Copper Lake Resources Ltd.

(formerly, White Tiger Mining Corp.)
An Exploration Stage Company

Interim Financial Statements
For the three month period ended January 31, 2015

Expressed in Canadian dollars

Contact Information :
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Management's Comments on Unaudited Interim Financial Statements

The accompanying unaudited interim financial statements of Copper Lake Resources Ltd (formerly, White Tiger Mining Corp.) for the three months ended January 31, 2015 have been prepared by management, reviewed by the Audit Committee and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited interim financial statements for the three month period ended January 31, 2015.

Copper Lake Resources Ltd.
(formerly, White Tiger Mining Corp.)
Statement of Financial Position
(Unaudited)

	Notes	As at January 31, 2015	As at October 31 2014
		$	$
Assets			
Current assets			
Cash and cash equivalents		18,124	34,557
Accounts receivables		7,882	5,758
Prepaid expenses		6,900	9,519
		32,906	49,834
Deposits		2,457	2,457
Exploration and evaluation assets	4	4,403,653	4,403,653
Total assets		**4,439,016**	**4,455,944**
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		223,511	282,381
Loan payable		300,000	200,000
		523,511	482,381
Shareholders' equity			
Capital stock	6	11,590,218	11,590,218
Reserves	6	791,950	791,950
Deficit		(8,466,663)	(8,408,605)
		3,915,505	3,973,563
Total liabilities and shareholders' equity		**4,439,016**	**4,455,944**

Going concern (note 1)
Related party transactions (note 5)

Approved and authorized by the Board on March 31, 2015.

"Ed Yurkowski" Director
Ed Yurkowski

"Brian Kynoch" Director
Brian Kynoch

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
(formerly, White Tiger Mining Corp.)
Interim Statement of Comprehensive Loss
(Unaudited)

	Three months ended	
	January 31, 2015	**January 31, 2014**
	$	**$**
General and administrative		
Consulting fees	27,750	45,675
Professional fees	7,692	18,442
Office and miscellaneous	4,534	11,599
Rent	3,511	11,416
Wages and benefits	-	11,659
Transfer agent fees	6,253	4,143
Administration fees	-	6,000
Interests	8,318	925
Loss from operations	**(58,058)**	**(109,859)**
Interest income	-	69
Other income	-	18,520
Net gain (loss) and comprehensive gain (loss)	**(58,058)**	**(91,270)**
Weighted average shares outstanding		
Basic	37,866,282	37,466,282
Diluted	37,866,282	37,466,282
Loss per share		
Basic	(0.00)	(0.00)
Diluted	(0.00)	(0.00)

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
(formerly, White Tiger Mining Corp.)
Interim Statement of Changes in Shareholders' Equity
(Unaudited)

	Capital stock		Share-based payment reserve	Residual value of warrant reserve	Deficit	Total
	Shares	**Amount**				
		$	**$**		**$**	**$**
Balance, October 31, 2014	38,266,282	11,590,218	774,887	17,063	(8,408,605)	3,973,563
Net loss and comprehensive loss	-	-	-		(58,058)	(58,058)
Balance, January 31, 2015	38,266,282	11,590,218	774,887	17,063	**(8,466,663)**	**3,915,505**
Balance, October 31, 2013	37,866,282	11,566,218	774,887	17,063	(8,431,837)	3,926,331
Net loss and comprehensive loss	-	-	-	-	(91,270)	(9,270)
Balance, January 31, 2014	**37,466,282**	**11,566,218**	**774,887**	**17,063**	**(8,523,107)**	**3,835,061**

The accompanying notes are an integral part of these financial statements

Copper Lake Resources Ltd.
(formerly, White Tiger Mining Corp.)
Interim Statement of Cash Flows
(Unaudited)

	Three months ended	
	January 31, 2015	**January 31, 2014**
	$	
Cash flows (used in) from operating activities:		
Net income (loss) and comprehensive income (loss) for the period	(58,058)	(91,270)
Settlement of accounts payable and accrued liabilities	-	-
Change in non-cash working capital items:		
Accounts receivable	(2,124)	107
Prepaid expenses	2,619	1,300
Accounts payable and accrued liabilities	(58,870)	100,971
	(116,433)	**11,108**
Cash flows (used in) from investing activities:		
Expenditures on exploration and evaluation assets, net of recoveries		
Deposits	-	-
Exploration advances	-	(7,500)
Exploration and evaluation asset expenditures	-	(1,350)
	-	**(8,850)**
Cash flows from financing activities:		
Loan advances	100,000	-
Proceeds on issuance of capital stock	-	-
	100,000	**-**
Increase (decrease) in cash and cash equivalents	(16,433)	2,258
Cash and cash equivalents, beginning of period	34,557	10,018
Cash and cash equivalents, end of period	**18,124**	**12,276**

The accompanying notes are an integral part of these financial statements

1. Nature of business and going concern

Copper Lake Resources Ltd. (formerly, White Tiger Mining Corp.) (the "Company") was incorporated under the laws of the Province of British Columbia and is in the business of exploration and development of mineral resource properties. The address of the Company's head office is suite 232 – 4664 Lougheed Highway, Burnaby, BC. On September 23, 2014 White Tiger Mining Corp. received TSX Venture Exchange acceptance and officially changed its name to Copper Lake Resources Ltd. The Company's shares are listed on the TSX Venture Exchange under the trading symbol CPL.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Management believes the Company will be successful at securing additional funding so that its capital resources will be sufficient to carry its operations through the next twelve months and intends to continue the exploration of its Norton Lake and Marshall Lake properties and to continue additional exploration programs on its other mineral properties; however, there are several conditions that cast significant doubt on the Company's ability to continue as a going concern, including that the Company has incurred significant operating losses over the past several fiscal years (2013: $749,141; 2012: $1,239,026), is currently financed but unable to self-finance operations in the long term, and has a deficit of $8,466,663, has limited resources, no source of operating cash flows and no assurances that sufficient funding will be available to conduct further exploration and development of its mineral property projects. The recoverability of amounts shown for mineral properties is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production or proceeds from disposition of mineral properties.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and maintain its mineral interests.

2. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance 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").

The policies applied in these financial statements are based on IFRS issued and outstanding as of January 31, 2015. The Board of Directors approved the financial statements for issue on March 31, 2015.

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain non-current assets and financial instruments, which are measured at fair value as explained in the accounting policies set out in Note 3.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the impairment of assets.

<u>Critical accounting estimates:</u>

Recoverability of asset carrying values

The Company assesses its exploration and evaluation assets for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable, at each reporting period. The assessment of any impairment of property and equipment and exploration and evaluation assets is dependent upon estimates of recoverable amounts that take into account factors such as reserves, economic and market conditions, timing of cash flows, the useful lives of assets and their related salvage values.

3. Significant accounting policies

The following are a list of significant accounting policies used by the Company.

a) Cash and cash equivalents

Cash and cash equivalents includes highly liquid instruments with original maturities of 90 days or less and that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

b) Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statements of loss and comprehensive loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statements of loss and comprehensive loss.

Transactions costs associated with fair value through profit or loss financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

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

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost using the effective interest method. The Company’s accounts payable and accrued liabilities are classified as other financial liabilities.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

c) Exploration and evaluation assets

The Company is in the exploration stage with respect to its investment in exploration and evaluation assets and accordingly follows the practice of capitalizing all costs upon obtaining the legal right to explore relating to the acquisition of, exploration for and evaluation of mineral claims and crediting all proceeds received against the cost of the related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment, or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a exploration and evaluation asset is subsequently reversed when new exploration results or actual or

potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount, but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on exploration and evaluation assets when amounts received or receivable are in excess of the carrying amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets. At such time as commercial production commences, these costs are reclassified as mining assets and will be charged to operations on a unit-of-production method based on proven and probable reserves.

All capitalized exploration and evaluation expenditure is monitored for indications of impairment at each financial position reporting date. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations.

Although the Company has taken steps to verify the title to exploration and evaluation assets in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

d) Impairment

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of loss and comprehensive loss.

e) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

<u>Flow-through shares:</u>

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital.

Upon expenditures being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration and expenditures within a two-year period. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with the Government of Canada flow-through regulations. When applicable, this tax is accrued and as an expense until paid.

f) Share based payment transactions

The Company's stock option plan allows employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Share-based payments to non-employees are measured at the fair value of the goods or services received or at the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

The fair value is measured at grant date, and each tranche is recognized on the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. The fair value of the options is accrued and charged either to operations or exploration and evaluation assets, with the offset credit to

share-based payments reserve, over the vesting period. If and when the stock options are exercised, the applicable amounts from share-based payments reserve are transferred to capital stock.

The Black-Scholes option valuation model used by the Company to determine fair values of options and similar financial instruments requires the input of highly subjective assumptions including future stock volatility and expected time until exercise. Changes in the subjective input assumptions can materially affect the fair value estimate.

g) Loss per share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common shares. The dilutive effect on loss per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

h) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. 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 as equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided 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 are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable profit; nor 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 statement of financial position 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. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it will not be recognized. Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

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.

New and amended standards adopted by the Company

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 November 2013 and do not have a material impact on the Company:

- Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to Company items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).
- IFRS 11, 'Joint arrangements' focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint arrangements is no longer permitted.
- IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity 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, which are largely aligned between IFRSs and US GAAP, 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 IFRSs.

i) New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 November 2014, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Company, except the following set out below:

- Amendments to IAS 36, 'Impairment of assets' on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. The amendment is not mandatory for the Company until 1 November 2015.
- IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact. The Company will also consider the impact of the remaining phases of IFRS 9 when completed by the Board. This standard is not mandatory until January 1, 2018.
- There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

4. Exploration and development assets

Realization of assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of the exploration and the development of a mineral property, the potential for production on the property may be diminished or negated.

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. However, such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

The Company has entered into agreements to acquire, explore and develop certain mineral properties located in certain regions of Canada. Several aboriginal groups are claiming inextinguishable aboriginal title to the lands and resources in these regions, which may include one or more of the mineral claims beneficially owned by the Company. The extent to which any successful aboriginal claim would materially affect the ability of the Company to exploit its mineral properties is not determinable at this time.

Norton Lake Property

The Company entered into a Joint Venture Assignment Agreement dated on January 21, 2009 with Cascadia International Resources Inc. of Calgary, Alberta ("Cascadia'), pursuant to which Cascadia assigned its 51% joint venture interest in the Norton Lake property to the Company for the sum of $300,000. The other joint venture partners are Rainy Mountain Royalty Corp. ("Rainy Mountain"), a company with certain common directors, and Trillium North Minerals Ltd ("Trillium"). The property is located north of Thunder Bay, Ontario and the Company is the operator. The Norton Lake Project consists of two properties, namely, the Norton West Property (the principal property) and the Norton East Property. Joint venture expenditures are being recorded by each joint venture partner on a cash call basis and as a result of the programs completed by the Company on the Norton West Property, the Company had a 57.6% interest in the Norton West Property (with Rainy Mountain having a 32.6% interest and Trillium having a 9.8% interest) and a 51% interest in the Norton East Property (with Rainy Mountain having a 9.8% interest and Trillium having a 39.2% interest). By agreement dated February 21, 2012, the Company, Rainy Mountain and Trillium combined and consolidated their respective interests in the Norton West and Norton East Properties, and as a result, the Company has a 57.6% interest in the combined Properties (with Rainy Mountain having a 32.6% interest and Trillium having a 9.8% interest).

Marshall Lake Property

The Company entered into an option agreement dated July 6, 2010 with Rainy Mountain Royalty Corp. ("Rainy Mountain") and Marshall Lake Mining PLC of London, England, whereby the Company was granted an option to acquire up to a 50% joint venture interest in certain mining claims that comprise the Marshall Lake property located north-northeast of Thunder Bay, Ontario. The Marshall Lake property is a copper, gold, silver and zinc exploration property and consists of certain unpatented mining and leased claims. Under the option agreement, the Company is required to incur $4,000,000 in expenditures on the property over five years and issue 2,000,000 shares over a four year period (400,000 issued in fiscal 2010 at a value of $88,000, 400,000 issued in fiscal 2011 at a value of $104,000; 400,000 issued in fiscal 2012 at a value of $60,000 and 400,000 issued in fiscal 2013 at a value of $20,000 and 400,000 issued in fiscal 2014 at value of $24,000). The Company will earn a 12.5% joint venture interest in the Marshall Lake property for every $1,000,000 in expenditures incurred and for every 400,000 shares issued (except for the initial 12.5% interest whereby the Company was required to issue 800,000 shares to Rainy Mountain). Additionally, once the Company has completed its share issuance and spending requirements, it has the additional option to increase its joint venture interest to 75% by incurring such additional property expenditures as are necessary to take the Marshall Lake property to bankable feasibility stage. As at October 31, 2014, the Company has earned a 37.5% joint venture interest in the Marshall Lake project as they have spent the required additional $1,000,000 in expenditures per the agreement and issued 400,000 shares on August 15, 2014. Management has sent a letter of notification to Rainy Mountain informing them of this increased ownership. Rainy Mountain has yet to confirm the Company's increased interest in Marshall Lake.

5. Related party transactions

Companies controlled by common directors
The Company paid or accrued the following costs incurred on transactions with the companies, controlled by the common directors:

	Three months ended January 31, 2015	Three months ended January 31, 2014
Administrative services	-	6,000
Consulting fees	27,250	40,675
Interests	8,318	756
Professional fees	-	12,750
Rent	3,511	11,416
Wages and benefits	-	11,308
	39,079	82,905

Key management personnel compensation
Key management includes directors and other key personnel, including the CEO, President and CFO, who have authority and responsibility for planning, directing, and controlling the activities of the Company. The compensation paid to these key management personnel for the three months ended January 31, 2015 and 2014 is outlined below:

	Three months ended January 31, 2015	Three months ended January 31, 2014
Consulting fees	27,250	40,675
Professional fees	-	12,750
	27,250	53,425

Included in accounts payable and accrued liabilities as at January 31, 2015 is $44,492 (2014 - $372,137) owed to companies controlled by directors or companies having certain common directors.

Included in deposits at January 31, 2015 is $2,457 (2013- $26,000) as office rent deposit.

The Company entered into a loan agreement, dated July 19, 2013, pursuant to which it received $25,000 for working capital purposes. The loan was provided by a company controlled by a form director and was for a term of 1 year with interest at a rate of 1% per month (12% per annum) and a loan facility fee of $1,000.

The Company entered into a loan agreement, dated March 31, 2014, pursuant to which the lender has agreed to loan the Company an additional $75,000 for a total of $100,000 for working capital purposes. The loan was provided by a company controlled by a former director of the Company, and any advances under the loan agreement will be repayable within 1 year of such advance and with interest at a rate of 1% per month (12% per annum). As of May 31, 2014, $100,000 has been advanced to the Company by the lender.

As of July 22, 2014, the loan has been assigned to Prairie Enterprise (Alberta) Ltd, accompany controlled by a different director.

The Company entered into an amended loan agreement, dated September 2, 2014, pursuant to which the lender has agreed to loan the Company an additional $100,000 for a total of $200,000 for working capital purposes. The loan was provided by a company controlled by a director of the Company, and any advances under the loan agreement will be repayable within 1 year of such advance and with interest at a rate of 1% per month (12% per annum). As of September 16, 2014, an additional $100,000 has been advanced to the Company by the lender with interest at a rate of 1% per month (12% per annum).

6. Capital stock

Authorized

Unlimited number of common shares, without par value
Unlimited number of preferred shares, without par value

Options

The following table summarizes the changes in the Company's stock options for the reporting period:

	Three months ended January 31, 2015	
	Number of options	**Weighted average exercise price**
Outstanding and exercisable, beginning of year	920,000	$0.21
Expired	-	-
Exercised	-	-
Outstanding and exercisable, end of the period	920,000	

The following summarizes information about stock options outstanding and exercisable at January 31, 2015:

		Number of Options		
	Expiry Date	January 31, 2015	October 31, 2014	Exercise Price
	October 20, 2015	60,000	60,000	$ 0.22
	February 16, 2015	130,000	130,000	$ 0.38
	May 10, 2016	48,000	48,000	$ 0.30
	August 31, 2016	57,000	57,000	$ 0.25
	July 3, 2017	355,000	355,000	$ 0.16
	August 29, 2017	270,000	270,000	$ 0.16
Outstanding and exercisable		920,000	920,000	

Warrants

The following table summarizes the changes in the Company's warrants:

	Three months ended January 31, 2015	
	Number of warrants	**Weighted average exercise price**
Outstanding, beginning of year	262,500	$0.26
Expired	-	-
Exercised	-	-
Outstanding and exercisable, end of the period	262,500	$0.26

	Number of warrants outstanding		
Expiry Date	January 31, 2015	October 31, 2014	Exercise Price
April 5, 2015	262,500	262,500	$ 0.26
	262,500	262,500	

7. Commitments

The Company had entered into four 5 year term renewable agreements with companies controlled by four directors of the Company for the provision of consulting and/or legal services at a current cost of $4,500 per month ($54,000 per annum), $4,500 per month ($54,000 per annum), $4,225 per month ($50,700 per annum) and $4,250 per month ($51,000 per annum), respectively. These agreements provided that if any of such agreements were terminated without cause or if there was a change in control of the Company, the Company would be required to pay an amount equal to five times the annual fee payable thereunder.

The Company had also entered into four agreements with certain directors/officers for services rendered in such capacities. If such agreements were terminated without consent of the director/officer or the director/officer resigns within 120 days following a change in control, the Company would be required to pay $100,000 to each such director/officer and allow any unvested stock options to vest.

As of July 22, 2014, in connection with the appointment of Brian Kynoch and Paul Champagne as directors of the company and Edward Yurkowski and Jimmy Mah as interim President and CEO and CFO and Corporate Secretary, respectively, Messrs. Mason, Coombes, Hamzagic, Ainsworth, Morley and Kowalski voluntarily resigned all positions with the Company and all of the commitments referred to above were terminated and no liabilities were triggered.

The Company has entered into a 1-year term renewable agreements with Mr. Coombes for the provision of consulting services at current cost of $7,500 per month ($90,000 per annum). The Company has also entered into 1-year renewable agreement with Mr. Mah for the provision of accounting services on an

hourly rate. If the accounting agreement is terminated without cause or if there is a change in control of the Company, the Company is required to pay $25,000.

8. Capital management

The Company's shareholders' equity comprises its capital under management. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk level.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. 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.

To fund future operations and exploration activities, the Company will need to raise funds through future share issuances, issue new debt or dispose of assets.

There have been no changes to the Company's approach to capital management during the period ended January 31, 2015. The Company is not subject to externally imposed capital requirements.

9. Management of financial risk

Fair value

The Company classifies its cash and cash equivalents, receivables and deposits as loans and receivables; and accounts payable and accrued liabilities and loan payable as other financial liabilities.

The carrying values of receivables, accounts payable and loan payable approximate their fair values due to the short-term maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of potential loss to the Company if a counter party to a financial instrument fails to meet its payment obligations. The Company is exposed to credit risk with respect to its cash and cash equivalents and other receivables.

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Management believes that the credit risk concentration with respect to cash and cash equivalents and receivables is remote as it maintains accounts with highly-rated financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. At January 31, 2015, the Company had accounts current liabilities of $523,511 (October 31, 2014: $482,381).

Based on the current funds held, the Company will need to rely upon financing from shareholders and/or debt holders to obtain sufficient working capital. There is no assurance that such financing will be available on terms and conditions acceptable to the Company.

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 prices. The Company is not exposed to any significant interest rate risk volatility.

10. Subsequent events

Nil.