserves. When warrants are exercised, the corresponding residual value is transferred from reserves to share capital. During the period ended August 31, 2014, $nil was allocated to warrant.

Share-based payment

The Company recognizes share-based payment expense for the estimated fair value of equity-based instruments granted to both employees and non-employees. Compensation expense is recognized when the options are granted with the same amount being recorded as contributed surplus. The expense is determined using an option pricing model that takes into account the exercise price, the term of the option, the current share price, the expected volatility of the underlying shares, the expected dividend yield, and the risk free interest rate for the term of the option. If the options are exercised, contributed surplus will be reduced by the applicable amount. Share-based payment calculations have no effect in the Company's cash position.

Comprehensive income/loss

Comprehensive income/loss is the change in the Company's shareholders' equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. Certain gains and losses are presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings.

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The Company's financial instruments consist of cash and cash equivalents, sales tax receivable, other receivables, short term investments and accounts payable and accrued liabilities. Cash and cash equivalents and short term investments are classified as fair value through profit or loss and recorded at fair value. Other receivables are classified as loans and receivables and recorded at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. The fair value of cash, other receivables and accounts payable and accrued liabilities are approximate their carrying value due to their short-term nature.

Financial Assets

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 held for trading unless they are designed as effective hedges. Financial assets at FVTPL are initially recognized, and subsequently carried, at fair value, with changes recognized in profit or loss. Transaction costs are expensed. Cash and cash equivalents and short-term investments are classified as financial assets at fair value through profit or loss and measured at fair value. Gains and losses related to periodical evaluations are recorded in net income.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Financial Liabilities

Financial liabilities are classified into one of two categories:

a) Fair value through profit or loss; and

b) Other financial liabilities

Fair value through profit or loss

This category comprises of derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with the changes in fair value recognized in the statements of comprehensive loss.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Effective interest method

The effective interest method calculates the amortized cost of a financial asset and allocates 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, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. 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 assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a 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.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets. 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 was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

The Company classified its cash as FVTPL which is measured at fair value. Other receivables is classified as loans and receivable and measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which is measured at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences do not result in deferred tax assets or liabilities: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities in a transaction that is not a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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. Parties are also considered to be related if they are subject to common control, 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.

Changes in accounting policies

Effective December 1, 2013, the Company has adopted the following new and revised standards, along with any consequential amendments:

IAS 1 Presentation of Financial Statements
The amendments to IAS 1 introduced a grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never by reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Company’s financial results.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Changes in accounting policies (continued)

IAS 32 Financial Instruments: Presentations and IFRS 7 Financial Instruments: Disclosure
The amendment to IAS 32 clarified the offsetting criteria for financial assets and liabilities. The related amendment to IFRS 7 introduced disclosure on financial assets that were offset in accordance with IAS 32 and master netting or similar arrangements. The revised IAS 32 had no impact on the Company's offsetting of financial assets and liabilities. The revised IFRS 7 had no impact on the Company's financial results.

IFRS 13 Fair Value Measurement
IFRS 13 improves consistency and reduces complexity of fair value measurements by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. In accordance with the transitional provisions, IFRS 13 has been applied prospectively from December 1, 2013. The adoption of IFRS 13 did not have an impact on the measurement of the Company's assets and liabilities.

Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of 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 the financial statements to be material.

IFRS 2 Share-based payment
The amendments to IFRS 2, issued in December 2013 clarify the definition of "vesting conditions", and separately define a "performance condition" and a "service condition". A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014.

IFRS 3 Business combinations
The amendments to IFRS 3, issued in December 2013, clarify the accounting for contingent consideration in a business combination. At each reporting period, an entity measures contingent consideration classified as an asset or a financial liability at fair value, with changes in fair value recognized in profit or loss. The amendments are effective for business combinations for which the acquisition date is on or after July 1, 2014.

IFRS 7 Financial instruments: disclosures and IAS 32 Financial instruments: presentation
Financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014.

EXPRESSED IN CANADIAN DOLLARS

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards issued but not yet effective (continued)

IFRS 9 Financial instruments
IFRS 9 was issued in November 2009 and subsequently amended as part of an ongoing project to replace IAS 39 Financial instruments: Recognition and measurement. The standard requires the classification of financial assets into two measurement categories based on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The two categories are those measured at fair value and those measured at amortized cost. The classification and measurement of financial liabilities is primarily unchanged from IAS 39. However, for financial liabilities measured at fair value, changes in the fair value attributable to changes in an entity's "own credit risk" is now recognized in other comprehensive income instead of in profit or loss. This new standard will also impact disclosures provided under IFRS 7 Financial instruments: disclosures. In November 2013, the IASB amended IFRS 9 for the significant changes to hedge accounting. In addition, an entity can now apply the "own credit requirement" in isolation without the need to change any other accounting for financial instruments. The mandatory effective date of January 1, 2015 has been removed to provide sufficient time for preparers of financial statements to make the transition to the new requirements.

IAS 24 Related party disclosures
The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014.

IAS 36 Impairment of assets
The amendments to IAS 36, issued in May 2013, require: Disclosure of the recoverable amount of impaired assets; and Additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014.

3. OTHER RECEIVABLES

A summary of other receivables is as follows:

Description	August 31, 2014	November 30, 2013
	$	$
Interest receivable	2,908	4,575
	2,908	4,575

EXPRESSED IN CANADIAN DOLLARS

4. EXPLORATION AND EVALUATION ASSETS

Southern Belle ("SB") Property, British Columbia

On February 17, 2014, the Company entered into an Option Agreement with with Qualitas Holdings Corp. whereby the Corporation acquired an option to earn an undivided 100% interest in and to the eight (8) mineral claims comprising the Southern Bell ("SB") Project, located approximately 25 kilometres west of Merritt, British Columbia totaling 3,517 hectares. The Option Agreement was amended on May 2, 2014 to substitute Eastland Management Ltd. for Qualitas Holdings Corp. as optionor of the claims.

To earn a 100% interest in the Southern Belle Project the Company must incur exploration expenditures totaling $100,000 on or before the first anniversary of the date of Exchange approval (August 11, 2014). Additionally, the Company must make cash payments to Eastland Management Ltd. totalling $25,000 (paid) and issue 700,000 shares (200,000 upon Exchange approval (issued), 200,000 on the first anniversary of Exchange approval and 300,000 on or before the second anniversary).

Expenditures

The Company expenses exploration and evaluation expenditures in the period incurred. Expenditures for the periods ended August 31, 2014 and 2013 and cumulative expenditures are as follows:

Southern Belle Property– British Columbia	**August 31, 2014**	**August 31, 2013**	**Cumulative**
Acquisition costs	$35,000	-	$35,000
Analysis – assay costs	-	-	-
Field Supplies and expenses	-	-	-
Contractors – field crew, supervision and reports	-	-	-
Travel, accommodation & meals	-	-	-
	$35,000	**-**	**$35,000**

5. SHARE CAPITAL

(a) *Authorized: Unlimited number of common shares without par value.*

On November 10, 2011, the Company issued 10,000,000 seed common shares at a price of $0.05 per share for total proceeds of $500,000 to directors of the Company. On February 29, 2012, the Company repurchased 2,000,000 previously issued common shares of the Company at $0.05 per share for $100,000. These shares are subject to an escrow agreement, are held by the Company's escrow agent, and are to be released in accordance with the TSX Venture Exchange policy guidelines.

5. SHARE CAPITAL (continued)

(a) *Authorized: Unlimited number of common shares without par value.* (continued)

On May 1, 2012, the Company completed its initial public offering of 2,000,000 common shares at a purchase price of $0.10 per share for aggregate gross proceeds to the Company of $200,000. Canaccord Genuity Corp. acted as agent in respect of the offering and received a cash commission of $20,000, a corporate finance fee of $10,000 and 200,000 agents' warrants, exercisable for a period of two years from the date after the listing of the common shares of the Company on the TSX Venture Exchange (May 1, 2012), at an exercise price of $0.10 per common share. In connection with the issuance of agent warrants, the Company recognized $11,226 of the fair value of agent's warrants to share issuance costs (Note 5(e)).

On May 4, 2012, 94,000 agent's warrants were exercised for gross proceeds to the Company of $9,400 and $5,276 was reclassified to share capital upon exercise of agent's warrants.

On August 11, 2014, concurrent with the completion of the Qualifying Transaction, the Company completed a non-brokered private placement (the "Offering") of an aggregate of 2,400,000 flow-through units (the "Units") at a price of $0.05 per Unit for gross proceeds of $120,000.00. Each Unit consists of one flow-through common share and one share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.10 for five years from closing of the Offering. A finder's fee of 240,000 non flow-through units was paid in connection with the private placement. The common shares granted as the finder's fee were assigned a value of $0.05 a share ($12,000) being the deemed fair market value of the stock on the date that the shares were issued. All securities issued with respect to the Offering are subject to a hold period expiring December 11, 2014.

The fair value of the common share component of the Units at the date of issuance was $0.05 being equal to market price therefore the Company allocated the entire $132,000 to common shares and nil to warrants.

Pursuant to the Option Agreement, on August 11, 2014 the Company issued 200,000 common shares to Eastland Management Ltd. The shares were assigned a value of $0.05 a share ($10,000) being the deemed fair market value of the stock on the date that the shares were issued.

(b) Escrowed shares

In accordance with the TSX Venture Exchange CPC policy guidelines, all seed shares issued at a price lower than the price of the Initial Public Offering (IPO) shares, all securities acquired by non-arm's length parties to the Company, and all securities acquired by a Control Person are held in escrow and will be released over a period of three years from the acceptance of the Company's Qualifying Transaction.

EXPRESSED IN CANADIAN DOLLARS

5. SHARE CAPITAL (continued)

(b) Escrowed shares (continued)

As at August 31, 2014 the Company has 7,200,000 (November 30, 2013: 8,000,000) common shares held in escrow. These common shares held in escrow are released as follows: 10% (800,000 common shares) released on the date of the Final Exchange Bulletin (August 12, 2014) and 15% (1,200,000 common shares) released every six months thereafter.

(c) Stock Options

On May 1, 2012, the Company granted its three directors an aggregate of 1,000,000 stock options, vesting immediately. Each option allows the holder to purchase one common share of the Company at an exercise price of $0.10 per common share (equal to market price at the date of grant) for a period of ten years from the date of grant. The Company expensed $72,980 share-based payment as the result of granting the above noted stock options. On July 24, 2013, a director resigned and surrendered to the Company for cancellation 125,000 stock options. At August 31, 2014, these stock options have a weighted average remaining contractual life of 7.67 years.

On July 30, 2013, the Company granted 125,000 stock options to a new director, exercisable at a price of $0.15 per share for a period of ten years from date of grant. These options vested immediately upon granting. The Company expensed $10,907 share-based payment as the result of granting the stock options. At August 31, 2014, these stock options have a weighted average remaining contractual life of 8.92 years.

Stock option transactions and the number of stock options outstanding as at August 31, 2014 are summarized as follows:

	Number of Options	**Weighted Average Exercise Price**
Balance, November 30, 2013	1,000,000	$ 0.12
Granted during the year	-	$ Nil
Balance, August 31, 2014	**1,000,000**	**$ 0.12**

Option-pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates and therefore, in management's opinion, existing models do not necessary provide reliable measure of the fair value of the Company's stock options.

The fair market value of the 125,000 stock options granted during the 2013 fiscal year was estimated at $0.09 per stock option by using Black-Scholes fair value option-pricing model and the following assumptions were used:

	November 30, 2013
Risk-free interest rate	1.15%
Expected life of stock options	3 years
Annualized volatility	92.00%

5. SHARE CAPITAL (continued)

(d) Flow-through shares

Proceeds from common shares issued pursuant to flow-through financings are credited to capital stock. Once incurred, these expenditures are included in exploration and evaluation assets, but are not available as a tax deduction to the Company as the tax expenditures have been renounced to the investors. During the period ended August 31, 2014 there was no premium paid for flow through shares that is in excess of the market value of the shares without the flow through features at the time of issuance. A cash total of $120,000 of the private placement funds derived during the period ended August 31, 2014 was by way of flow-through common shares issuances.

(e) Share Purchase Warrants

Pursuant to its initial public offering, the Company issued 200,000 Agent's warrants in accordance with the agency agreement dated March 28, 2012. The Agent's warrants were granted to the agent with an exercise price of $0.10 per share (equal to market price at the date of grant) and vested immediately. On May 4, 2012 the agent exercised 94,000 stock options for proceeds to the Company of $9,400.

The fair value of the agent's warrants granted to the agent was estimated at the date of granting using the Black-Scholes option pricing model with the following assumptions: risk free interest rate of 1.33%, volatility factor of 108.11%, and a weighted average expected life of 2 years. The grant date fair value of agent's options granted is $0.097and the Company recognized $11,226 as share issuance costs. On May 1, 2014, the remaining 106,000 warrants granted to the agent in connection with the Company's initial public offering expired unexercised.

On August 11, 2014, the Company completed of a non-brokered private placement (the "Offering") of an aggregate of 2,400,000 flow-through units (the "Units") at a price of $0.05 per Unit for gross proceeds of $120,000.00. Each Unit consists of one flow-through common share and one share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.10 for five years from closing of the Offering. A finder's fee of 240,000 non flow-through units was paid in connection with the private placement. All securities issued with respect to the Offering are subject to a hold period expiring December 11, 2014. The fair value of the common share component of the Units at the date of issuance was $0.05 being equal to market price therefore the Company allocated the entire $132,000 to common shares and nil to warrants.

EXPRESSED IN CANADIAN DOLLARS

5. SHARE CAPITAL (continued)

(e) Share Purchase Warrants (continued)

Share purchase warrant transactions and the number of share purchase warrants outstanding as at August 31, 2014 are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price	Expiry Date
Balance, November 30, 2013	**106,000**	**$0.10**	May 1, 2014
Expired During the Period	(106,000)	$0.10	May 1, 2014
Granted During the period	2,640,000	$ 0.10	August 11, 2019
Balance, August 31, 2014	**2,640,000**	**$0.10**	

As at August 31, 2014, the above noted share purchase warrants have a weighted average remaining contractual life of 4.95 years.

6. FINANCIAL RISK MANAGEMENT

The Company's financial assets consist of cash and cash equivalents, short-term investments and interest receivable. The estimated fair values of cash and cash equivalents, short-term investments and interest receivable approximate their respective carrying values due to the short period to maturity.

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:

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

For the periods ended August 31, 2014 and 2013, the Company's cash and cash equivalents and short term investments are classified as Level 1.

6. FINANCIAL RISK MANAGEMENT (continued)

The Company is exposed to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of counterparty limits, controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The Company believes that these sources will be sufficient to cover the likely short-term cash requirements. The Company's cash and cash equivalents are currently invested in business accounts which are available on demand by the Company for its operations.

Interest Rate Risk

The Company invests part of the cash balance in variable rate GICs at rate of Prime minus 1.80% and 1.95%. Any change to market rates result in interest rate risk. The exposure to interest rate risk, however, is limited due to the short term nature of variable rate GIC.

Foreign Exchange Risk

The Company's functional and reporting currency is the Canadian dollar. Occasional transactions may occur internationally giving rise to exposure to changes in foreign exchange rates. The currency risk is derived primarily from payments related to investing activities denominated in currencies other than the Canadian dollar. To limit the impact of fluctuations of the Canadian dollar over the foreign currencies, the Company matches, in general and when possible, the cash receipts in a foreign currency with the cash disbursements in the same foreign currency. The Company does not use derivative financial instruments to cover the variability of cash flows in foreign currencies.

Credit Risk

Credit risk is the risk of a loss in a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk is limited to its cash and cash equivalents and short-term investments. The Company limits its exposure to credit risk by holding its cash and cash equivalents and short-term investments in deposits with high credit quality Canadian financial institutions.

7. 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 the acquisition and exploration of mineral 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 business. The Company defines capital that it manages as share capital and cash equivalents.

7. CAPITAL MANAGEMENT (continued)

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on equity financing to fund its activities.

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 period ended August 31, 2014.

8. SEGMENTED INFORMATION

The Company operates in one operating segment, that being the exploration of mineral properties. The Company's corporate offices are located in Canada and its mineral exploration activities are conducted in British Columbia, Canada.

9. COMMITMENT

See note 4.

10. RELATED PARTY TRANSACTIONS

Balances and transactions with related parties not disclosed elsewhere in these interim financial statements are as follows:

(a) For the period ended August 31, 2014, the Company incurred accounting and administrative services and filing fees of $11,785 to a company owned by one of its directors (2013 - $5,060).

(b) A director of the Company provides us with office space in which we conduct business on our behalf. The Company is charged $100 per month for use of the office space with a total of $900 for the period ending August 31, 2014 (2013 - $900).

(c) See Note 5 (c).