KETTLE RIVER RESOURCES LTD.

(An Exploration Stage Company)
FINANCIAL STATEMENTS

For the years ended April 30, 2015 and April 30, 2014

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Kettle River Resources Ltd.

We have audited the accompanying financial statements of Kettle River Resources Ltd., which comprise the statements of financial position as at April 30, 2015 and 2014 and the statements of operations and comprehensive loss, cash flows and changes in deficiency for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Kettle River Resources Ltd. as at April 30, 2015 and 2014 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Kettle River Resources Ltd.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

August 13, 2015

KETTLE RIVER RESOURCES LTD.
(An Exploration Stage Company)
Statements of Financial Position
(Expressed in Canadian Dollars)
AS AT

		April 30, 2015		April 30, 2014
ASSETS				
CURRENT ASSETS				
Cash	$	**1,650**	$	1,103
Accrued interest and other amounts receivable (Note 7)		**10,827**		630
Investments (Note 3)		**-**		51,758
Prepaid expenses		**4,453**		4,453
		16,930		57,944
Reclamation bond		**5,000**		5,000
Property, plant and equipment (Note 4)		**485**		49,923
Exploration and evaluation assets (Note 5)		**3**		3
	$	**22,418**	$	112,870
LIABILITIES AND DEFICIENCY				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$	**30,191**	$	41,134
Cheques written in excess of funds on hand		**-**		9,700
Due to related parties (Note 7)		**18,900**		5,697
Loan payable (Note 8)		**406,900**		561,000
		455,991		617,531
SHAREHOLDERS' DEFICIENCY				
Deficit		**(14,482,526)**		(14,473,843)
Accumulated other comprehensive loss		**-**		(79,771)
Capital stock (Note 6)		**13,141,642**		13,141,642
Reserves (Note 6)		**907,311**		907,311
		(433,573)		(504,661)
	$	**22,418**	$	112,870

Nature and continuance of operations (Note 1)

Approved by the Board of Directors and authorized for issue on August 13, 2015.

"Ellen Clements"
Ellen Clements, Director

"John Jewitt"
John Jewitt, Director

See accompanying notes to the financial statements

KETTLE RIVER RESOURCES LTD.
(An Exploration Stage Company)
Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)
Years ended April 30, 2015 and 2014

		2015		2014
MINERAL EXPLORATION ACTIVITIES				
Exploration costs (Note 5)	$	9,719	$	29,398
Less: Government assistance (Note 5)		(11,746)		-
		(2,027)		29,398
OPERATING COSTS AND EXPENSES				
Accounting, audit and legal		20,509		33,140
Advertising, promotion and printing		2,934		4,119
Depreciation (Note 4)		95		118
Licenses, insurance, and transfer agent fees		19,012		21,843
Management fees, salary and wages		22,131		49,702
Office building expenses		6,080		4,721
Office, interest and sundry		2,430		31,940
Recovery of office expenses		(17,650)		(18,000)
Telephone		2,623		2,359
Travel and accommodation		463		1,200
Gain on option on exploration and evaluation asset (Note 5)		-		(3,375)
Gain on forgiveness of debt (Note 8)		(10,954)		-
Loss on sale of investments (Note 3)		93,944		-
Gain on disposal of assets (Note 8)		(130,756)		-
Interest and equipment rental		(151)		(60)
		10,710		127,707
NET (LOSS) FOR THE YEAR		(8,683)		(157,105)
OTHER COMPREHENSIVE INCOME (LOSS)				
Fair value adjustment on available-for-sale investments (Note 3)		79,771		(44,002)
COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		71,088		(201,107)
Weighted average number of common shares outstanding		27,716,711		27,716,711
Basic and diluted loss per share	$	(0.00)	$	(0.01)

See accompanying notes to the financial statements.

KETTLE RIVER RESOURCES LTD.
(An Exploration Stage Company)
Statements of Cash Flows
(Expressed in Canadian Dollars)
Years ended April 30, 2015 and 2014

		2015		2014
Cash provided by (used for):				
Operating Activities				
(Loss) for the year	$	(8,683)	$	(157,105)
Items not involving the use of cash:				
Depreciation		1,594		1,875
Gain on option of exploration and evaluation asset		-		(3,375)
Gain on forgiveness of debt		(10,954)		-
Gain on transfer of assets		(130,756)		-
Loss on disposal of securities		93,944		-
Changes in non-cash working capital:				
Prepaid expenses		-		(29)
Accrued interest and other amounts receivable		(10,197)		(255)
Accounts payable and accrued liabilities		(10,943)		12,395
Due to related parties		4,800		-
		(71,195)		(146,494)
Financing Activities				
Loan payable advances		50,131		152,500
Loan payable repayments		(25,631)		-
Due to related parties		11,168		273
Bank indebtedness repaid		(1,511)		
		34,157		152,773
Investing Activities				
Proceeds from disposal of securities		37,585		-
Increase in cash		547		6,279
Cash, beginning of year		1,103		(14,876)
Cash, end of year	$	1,650	$	(8,597)
Cash represented by:				
Cash on hand		1,650		1,103
Cheques written in excess of funds on hand		-		(9,700)
		1,650		(8,597)
Supplementary Schedule				
Interest paid	$	-	$	28,567
Shares acquired on option of property	$	-	$	3,375
Taxes paid	$	-	$	-
Transfer of land and building for loan settlement	$	178,600	$	-
Transfer of accumulated and comprehensive loss on sale of investments	$	79,771	$	-

See accompanying notes to the financial statements.

KETTLE RIVER RESOURCES LTD.

(An Exploration Stage Company)

Statements of Changes in Deficiency

(Expressed in Canadian Dollars)

Years ended April 30, 2015 and 2014

	Number of shares	Capital stock	Accumulated Other Comprehensive Income (Loss)	Reserves	Deficit	Total Deficiency
		$	$	$	$	$
April 30, 2013	27,716,711	13,141,642	(35,769)	907,311	(14,316,738)	(303,554)
Unrealized loss on available -for-sale investments	-	-	(44,002)	-	-	(44,002)
Loss for the year	-	-	-	-	(157,105)	(157,105)
April 30, 2014	27,716,711	13,141,642	(79,771)	907,311	(14,473,843)	(504,661)
Fair value adjustment on available - for-sale investments	**-**	**-**	**79,771**	**-**		**79,771**
Loss for the year	**-**	**-**	**-**	**-**	**(8,683)**	**(8,683)**
April 30, 2015	**27,716,711**	**13,141,642**	**-**	**907,311**	**(14,482,526)**	**(433,573)**

See accompanying notes to the financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Kettle River Resources Ltd. (the "Company") was incorporated October 17, 1980 under the laws of British Columbia and is engaged in the exploration, development and evaluation of mineral resources in Canada. The address of the Company's corporate office and principal place of business is 1215 Greenwood Street, Greenwood, BC V0H 1J0. The properties of the Company are without a known economically feasible ore body. The exploration programs undertaken and proposed constitute an exploratory search. There is no assurance that the Company will be successful in its search. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is not possible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation.

Although the Company has taken steps to verify title to resource properties 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 and non-compliance with regulatory requirements.

These financial statements have been prepared on the going concern basis, which assumes the Company will 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. Several adverse conditions cast substantial doubt on the validity of this assumption. The Company has incurred operating losses over the past several fiscal years (2015 - $8,683; 2014 - $157,105), has limited financial resources, no source of operating cash flow, and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its mineral property projects.

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 give effect to any adjustments that might be required should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts differing from those reflected in the financial statements.

Management plans to continue to pursue equity or debt financing to support operations. Management believes this plan will be sufficient to meet the Company's liabilities and commitments as they become payable over the next twelve months. There can be no assurance that management's plan will be successful. Failure to maintain the support of creditors and obtain additional external equity financing will cause the Company to curtail operations and the Company's ability to continue as a going concern will be impaired. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation,

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These annual financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss and available for-sale which are stated at their fair value, and use the accrual basis of accounting, except for cash flow information. The financial statements have been presented in Canadian dollars unless otherwise noted.

These annual financial statements were reviewed by the Audit Committee and were approved and authorized for issue by the Board of Directors on August 13, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

b) Significant accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies:

The following are critical judgements that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

- the determination that the Company will continue as a going concern for the next year – as discussed in Note 1.

Key sources of estimation uncertainty:

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting our financial statements include:

- *Income taxes*

  The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

c) Exploration and evaluation assets and expenditures

Once a permit to explore an area has been secured, expenditures on exploration and evaluation assets are expensed as incurred and charged to operations and comprehensive loss.

Exploration expenditures relate to the initial search for mineral deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

Such expenditures include any cash consideration and advance earn-in payments and the fair market value of shares issued, if any, related to the mineral property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made.

Any option payments or royalty sales received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral interest. If payments received exceed the capitalized cost of the mineral interest, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is recorded on the declining balance basis at the rates indicated in Note 4 and is allocated within operations between depreciation expense and exploration costs based on the nature of the asset and the relative percentages of its use. In the year of acquisition depreciation is recorded at one half of its normal rate.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

e) Impairment of non-financial assets

At each reporting period, management reviews all non-financial assets for indicators of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. The 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. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is 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 profit or loss for that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs. 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 profit or loss.

f) Provision for closure and reclamation

Provisions for closure and reclamation obligations are recognized when a legal or constructive obligation arises. The liability is recognized at the present value of management's best estimate of the closure and reclamation obligation. The estimate is discounted to the present value using a discount rate specific to the obligation. When the liability is initially recorded the Company capitalizes the cost by increasing the carrying amount of the related long-lived assets. Over time the liability is accreted to its present value each period, and the capitalized cost is amortized on the same basis as the related asset. Upon settlement of the liability, the Company may incur a gain or loss. For the years presented, the Company does not have any significant future reclamation costs.

g) Income taxes

Income tax expense is comprised of current and deferred tax. Income tax is recognized in statements of operations and comprehensive loss except to the extent that it relates to items recognized directly 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 assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

h) Capital Stock

The Company records proceeds from equity issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the agreement to issue shares was concluded.

i) Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

i) Financial instruments - continued

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in the statement of operations. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax.

Financial assets and liabilities "held-to-maturity", "loans and receivables", and "other financial liabilities" are subsequently measured at amortized cost using the effective interest method.

The Company has classified its cash and cheques written in excess of funds on hand, and reclamation bonds as fair value through profit and loss. Accrued interest and other amounts receivable are classified as loans and receivables, and investments are classified as available-for-sale. The Company's accounts payable and accrued liabilities, due to related party, and loans payable are classified as other financial liabilities.

IFRS establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- 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 date (unobservable inputs).

See Note 10 for relevant disclosures.

j) Share-based payments

The Company's stock option plan allows employees and consultants to acquire shares of the Company. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or 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 of the share-based payments is measured using the Black-Scholes option pricing model. The fair value of the share-based payments is recognized as an expense with a corresponding increase in reserves. Consideration received on the exercise of stock options is recorded as share capital and the related reserves amount is transferred to stock capital.

k) Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted loss per share is calculated whereby the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. Where the effects of including all outstanding options and warrants would be anti-dilutive, no dilution is calculated and the diluted loss per share is presented as the same as basic loss per share.

l) Comprehensive loss

Comprehensive loss consists of net loss and other comprehensive income (loss) and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. For the years presented, comprehensive loss includes holding gains and losses from financial instruments classified as available-for-sale.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES – continued

m) Adoption of New Standards and Interpretations, and Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC which are not yet effective during the year ended April 30, 2015. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2015.
- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

3. INVESTMENTS

Company Name	**Number of shares (April 30, 2015)**	Number of Shares (April 30, 2014)	**Carrying Value April 30, 2015**	Carrying Value April 30, 2014
Publicly traded				
New Nadina Explorations Limited	-	1,782,582	**$ -**	$ 35,651
Taseko Mines Limited	-	4,676	-	11,082
Golden Dawn Minerals Inc.	-	167,500	-	5,025
	-		**$ -**	$ 51,758

	April 30, 2015	April 30, 2014
Available-for-sale:		
Opening balance - cost	**$131,529**	$ 128,154
Securities acquired – cost	-	3,375
Securities disposed	**(131,529)**	-
Closing balance – cost	-	131,529
Unrealized loss	-	(79,771)
Closing balance –market price	**$ -**	$ 51,758

During the year ended April 30, 2015, all shares in New Nadina Explorations Limited ("New Nadina"), Golden Dawn Minerals Inc. and Taseko Mines Limited have been sold.

The securities were disposed of in the year as follows:

Name of Security	**Number of shares**	**Proceeds**	**Cost of share**	**Gain (Loss)**
New Nadina Explorations Limited	1,782,582	$ 17,746	$ 74,097	$ (56,351)
Taseko Mines Ltd	4,676	4,970	-	4,970
Golden Dawn Minerals Inc	167,500	14,869	57,432	(42,563)
		$ 37,585	**$ 131,529**	**$ (93,944)**

(Expressed in Canadian Dollars)

4. PROPERTY, PLANT AND EQUIPMENT

	Land	Paving (1)	Buildings (1)	Mining Equipment (1)	Office equipment	Total
	$	$	$	$	$	$
Depreciation rate	-	8%	4%	30%	20%	
Cost of assets						
Balance as at April 30, 2014 and 2013	**10,000**	**4,861**	**86,401**	**117,557**	**53,972**	**272,791**
Disposals	**(10,000)**	**(4,861)**	**(86,401)**	**-**	**-**	**(101,262)**
Balance as at April 30, 2015	**-**	**-**	**-**	**117,557**	**53,972**	**171,529**
Accumulated depreciation						
Balance as at April 30, 2013	-	3,555	46,717	117,341	53,380	220,993
Depreciation for the year	-	105	1,587	65	118	1,875
Balance as at April 30, 2014	-	3,660	48,304	117,406	53,498	222,868
Depreciation for the year	**-**	**86**	**1,368**	**45**	**95**	**1,594**
Disposals during the year	**-**	**(3,746)**	**(49,672)**	**-**	**-**	**(53,418)**
Balance as at April 30, 2015	**-**	**-**	**-**	**117,451**	**53,593**	**171,044**
Net book value						
As at April 30, 2014	10,000	1,201	38,097	151	474	49,923
Balance as at April 30, 2015	**-**	**-**	**-**	**106**	**379**	**485**

(1) Depreciation of $1,499 (2014 - $1,757) associated with these items is included in exploration costs (Note 5).

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

Acquisition Costs	
Greenwood Area	**$ 1**
Arcadia (Skylark) – Greenwood Area	**1**
DHK Diamonds Inc. – NWT	**1**
Silica Quarry - Saskatchewan	**-**
Total exploration and evaluation assets as at April 30, 2015, 2014 and 2013	**$ 3**

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES- continued

Exploration expenditures by property for the year ended April 30, 2015	**Greenwood Area, BC**	**DHK NWT**	**Pellatt Lake, NWT**	**Silica Quarry 50% Sask**	**2015 Total**
Depreciation (Note 4)	**$ 1,499**	**$ -**	**$ -**	**$ -**	**$ 1,499**
Exploration costs (1)	**10,044**	**(8,274)**	**-**	**-**	**1,770**
Storage (samples & equipment)	**2,190**	**-**	**-**	**-**	**2,190**
Property and mineral taxes	**4,186**	**-**	**-**	**-**	**4,186**
Travel & accommodation	**74**	**-**	**-**	**-**	**74**
SUBTOTAL:	**$ 17,993**	**$ (8,274)**	**$ -**	**$ -**	**$ 9,719**
BCMETC Received	**(11,746)**	**-**	**-**	**-**	**(11,746)**
TOTAL:	**$ 6,247**	**$ (8,274)**	**$ -**	**$ -**	**$ (2,027)**

Exploration expenditures by property for the year ended April 30, 2014	Greenwood Area, BC	DHK NWT	Pellatt Lake, NWT	Silica Quarry 50% Sask	2014 Total
Depreciation (Note 4)	$ 1,757	$ -	$ -	$ -	$ 1,757
Direct charges – wages	10,100	2,100	-	200	12,400
Exploration costs (1)	7,638	496	100	-	8,234
Storage (samples & equipment)	2,964	-	-	-	2,964
Property and mineral taxes	3,928	-	-	-	3,928
Travel & accommodation	-	115	-	-	115
TOTAL:	$ 26,387	$ 2,711	$ 100	$ 200	$ 29,398

(1) Exploration costs include equipment costs; freight/delivery expense; geology/geophysics/geochemical expenses; physical work, sampling, reclamation costs and allocation of office and overhead expenses relating to exploration activities.

The DHK NWT exploration costs represent what the Company has paid for its share of all related exploration program costs on the WO (claim block) joint venture and Pellatt Lake NWT claim blocks in the Northwest Territories.

The DHK $8,274 credit represents current year expenditures of $195 and ($8,469). The reversal of $8,469 corrects a 2011 adjusting journal entry made to adjust the Company's expenditures made on behalf of DHK.

a) GREENWOOD AREA – Greenwood Mining Divisions, Southern BC:

The Company owns a 100% interest in certain properties comprising approximately 10,000 hectares of mineral tenure of which a portion is inclusive of surface rights in the Greenwood Mining Division of British Columbia. The Company is actively exploring for gold, silver, other base metals and industrial mineral potential. Properties within the Greenwood Area include Phoenix (Battle Zone), Bluebell (Minnie Moore), Phoenix Tailings, Haas Creek, Rad group, Arcadia (Skylark), Tam O'Shanter and Niagara.

<u>Tam O'Shanter:</u> In 2011 Golden Dawn Minerals Inc. ("Golden Dawn") optioned the Tam O'Shanter property to earn a 100% interest by making cash payments totaling $240,000 over three years plus the issuance of shares and a commitment to expend $2 million dollars in exploration over four years. A 3% Net Smelter Returns royalty ("NSR"), was retained by the Company, with Golden Dawn having the option to purchase 2% of the NSR for $3 million.

There were no recent cash payments made and in 2014 the agreement was eventually terminated with only $85,000 of the $240,000 received. Data, files and core have not yet been delivered to the Company and the property was returned in good standing until January 31, 2023.

During the year ending April 30, 2014, Golden Dawn issued 67,500 post-consolidated common shares with a value of $3,375 in connection with this option agreement.

See Note 12 subsequent events for new agreement details.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES - continued

b) DHK DIAMONDS INC. – Northwest Territories:

DHK Diamonds Inc. ("DHK") is a private company incorporated and registered in the Northwest Territories, currently owned by the Company (43.37%), Dentonia Resources Ltd. ("Dentonia") (43.37%), and Cosigo Resources Ltd. (formerly Horseshoe Gold Mining Inc.) (13.26%.)

Operations and funding provisions of DHK are governed by a 1992 Shareholders' Agreement where each shareholder appoints two directors to the board and certain activities require 75% board approval.

WO Joint Venture – The WO claim block consist of 3 mining leases in a joint venture with Peregrine Diamonds Ltd., Archon Minerals and DHK. As of April 30, 2015, DHK has a 10.326% contributing interest in the WO Joint Venture operated by Peregrine Diamonds Ltd. ("Peregrine").

c) Pellatt Lake Property - Nunavut

On December 13, 2013 the three leases at Pellatt Lake were allowed to lapse as a JV partner was not found and it was determined there was unlikely potential for economic diamonds considering previous exploration activity. The Pellatt Lake claim block was located north of Yellowknife. The Company had acquired a 100% interest in the Pellatt Lake Claim Block, subject to a gross overriding royalty of 1%.

d) Monument Property (formerly DHK Claim Block) south shore of Lac de Gras

Through an agreement dated October 24, 2003 DHK holds a 1% gross overriding royalty on three leases explored for diamond potential, owned (57.49%) and operated by New Nadina.

e) Silica Quarry - Saskatchewan:
The Company holds a 50% interest in a quarry lease that expires in December 2019. New Nadina Explorations Limited holds the other 50%.

6. CAPITAL STOCK AND RESERVES

a) Authorized: Unlimited common shares without par value

b) Share purchase warrants:

As at April 30, 2015 and 2014 the Company has no warrants outstanding.

c) Share purchase options:
The Company has established a share purchase option plan whereby the Board of Directors may from time to time grant options to directors, officers, employees or consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Options granted must be exercised no later than ten years from date of grant or such lesser period as determined by the Company's Board of Directors. The exercise price of options is determined by the Board of Directors and shall not be lower than the allowable discounted closing market price of the shares on the business day immediately prior to the grant date and subject to the approval of the TSX Venture Exchange. The options vest as determined by the Board of Directors.

As at April 30, 2015 there are 1,375,000 (2014 - 1,375,000) options outstanding and exercisable.

The following stock options were outstanding and exercisable at April 30, 2015:

	Number of Shares	Exercise Price $	Weighted average years to expiry	Expiry date
Options – April 30, 2013	1,600,000	0.10		July 20, 2015
Cancelled	**(225,000)**	0.10		July 20, 2015
Options – April 30, 2014 and 2015	**1,375,000**	**0.10**	**0.22**	**July 20, 2015**

(Expressed in Canadian Dollars)

6. CAPITAL STOCK AND RESERVES - continued

d) Reserves
Reserves consist of amounts recorded for the value of stock options issued.

7. RELATED PARTY TRANSACTIONS

Related party transactions and balances not disclosed elsewhere in these statements are as follows:

As at April 30, 2015 unsecured advances of $18,900 (2014 - $15,140) were due to directors, $4,352 (2014 - $5,224) was due from New Nadina for office expense reimbursements and $5,487 (2014 - $4,219) was due from DHK mainly for reimbursement of a Pellatt Lake mining lease payment and operator costs.

Related party transactions:
The Company incurred the following transactions with directors and officers of the Company.

	2015	2014
	$	$
Storage of equipment and samples	**2,700**	2,700
Loan interest (Note 8)	**-**	29,453
	2,700	32,153

Key management personnel compensation:

	2015	2014
	$	$
Management salaries and wages	**17,331**	**54,000**
Directors fees	**4,800**	4,800
	22,131	58,800

During the current year a total of $17,650 (2014 - $18,000) was recovered from New Nadina for office, secretary expenses and reimbursement of expenses.

All advances, unless otherwise noted, are unsecured, bear no interest and have no fixed terms of repayment.

8. LOAN PAYABLE

On January 20, 2009, a loan agreement was approved by the TSX Venture Exchange whereby the President of the Company would advance up to $75,000, increased by verbal agreement, to be secured by a first mortgage on the Company's property located at 1215 Greenwood Street, Greenwood, BC and bearing interest at CIBC prime plus 3%. This loan had a term of 3 years and subsequently extended to six years by Board approval and was due January 11, 2015. During the current year, the Company received advances totaling of $50,131 (2014 - $152,500) and repaid $25,631 (2014 - $Nil) On agreement with the holder, interest backdated to January 1, 2014 of $10,984 was forgiven and interest is no longer charged on this loan.

During the current year, the debt was reduced by $178,600 due to the transfer of the building and land located at 1215 Greenwood Street in Greenwood, BC, which was the fair and assessed market value of the land and building at the date of transfer. The transfer was made to a company related to the President of the Company, which has assumed the debt payable to the President.

This land and building transfer resulted in a net gain to the Company of $130,756.

As at April 30, 2015 the unpaid loan balance is $406,900 (2014 - $561,000 plus unpaid interest of $2,765).

(Expressed in Canadian Dollars)

9. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	2015	2014
Net loss for the year	**$ (8,683)**	$ (157,105)
Expected income tax (recovery)	**$ (2,000)**	$ (41,000)
Non-deductible expenditures and non-taxable revenues	**12,000**	-
Change in statutory rates, and other	**12,000**	(233,000)
Adjustment to prior years provision versus statutory returns	**169,000**	-
Change in unrecognized deductible temporary differences	**(191,000)**	274,000
Total income tax expense (recovery)	**$ -**	$ -

The significant components of the Company's unrecorded deferred tax assets are as follows:

	2015	2014
Deferred tax assets (liabilities)		
Exploration and evaluation assets	**$ 2,785,000**	$ 2,931,000
Property and equipment	**8,000**	10,000
Marketable securities	**-**	11,000
Allowable losses	**23,000**	11,000
Non-capital losses available for future period	**319,000**	366,000
	3,135,000	3,326,000
Unrecognized deferred tax assets	**(3,135,000)**	(3,326,000)
Net deferred tax assets	**$ -**	$ -

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	2015	Expiry Date Range	2014	Expiry Date Range
Temporary differences				
Exploration and evaluation assets	**$ 9,929,000**	No expiry date	$ 10,474,000	No expiry date
Investment tax credit	**275,000**	2027 to 2034	276,000	2020 to 2033
Property and equipment	**31,000**	No expiry date	40,000	No expiry date
Marketable securities	**-**	N/A	85,000	No expiry date
Allowable capital losses	**89,000**	No expiry date	42,000	No expiry date
Non-capital losses available for future period	**1,227,000**	2026 to 2034	1,408,000	2014 to 2033

Tax attributes are subject to review, and potential adjustment, by tax authorities.

10. FINANCIAL INSTRUMENT RISKS

The Company's financial instruments are exposed to the following risks:

Credit Risk

The Company's primary exposure to credit risk is the risk of illiquidity of cash amounting to $1,650 at April 30, 2015 (2014 - $1,103) and a reclamation bond amounting to $5,000 at April 30, 2015 (2014 - $5,000). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk is considered by management to be negligible.

10. FINANCIAL INSTRUMENT RISKS - continued

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities, related party balance and loan payable obligations. The Company did not maintain sufficient cash balances to meet these needs at April 30, 2015 and will need to secure additional funds to meet current obligations.

Market Risk

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

a) Interest Rate Risk

The Company is exposed to interest rate risk on its cash. The Company mitigates this risk by repaying the loan as soon as practicable.

b) Foreign currency risk

As at April 30, 2015 and 2014, the Company did not have any accounts in foreign currencies and considers foreign currency risk to be insignificant.

c) Price Risk

The Company has no price risk on marketable securities as all marketable securities were disposed of in the current year.

Fair Value of Financial Instruments

The carrying value of all of the Company's financial instruments approximate their fair value due to their short term nature. Cash, reclamation bond, investments and cheques written in excess of funds on hand, being the financial instruments carried at fair value, are measured using level 1 inputs. Accrued interest and other amounts receivable, accounts payable and accrued liabilities, due to related parties, and loan payable approximate their fair value due to their demand nature, and their short terms to maturity.

During the years ended April 30, 2015 and 2014, there were no transfers between level 1, level 2 and level 3 classified assets and liabilities.

11. CAPITAL MANAGEMENT

The Company's objectives for the management of capital are to safeguard the Company's ability to continue as a going concern, including the preservation of capital, and to achieve reasonable returns on invested cash after satisfying the objective of preserving capital.

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and deposit balances to cover operating and exploration costs over a reasonable future period. The Company accesses capital markets as necessary and may also acquire additional funds where advantageous circumstances arise.

The Company currently has no externally-imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

12. SUBSEQUENT EVENTS

a) On July 6, 2015 an agreement was signed with Golden Dawn Minerals Inc. where they can earn 100% interest in the Tam O Shanter property by making cash payments of $150,000. The property is subject to a three per-cent net smelter return (NSR) royalty retained by the Company giving Golden Dawn the right to purchase two per-cent of the NSR for $2-million.

b) The 1,375,000 options expired July 20, 2015 leaving a balance of nil outstanding.

c) In a news release dated July 20, 2015, the company announced the that they have entered into a letter of intent (the "LOI") pursuant to which it is contemplated that New Nadina will acquire all of the outstanding common shares of the Company pursuant to a plan of arrangement (the "Arrangement"). Upon completion of the Arrangement, it is anticipated that approximately 27,716,711 common shares of New Nadina will be issued to the Company's former shareholders.