Financial Statements

November 30, 2014

(Expressed in Canadian Dollars)

Management's Responsibility

To the Shareholders of Zimtu Capital Corp. (the "Company"):

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed primarily of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board of Directors is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the shareholders to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit Committee and management to discuss their audit findings.

March 25, 2015

(signed)	(signed)
David Hodge	*Jody Bellefleur*
President and director	CFO

Independent Auditors' Report

To the Shareholders of Zimtu Capital Corp.:

We have audited the accompanying financial statements of Zimtu Capital Corp., which comprise the statements of financial positions as at November 30, 2014 and 2013, the statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and notes comprising 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 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 is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Zimtu Capital Corp. as at November 30, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

MNP LLP

Vancouver, Canada
March 25, 2015

Chartered Accountants

Zimtu Capital Corp.
Statements of Financial Position
As at November 30,
(Expressed in Canadian Dollars)

		2014		2013
Assets				
Current				
Cash and cash equivalents	$	**114,495**	$	25,402
Investments (Note 6)		**5,533,907**		6,142,128
Advances and amounts receivable (Note 11)		**357,903**		329,887
Due from equity method investees		**438,464**		43,458
Prepaid expenses (Note 12)		**89,774**		98,756
		6,534,543		6,639,631
Loan receivable (Note 13)		**250,956**		145,905
Deposits (Note 14)		**18,873**		17,562
Investments in equity method investees (Note 7)		**589,159**		-
Equipment (Note 9)		**2,920**		27,181
Mineral property interests (Note 8)		**148,110**		382,404
	$	**7,544,561**	$	7,212,683
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 15)	$	**368,606**	$	289,779
GST/HST payable		**9,336**		7,118
Due to a related party (Note 19)		**15,920**		15,847
Unearned revenue (Note 16)		**150,625**		-
		544,487		312,744
Equity				
Share capital (Note 10)		**8,906,188**		7,874,331
Reserves (Note 10)		**4,225,195**		3,779,648
Retained earnings (deficit)		**(6,131,309)**		(4,754,040)
Shareholders' equity		**7,000,074**		6,899,939
	$	**7,544,561**	$	7,212,683

On behalf of the Board:

"David Hodge" Director *"Patrick Power"* Director

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

Zimtu Capital Corp.

Statements of Operations and Comprehensive Loss
For the years ended November 30,
(Expressed in Canadian Dollars)

		2014		2013
Revenue				
Administrative fees	**$**	**1,276,312**	$	1,331,755
Corporate development and marketing		**320,889**		-
Gain (loss) on sale of investments		**(1,634,448)**		(904,760)
Income from property sales		**299,381**		503,878
		262,134		930,873
Expenses				
General and administrative expenses (Note 18)		**3,120,729**		2,449,457
Income before other items		**(2,858,595)**		(1,518,584)
Other items				
Interest income		**482**		665
Foreign exchange loss		**(51)**		(20)
Penalties and interest		**(100)**		(2,200)
Gain on transaction		**-**		186,538
Gain on purchase of debt (Note 7 (d))		**466,230**		-
Equity loss of affiliates (Note 7)		**(96,304)**		(79,228)
Impairment of mineral properties		**(338,687)**		(2,811)
Unrealized gain (loss) on investments		**1,950,089**		(1,286,390)
Write off marketable securities (Note 6)		**(616,850)**		(472,087)
Other income		**2,500**		60,223
		1,367,309		(1,595,310)
(Loss) before income taxes		**(1,491,286)**		(3,113,894)
Income taxes (Note 22)				
Current taxes recovery (expense)		**114,017**		4,505
Deferred taxes recovery (expense)		**-**		(666,399)
		114,017		(661,894)
Net (loss) and comprehensive (loss) for the year	$	**(1,377,269)**	$	(3,775,788)
Basic loss per share	$	**(0.11)**	$	(0.33)
Diluted loss per share	$	**(0.11)**	$	(0.33)
Weighted average number of shares outstanding				
- basic		**12,132,539**		11,275,487
- diluted		**12,132,539**		11,275,487

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

Zimtu Capital Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital			Retained Earnings/	Total
	No. of Shares	Amount	Reserves	(Deficit)	Equity
Balance, November 30, 2012	**11,265,487**	**$ 7,874,331**	**$ 3,779,648**	**$ (978,252)**	**$ 10,675,727**
Net loss for the year	-	-	-	(3,775,788)	(3,775,788)
Balance, November 30, 2013	**11,265,487**	**7,874,331**	**3,779,648**	**(4,754,040)**	**6,899,939**
Private placement (Note 10)	2,228,690	1,114,345	-	-	1,114,345
Share issue costs	-	(82,488)	17,353	-	(65,135)
Share-based payments (Note 10(e))	-	-	428,194	-	428,194
Net loss for the year	-	-	-	(1,377,269)	(1,377,269)
Balance, November 30, 2014	**13,494,177**	**$ 8,906,188**	**$ 4,225,195**	**$(6,131,309)**	**$ 7,000,074**

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

Zimtu Capital Corp.
Statements of Cash Flows
For the year ended November 30,
(Expressed in Canadian Dollars)

	2014	2013
Operating Activities		
Net loss for the year	$ **(1,377,269)**	$ (3,775,788)
Items not involving cash:		
Unrealized (gain) loss of investments	**(1,950,089)**	1,286,390
Income from property sale	**(299,381)**	(487,378)
Amortization	**24,261**	25,395
Administrative fees	**-**	48,505
Loss on sale of investment	**1,634,448**	904,760
Share based payment	**428,194**	-
Shares received for finder's fees	**(2,500)**	(5,000)
Gain on transaction	**-**	(186,538)
Impairment of mineral property	**338,687**	2,811
Write off marketable securities	**616,850**	472,087
Equity loss on affiliates	**96,304**	79,228
Shares received for debt	**(795,669)**	-
Current income taxes	**-**	(4,783)
Deferred income taxes	**-**	666,399
Changes in non-cash working capital		
Amounts receivable	**(25,798)**	(77,633)
Prepaid expenses and deposit	**7,671**	(23,266)
Accounts payable and accrued liabilities	**40,175**	108,140
Unearned revenue	**150,698**	-
Due to (from) related parties	**(395,006)**	-
Cash (used in) operating activities	**(1,508,424)**	(966,663)
Investing Activities		
Acquisition of investments	**(1,387,733)**	(1,117,487)
Proceeds on disposition of investments	**2,253,034**	1,883,777
Loans receivable	**(105,051)**	33,025
Mineral property acquisitions	**(144,377)**	(43,833)
Proceeds on disposition of mineral properties	**11,000**	15,210
Recovery (acquisition) of equipment	**-**	(1,960)
Proceeds on sale of equity method investees	**55,735**	-
Investment in equity method investees	**(134,301)**	-
Cash generated from investing activities	**548,307**	768,724
Financing Activities		
Proceeds from issuance of shares, net of share issuance costs	**1,049,210**	-
Cash provided by financing activities	**1,049,210**	-
Change in cash during the year	**89,093**	(197,939)
Cash, beginning of year	**25,402**	223,341
Cash, end of year	$ **114,495**	$ 25,402

Supplemental disclosure with respect to cash flows (Note 17)

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

The Company was incorporated in the Province of British Columbia on July 4, 2006, under the Business Corporations Act of British Columbia. The Company's principal business activities are investments in junior resource companies, mineral resource property acquisitions and dispositions, and the provision of management services. The Company is traded on the TSX Venture Exchange ("TSX-V") under the symbol 'ZC'. The Company also trades on the Frankfurt Stock Exchange under the symbol 'ZCT1'.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at Suite 800, 885 West Georgia Street, Vancouver, BC, Canada V6C 3H1.

These financial statements were authorized for issue by the Audit Committee and Board of Directors on March 25, 2015.

2. BASIS OF PREPARATION

a) Statement of Compliance

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

b) Basis of Measurement

These financial statements have been prepared on a historical costs basis except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, this financial statement has been prepared using the accrual basis of accounting.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and related disclosure.

Judgement is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates.

Significant areas where management's judgement has been applied include:

- Economic recoverability and probability of future economic benefits of exploration, evaluation and development costs;
- Classifying categories of financial assets and financial liabilities in accordance with IAS 39, *Financial instruments: recognition and measurement; and*
- Evaluating if the criteria for recognition of provisions and contingencies are met in accordance with IAS 37, *Provisions, contingent liabilities and contingent assets.*

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Significant areas requiring the use of management estimates and assumptions include:

- The recoverability of the carrying value of the mineral property interests is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest;
- 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;
- Management's assumption that there are currently no decommissioning liabilities is based on the facts and circumstances that have existed during the periods;
- The assumptions used to calculate fair value of investments in private company securities not quoted in an active market; and
- The inputs used in accounting for share-based payments.

4. SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks, and highly liquid investments with an original maturity of three months or less. There were $nil cash equivalents as at November 30, 2014 (2013: $nil).

Investments

Investments consist of investments in shares, warrants and options of public and private companies and fixed term deposit held at the bank with a maturity of more than three months and less than twelve months at the time of issuance, which are recorded at fair value, except for those investments in shares that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, which is recorded at cost.

The Company classifies its investments in shares into at fair value through profit or loss and available-for-sale categories. Investments that are bought and held principally for the purpose of selling them in the near term are classified as fair value through profit or loss and are reported at fair value, with unrealized gains and losses recognized in earnings. Investments not classified as at fair value through profit or loss are classified as available-for-sale and are carried at fair market value, with the unrealized gains and losses, net of tax, included in other comprehensive income and reported in equity. The fair value of substantially all investments is determined by quoted market prices, except for those investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost. The investments in warrants and options of public and private companies are fair valued using Black-Scholes option model if there is no active market for the warrants and options, as this is a commonly used valuation technique by market participants. If there exists an active market for the warrants and options, they are valued at closing ask prices at reporting year end.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method at the following annual rates:

Computer equipment	-	2 years
Office furniture	-	3 years
Leasehold Improvements	-	5 years (lease term)

Additions during the year are amortized on a pro-rata basis based on the annual amortization amount.

Mineral property interests

Mineral property interests involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Mineral property interests incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, mineral property interests incurred are capitalized. All capitalized mineral property interests are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statement of operations and comprehensive loss to the extent that they are not expected to be recovered.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to “Mines under construction”. No amortization is taken during the exploration and evaluation phase.

From time to time, the Company may acquire or dispose of a mineral property interest, either by an option agreement or an acquisition agreement. As the consideration payable may consist of options, which are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are recorded as property costs or recoveries when the payments are made or received. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in statement of operations and comprehensive loss.

Although the Company has taken steps to verify title to mineral 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 regulatory requirements.

Foreign currency transaction

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiary is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities that are measured at historical costs are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations and comprehensive loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial Assets

Financial assets are classified into one of the following categories: fair value through profit or loss, loans and receivables, available-for-sale, or held-to-maturity investments. The classification depends on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. Management determines the classification of its financial asset at initial recognition.

The Company's accounting policy for each category is as follows:

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss 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 and are classified as current assets. Financial assets at FVTPL are initially recognized at fair value with changes in fair value recorded through income. Cash and cash equivalents, GIC and investment in public company shareholdings are included in this category of financial assets. Investments in warrants and options are also classified as FVTPL and are carried at fair market value by using Black-Scholes option model if there is no active market for the warrants and options, as this is a commonly used valuation technique by market participants. If there exists an active market for the warrants and options, they are valued at closing ask prices at year-end.

(ii) Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as "trading" assets, have not been designated at fair value through profit or loss or as available-for-sale and for which the holder may recover substantially all of its initial investment, other than because of credit deterioration. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the profit or loss when the loans and receivable are derecognized or impaired, as well as through the amortization process. Advances and amounts receivable, loan receivable, subscription receivable and due from related parties are classified as loans and receivables. They are recorded at cost, which on initial recognition represents their fair value. Subsequent valuations are recorded at amortized cost using the effective interest method.

(iii) Available-For-Sale Investments
Non-derivative financial assets not included in the above categories are classified as available-for-sale and comprise principally of the Company's strategic investments in entities not qualifying as subsidiaries or associates. Available-for-sale investments are carried at fair value with changes in fair value recognized in accumulated other comprehensive loss/income. Purchase and sales of available-for-sale financial assets are recognized on a trade date basis. On sale or impairment, the cumulative amount recognized in other comprehensive loss/income is reclassified from accumulated other comprehensive loss/income to profit or loss. If there is no quoted market price in an active market and fair value cannot be readily determined, available-for-sale investments are carried at cost. Investments in equity instruments not classified as at fair value through profit or loss are classified as available-for-sale and are carried at fair market value, with the unrealized gains and losses, net of tax, included in the determination of comprehensive income and reported in equity. The fair value of substantially all investments is determined by quoted market prices, except for those investments that do not have a quoted market price in an active market, which are measured at cost.

(iv) Held-to-maturity investments
The held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs. The Company does not have any assets classified as held-to-maturity investments.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial Assets (continued)

Impairment on Financial Assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. 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 asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of all financial assets, excluding trade receivables, is directly reduced by the impairment loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade 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.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized; the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

Financial Liabilities
Financial liabilities are all classified as other financial liabilities, based on the purpose for which the liability was incurred, and comprise accounts payables and accrued liabilities and amounts due to related parties. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. The Company's due to related parties and accounts payable and accrued liabilities are classified as other financial liabilities.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenues are recognized on the following bases:

(i) Interest income is recorded on an accrual basis at the stated interest rate over the term of the related instrument;
(ii) Revenue from management and administrative services and corporate development and marketing services is recognized upon completion of the service, and when collectability is reasonably assured.
(iii) Realized gains on investments are recorded upon disposal of the investment, on a trade date basis;
(iv) Unrealized gains and losses arising from market prices in effect at the date of statement of financial position for investments at fair value through profit or loss are recorded at the date of the statement of financial position;
(v) Revenue from mineral sales is recognized at the time that title and risk of ownership have passed, collection is reasonably assured and the price is determinable. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in statement of operations and comprehensive loss; and
(vi) Revenue from property advisory services is recognized when the service is performed, collection is reasonably assured, and the price is determinable.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, which vest immediately and are priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option is modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

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.

Share capital

The Company records proceeds from share 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 common shares are issued.

Warrants

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

4. 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 period 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 are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss; 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 on an undiscounted basis, 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.

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.

Earnings/Loss per share

Basic earnings / loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings / loss per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of “in-the-money” stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Long lived assets impairment

The carrying values of long-lived assets with fixed or determinable lives are reviewed for impairment whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value determinations are based on management's estimates of discounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. Impairment charges are recorded in the period in which determination of impairment is made by management.

Assets with indefinite or indeterminable lives are not amortized and are reviewed for impairment on a reporting period basis using fair value determinations through management's estimate of recoverable value.

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is an indication of impairment, then the asset's recoverable amount is estimated.

An asset's recoverable amount is the higher of an asset's or cash-generating units ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the profit or loss.

New accounting standards adopted

Certain new accounting standards and interpretations have been adopted by the Company as of the beginning of the current fiscal period. The adoption of the following standards during the year did not have a material impact on the Company's financial statements.

IFRS 10 Consolidated financial statements
The amendments to IFRS 10, issued in October 2012, introduce a consolidation exception for investment entities. They do this by defining an investment entity and requiring an investment entity to measure subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial instruments or IAS 39 Financial Instruments: Recognition and measurement. Related amendments to IFRS 12 and IAS 27 were issued at the same time. The amendments to IFRS 12 require additional disclosure for investment entities. The amendments to IAS 27 require that an investment entity measure its investments in subsidiaries at fair value through profit or loss when it presents separate financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting standards adopted (continued)

IFRS 11 Joint Arrangements
IFRS 11 was issued by the IASB in May 2011. IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interest in jointly controlled entities. IFRS 11 supersedes IAS 31 Interest in Joint Ventures and SIC-13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers.

IFRS 12 Disclosure of Interests in Other Entities
IFRS 12 was issued by the IASB in May 2011. IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities.

IFRS 13 Fair Value Measurement
IFRS 13 is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction, between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

New accounting pronouncements

Standards, amendments and interpretations issued but not yet effective up to the date of the issuance of the financial statements that are expected to be relevant to the Company are listed below. Certain other standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

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. IFRS 9 applies to financial statements for annual periods beginning on or after January 1, 2018, with early adoption permitted.

Amendments to IFRS 11 Joint arrangements
Amendments to IFRS 11 was issued on May 6, 2014, clarify that acquisitions of interests in joint operations that constitute a business should apply the relevant principles for business combination in IFRS 3 Business Combinations. The amendment is to be applied prospectively effective for annual periods beginning on or after January 1, 2016 with earlier application permitted. As this amendment is to be applied prospectively, no impact is expected on the financial statements. Upon adoption of this amendment, certain transactions which may previously have been treated as property acquisitions may instead be treated as business combinations.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

New accounting pronouncements (continued)

IFRS 15 Revenue from contracts with customers
IFRS 15 was issued on May 28, 2014, replaces *IAS 18 Revenue* and *IAS 11 Construction Contracts* and provides a new principal based model on revenue recognition to all contracts with customers. Mandatory adoption is effective for periods beginning on or after January 1, 2017. The Company is currently evaluating the impact of adoption on the financial statements.

Amendment to IAS 24 Related party transactions
The IASB amended IAS 24 Related Party Transactions to revise the definition of "related party" to include an entity that provides key management personnel services to the reporting entity or its parent and to clarify related disclosure requirements. The Company is in the process of assessing the impact on its financial statements as a result of this amendment. The amendment to IAS 24 is effective for annual periods beginning on or after July 1, 2014.

Amendments to IAS 32 Financial instruments: Presentation
Amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014. This provides for amendments relating to offsetting financial assets and financial liabilities.
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.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

The investment operations of the Company's business involve the purchase and sale of securities and, accordingly, the majority of the Company's assets are currently comprised of financial instruments. The use of financial instruments can expose the Company to several risks, including interest rate, credit, currency, liquidity and market risk. A discussion of the Company's use of financial instruments and their associated risk is provided below:

a) Fair value - The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

Level 1 – fair values are based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – fair values are based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or
Level 3 – fair values are based on inputs for the asset or liability that are not based on observable market data, which are unobservable inputs.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

			Assets measured at fair value as at November 30, 2014	
	Level 1 $	**Level 2 $**	**Level 3 $**	**Total $**
Fair value through profit or loss				
Cash on hand and bank balances	114,495	-	-	114,495
GIC	34,500	-	-	34,500
Investment in public company shareholdings	4,158,678	-	-	4,158,678
Investment in private company shareholdings	-	-	652,525	652,525
Investment in warrants	-	688,204	-	688,204
	4,307,673	688,204	652,525	5,648,402

			Assets measured at fair value as at November 30, 2013	
	Level 1 $	**Level 2 $**	**Level 3 $**	**Total $**
Fair value through profit or loss				
Cash on hand and bank balances	25,402	-	-	25,402
GIC	34,500	-	-	34,500
Investment in public company shareholdings	4,399,666	-	-	4,399,666
Investment in private company shareholdings	-	-	1,286,875	1,286,875
Investment in warrants	-	421,087	-	421,087
	4,459,568	421,087	1,286,875	6,167,530

b) Interest rate risk - The Company is not exposed to significant interest rate risk even though the Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or money market funds of major Canadian chartered banks. The GIC included in investment bear interest at a fixed rate, and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would not have a significant impact. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

c) Credit risk - The Company is not exposed to significant credit risk on its cash and cash equivalents and investments due to its cash and cash equivalents are placed with major financial institutions and investments are placed with a Canadian chartered bank or with independent investment dealer member of the Canadian Investor Protection Fund. All transactions executed by the Company in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Management believes that the credit risk with respect to advances and amounts receivables is remote. One customer accounted for 47% (2013: 60%) of the Company's administrative revenue.

d) Currency risk - The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

5. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES (continued)

e) Liquidity risk - Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected as a result of downturn in stock market conditions generally or related to matters specific to the Company, or if the value of the Company' investments declines, resulting in losses upon disposition. The Company generates cash flow primarily from its administrative activities and proceeds from the disposition of its investments. The Company has sufficient investments that are freely tradable and relatively liquid to fund its obligations as they become due under normal operating conditions.

f) Market risk - Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer or class of issuers. The Company's investment activities are currently concentrated primarily across several sectors in the natural resource industry, potash, precious metals, base metals, coal, graphite, rare earth elements, and rare metals. The Company also has set thresholds on purchases of investments. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar. The Company is not exposed to commodity price at this time.

g) Capital management - The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Company may raise additional capital for additional cash required. 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 identify and acquire new investment or business opportunities.

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 years ended November 30, 2014 and 2013. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

6. INVESTMENTS

Investment in public company shareholdings	Investments at fair value through profit or loss as at November 30, 2014				
	Volume	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
92 Resources	200,000	50,000	0.25	9,000	0.045
Arctic Star Exploration	3,330,283	478,560	0.14	133,211	0.040
Amarillo Gold	20,000	3,415	0.17	1,600	0.080
Big North Graphite	1,825,000	118,478	0.06	82,125	0.045
Canada Strategic Metals	572,000	138,119	0.24	25,740	0.045
Canadian International	354,000	40,895	0.12	10,620	0.030
Commerce Resources	3,584,178	1,834,294	0.51	680,994	0.190
Contagious Gaming	27,722	100,237	3.62	15,247	0.550
Corex Gold	165,000	49,500	0.30	7,425	0.045
Cresval Capital	500,000	100,000	0.20	7,500	0.015
Delta Gold	1,000,000	100,000	0.10	20,000	0.020
Desert Star	851,500	277,859	0.33	136,240	0.160
Discovery Harbour	703,333	206,663	0.29	21,100	0.030
Dunnedin Ventures	20,000	110,000	5.50	2,800	0.140
Elissa Resources	250,000	50,000	0.20	6,250	0.025
Equitas Resources	3,800,999	721,183	0.19	171,045	0.045
Equitorial Exploration	188,000	34,487	0.18	31,960	0.170
Fieldex Exploration	725,000	119,222	0.16	3,625	0.005
Galaxy Graphite	855,000	128,120	0.15	8,550	0.010
Indico Resources	214,000	53,500	0.25	9,630	0.045
Indigo Exploration	715,000	200,653	0.28	10,725	0.015
Iron Tank	500,000	50,000	0.10	30,000	0.060
Kapuskasing Gold	2,490,000	246,750	0.10	136,950	0.055
Lakeland Resources	5,057,000	465,913	0.09	657,410	0.130
Lithex Resources	240,000	53,758	0.22	40,998	0.171
Lomiko Metals	1,350,000	115,500	0.09	87,750	0.065
Montan Capital	1,534,500	205,719	0.13	76,725	0.050
Nouveau Life Pharmaceuticals	230,000	50,051	0.22	157	0.001
Open Gold	800,000	67,500	0.08	12,000	0.015
Pacific Potash	1,700,000	139,536	0.08	42,500	0.025
Pasinex Resources	6,194,738	553,830	0.09	782,034	0.125
Pinestar Gold	65,650	95,390	1.45	1,970	0.030
Prospero Silver	180,000	63,000	0.35	2,700	0.015
Rainmaker Resources	575,000	86,250	0.15	25,875	0.045
Red Oak Mining	1,100,000	113,000	0.10	38,500	0.035
Rio Silver	16,200	24,640	1.52	486	0.030
Strike Diamond	1,084,000	254,625	0.23	102,980	0.095
Takara Resources	317,269	10,000	0.03	3,173	0.010
White Metal Resources	240,000	6,000	0.03	6,000	0.025
WPC Resources	2,200,000	110,000	0.05	88,000	0.040
Western Potash	2,508,333	1,188,681	0.47	627,083	0.250
		8,815,328		**4,158,678**	

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

Investment in private company shareholdings	**Volume**	**Cost Base** $	**Cost Base** $/Share	**Market Base** $	**Market Base** $/Share
		Investments at fair value through profit or loss as at November 30, 2014			
Abalor Minerals	1,000,000	100,000	0.10	100,000	Cost
Adent Capital	5,000	525	0.11	525	Cost
Jack's Fork Exploration	2,220,000	344,100	0.16	344,100	0.10
Kittson Metals	200,000	10,000	0.05	10,000	Cost
MEP Petroleum	750,000	7,500	0.01	7,500	Cost
Mogul Ventures	1,000,000	250,000	0.25	250,000	Cost
Pacific Polar Energy Group	2,000,000	20,000	0.10	20,000	0.01
Portovello Gold	2,000,000	100,000	0.05	100,000	Cost
Pucara Resources	350,000	52,500	0.15	52,500	Cost
Silver Stallion	1,000,000	50,000	0.05	50,000	Cost
Tamaka Gold	104,500	99,750	0.95	99,750	Cost
Tru Vision	500,000	75,000	0.15	75,000	Cost
True Leaf	2,000,000	80,000	0.04	80,000	Cost
Tyko Resources	400,000	80,000	0.20	80,000	Cost
Provision ***				(616,850)	
		1,269,375		**652,525**	

*** The market rate of private company investments cannot be verified so the Company has made a provision in the event that the investments become impaired.

Investments in warrants	**Number of Warrants**	**Expiry Date**	**Exercise Price**	**Fair Value**	**Fair Value $/Warrant**	
Altan Nevada	172,184	December 15, 2014	0.52	-	0.00	**
Arctic Star Exploration	1,584,727	April 12, 2015	0.37	187	0.00	
Arctic Star Exploration	437,500	July 21, 2016	0.20	4,853	0.01	
Arctic Star Exploration	662,500	July 21, 2016	0.20	7,349	0.01	
Big North Graphite	375,000	June 13, 2015	0.15	1,624	0.00	
Big North Graphite	600,000	July 3, 2015	0.10	4,991	0.01	
Big North Graphite	1,250,000	March 13, 2016	0.08	23,473	0.02	
Canada Strategic Metals	37,500	May 5, 2016	0.15	636	0.02	
Canadian International	62,500	September 23, 2015	1.00	15	0.00	
Canadian International	160,000	March 6, 2015	0.10	58	0.00	**
Commerce Resources	150,000	September 14, 2015	0.35	5,505	0.04	
Commerce Resources	901,900	April 3, 2016	0.30	70,785	0.08	
Delta Gold	500,000	September 14, 2017	0.17	4,177	0.01	
Elissa Resources	250,000	March 4, 2016	0.30	2,718	0.01	
Kapuskasing Gold	1,000,000	February 4, 2019	0.10	53,465	0.05	
Lakeland Resources	285,000	March 17, 2015	0.30	2,449	0.01	**
Lakeland Resources	1,500,00	March 20, 2016	0.30	56,231	0.04	
Pacific Potash	1,450,000	December 28, 2015	0.13	17,889	0.01	
Pasinex Resources	750,000	July 2, 2015	0.16	46,995	0.06	
Pasinex Resources	2,178,572	April 7, 2017	0.12	225,900	0.10	
Pistol Bay	450,000	July 14, 2015	0.10	11,304	0.03	
Prima Diamond	600,000	April 21, 2016	0.10	13,320	0.02	
Rainmaker Resources	150,000	March 31, 2016	0.20	3,447	0.02	
Red Oak Mining	800,000	November 7, 2016	.015	10,975	X	
Strike Diamond	200,000	September 29, 2017	0.25	17,659	X	
Tamaka Gold	104,500	2 years after a liquidity event	1.50	-	-	*
Western Potash	2,708,333	October 24,2015	0.52	47,567	0.02	
WPC Resources	2,200,000	September 16, 2016	0.16	54,632	0.03	
Balance, November 30, 2014				**688,204**		
Investment in GIC, November 30, 2014				**34,500**		
Total value of investments, November 30, 2014				**$5,533,907**		

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

	Investments at fair value through profit or loss as at November 30, 2013				
Investment in public company shareholdings	**Volume**	**Cost Base**		**Market Base**	
		$	$/Share	$	$/Share
Altan Rio Minerals	356,660	143,219	0.40	16,050	0.045
Altan Nevada	344,369	111,781	0.32	18,940	0.055
Arian Resources	10,000	27,912	0.56	700	0.070
Arctic Star Exploration	2,405,283	492,557	0.20	348,766	0.145
Big North Graphite	2,603,000	258,339	0.10	130,150	0.050
Canada Strategic Metals	800,000	245,667	0.31	36,000	0.045
Canadian International	1,838,667	43,133	0.02	27,580	0.015
Commerce Resources	3,756,178	2,015,958	0.54	262,932	0.070
Corex Gold	330,000	99,000	0.30	13,200	0.040
Cresval Capital	500,000	100,000	0.20	7,500	0.015
Delta Gold	1,000,000	100,000	0.10	30,000	0.030
Desert Star	876,500	286,009	0.33	175,300	0.200
Discovery Harbour	703,333	206,663	0.29	31,650	0.045
Dunnedin Ventures	20,000	110,000	5.50	800	0.040
Elissa Resources	250,000	50,000	0.20	3,750	0.015
Equitas Resources	8,403,000	686,183	0.08	168,060	0.020
Equitorial Exploration	37,500	12,669	0.34	7,875	0.210
Fieldex Exploration	725,000	119,222	0.16	7,250	0.010
Galaxy Graphite	855,000	128,120	0.15	25,650	0.030
Indico Resources	400,000	100,000	0.25	40,000	0.100
Indigo Exploration	715,000	200,653	0.28	17,875	0.025
Iron Tank	1,000,000	100,000	0.10	50,000	0.050
Kibaran Nickel	714,300	210,004	0.29	72,461	0.101
Kingsman Resources	55,444	100,237	1.81	3,881	0.070
Lakeland Resources	4,647,000	386,014	0.08	487,935	0.105
Legend Power Systems	200,000	100,000	0.50	32,000	0.160
Lithex Resources	1,200,000	53,758	0.04	18,550	0.015
Lomiko Resources	500,000	36,359	0.07	30,000	0.060
Meridex Software	1,400,000	140,000	0.10	70,000	0.050
Moimstone	62,500	60,625	0.97	7,813	0.125
Montan Capital	1,534,500	205,719	0.13	230,175	0.150
NexGen Energy	329,532	77,440	0.24	90,621	0.275
Nouveau Life Pharmaceuticals	230,000	50,051	0.22	-	0.000
Olympic Resources	2,730,000	190,500	0.07	68,250	0.025
Open Gold	800,000	67,500	0.08	16,000	0.020
Pacific Potash	2,170,000	178,076	0.08	151,900	0.070
Pasinex Resources	10,485,500	1,046,948	0.10	629,119	0.060
Pinestar Gold	65,650	95,390	1.45	5,909	0.090
Pistol Bay	1,750,000	176,250	0.10	61,250	0.035
Prospero Silver	180,000	63,000	0.35	13,500	0.075
Remstar Resources	250,000	19,194	0.08	3,750	0.015
Rio Silver	81,000	24,640	0.30	1,620	0.020
Standard Graphite	263,000	47,147	0.18	14,465	0.055
Strike Graphite	121,500	267,050	2.20	7,897	0.065
Tosca Mining	75,000	105,000	1.40	4,500	0.060
Universal Wing	600,000	73,000	0.12	9,000	0.015
Western Pacific Resources	15,000	7,632	0.51	1,125	0.075
Western Potash	2,708,333	1,283,481	0.47	947,917	0.350
		10,702,100		**4,399,666**	

* As of November 30, 2014, fair value of these warrants is $nil due to the shares of these companies are not publicly traded or $nil fair value calculated using Black-Scholes option model.

** Expired unexercised subsequent to the year ended November 30, 2014.

(Expressed in Canadian Dollars)

6. INVESTMENTS (continued)

Investment in private company shareholdings	Investments at fair value through profit or loss as at November 30, 2013				
	Volume	Cost Base		Market Base	
		$	$/Share	$	$/Share
1191557 Ontario	600,000	6,000	0.01	6,000	Cost
Abalor Minerals	1,000,000	100,000	0.10	100,000	Cost
Adent Capital	5,000	525	0.11	525	Cost
Jack's Fork Exploration	2,220,000	344,100	0.16	344,100	Cost
Kittson Metals	200,000	10,000	0.05	10,000	Cost
Mogul Ventures	1,000,000	250,000	0.25	250,000	Cost
Pacific Polar Energy Group	2,000,000	200,000	0.10	20,000	0.01
Portovello Gold	2,000,000	100,000	0.05	100,000	Cost
Pucara Resources	350,000	52,500	0.15	52,500	Cost
Red Star Capital	1,650,000	99,000	0.06	99,000	Cost
Silver Stallion	1,000,000	50,000	0.05	50,000	Cost
Tamaka Gold	104,500	99,750	0.95	99,750	Cost
Tru Vision	500,000	75,000	0.15	75,000	Cost
Tyko Resources	400,000	80,000	0.20	80,000	Cost
		1,466,875		**1,286,875**	

Investments in warrants	Number of Warrants	Expiry Date	Exercise Price	Fair Value	Fair Value $/Warrant	
Altan Nevada	172,184	December 15, 2014	0.52	527	0.00	
Altan Rio Minerals	178,330	February 10, 2014	0.69	-	-	
Arctic Star Exploration	165,000	March 29, 2014	0.50	79	0.00	
Arctic Star Exploration	1,584,727	April 12, 2015	0.37	58,153	0.04	
Big North Graphite	375,000	June 13, 2014	0.15	2,239	0.00	
Big North Graphite	600,000	July 3, 2015	0.10	14,709	0.02	
Canada Strategic Metals	500,000	April 13, 2014	0.20	1,271	0.01	
Canadian International	625,000	September 23, 2015	0.10	6,379	0.01	
Delta Gold	500,000	September 14, 2017	0.17	9,044	0.02	
Desert Star	100,000	June 13, 2014	0.80	3,798	0.05	
Elissa Resources	250,000	March 4, 2016	0.30	1,550	0.01	
Lakeland Resources	1,000,000	August 30, 2014	0.15	52,431	0.05	
Olympic Resources	230,000	July 3, 2014	0.15	1,460	0.00	
Regal Uranium	100,000	2 years from IPO	IPO	-	-	*
Tamaka Gold	104,500	2 years after a liquidity event	1.50	-	-	*
Pacific Potash	1,450,000	December 28, 2015	0.13	55,227	0.03	
Pasinex Resources	750,000	July 2, 2015	0.16	24,556	0.04	
Western Potash	2,708,333	October 24,2015	0.52	189,664	0.06	
Balance, November 30, 2013				**421,087**		
Investment in GIC, November 30, 2013				**34,500**		
Total value of investments, November 30, 2013				**$6,142,128**		

* As of November 30, 2013, fair value of these warrants is $nil due to the shares of these companies are not publicly traded or $nil fair value calculated using Black-Scholes option model.

As at November 30, 2014, the Company had two guaranteed investment certificates totaling $34,500 (2013: $34,500). Of the total, $23,000 was issued on March 13, 2014, maturing on March 12, 2015 and subsequently renewed to March 10, 2016 (2013: $23,000 issued on March 15, 2013 and matured on March 14, 2014) with an interest rate of prime minus 1.95% (2013: 2.05%) and $11,500 was issued on July 10, 2014 and matures on July 9, 2015 with an interest rate of prime minus 1.95% (2013: 1.90%).

The Company classifies all of its investments other than equity method investees as investments at fair value through profit or loss, except for the investments classified as available-for-sale.

(Expressed in Canadian Dollars)

7. INVESTMENTS IN EQUITY METHOD INVESTEES

	Pasinex Resources (a)	Prima Diamond (b)	0941680 BC Ltd. (c)	Electra Stone Ltd. (d)	Total
At November 30, 2012	949,770	73,662	154,521	-	1,177,953
Loss from equity investees	-	(21,128)	(56,689)	-	(77,817)
Shares received for finder's fees	5,000	-	-	-	5,000
At April 17, 2013	954,770	52,534	97,832	-	1,105,136
Gain on transaction	-	284,370	(97,832)	-	186,538
Loss from equity investees	-	(336,904)	-	-	(336,904)
Recovery of loss from equity investee	281,980	-	-	-	281,980
Derecognition as equity method investee	(1,236,750)	-	-	-	(1,236,750)
At November 30, 2013	-	-	-	-	-
Investment in private placement	-	60,000	-	-	60,000
Conversion of shares of Red Star	-	-	-	133,573	133,573
Shares received for debt	-	-	-	507,897	507,897
Purchase of shares in market	-	21,260	-	18,468	39,728
Sale of shares	-	(55,110)	-	-	(55,110)
Adjustment of escrow shares	-	(625)	-	-	(625)
Loss from equity investee	-	(25,525)	-	(70,779)	(96,304)
At November 30, 2014	-	-	-	589,159	589,159

(a) Pasinex Resources Limited

On June 4, 2013, the Company sold 3,050,000 common shares of Pasinex in private transactions to a director and to an insider of Pasinex for gross proceeds of $146,000. Upon closing of the private sale, Zimtu owned approximately 17% of the issued and outstanding capital of Pasinex and therefore no longer has significant influence of Pasinex. As a result, the Company ceased to account for the investment using the equity method. Effective June 4, 2013, the remaining investment in Pasinex was accounted for as an investment, held at fair market value. During the year ended November 30, 2014, Pasinex issued the Company 2,877,718 shares at a deemed value of $0.10 per share to satisfy $287,718 of debt due to the Company. As at November 30, 2014, the Company owns 6,194,738 (2013: 10,485,500) common shares of Pasinex, which represents approximately 8% of Pasinex's outstanding shares. As at November 30, 2014, these shares had a fair value of $774,342 (2013: $629,119). See Note 6.

(b) Prima Diamond Corp. (formerly Prima Fluorspar Corp.)

As at April 17, 2013, the Company owned approximately 27% (2013: 27%) of the total outstanding shares of Prima Diamond Corp. ("Prima"), being 3,020,000 common shares (2013: 3,020,000). The Company exerted significant influence over Prima and therefore Prima was accounted for as an investment under the equity method. On April 18, 2013, the TSX-V approved Prima's acquisition of 0941680 BC Ltd. Upon completion of the Transaction, the former shareholders of 0941680 BC hold a controlling interest in Prima and will therefore account for the acquisition of 0941680 similarly to a reverse takeover transaction, with 0941680 BC being the deemed acquirer of the net assets of Prima. Prima issued 11,515,000 common shares to 0941680 BC's shareholders on a one for one basis. These common shares were subject to Escrow agreements pursuant to National Policy 46-201. Concurrent with the Transaction, Prima completed a private placement issuing 3,975,000 common shares with gross proceeds of $602,500. At the completion of the Transaction, Zimtu held approximately 28% of Prima's outstanding shares.

The investment in Prima reflects Zimtu's share of the total fair value of consideration of Prima on April 18, 2013, the date of acquisition, plus any subsequent investments. Therefore, the fair value of the shares of Prima held by Zimtu is 28.1% of $1,198,942, the fair value of consideration of the acquired shares, for a value of $336,904 The gain on the transaction is equal to the new fair value of the shares ($336,904) less the remaining balance of the former Prima ($52,534) and 0941680 BC ($97,832) investments on April 17, 2013, for a gain on the Transaction of $186,538.

7. INVESTMENTS IN EQUITY METHOD INVESTEES (continued)

(b) Prima Diamond Corp. (formerly Prima Fluorspar Corp.) (continued)

During the year ended November 30, 2014, the Company purchased 600,000 shares valued at $60,000 in a private placement, sold 1,002,000 shares with a cost of $55,110, and purchased 325,000 shares on the market with a cost of $21,260. The investment is adjusted for $25,525 (2013: $336,904) of equity loss due to the decrease of net assets of Prima. As at November 30, 2014, the Company holds 7,380,500 shares of Prima, equal to 23.7% of Prima's outstanding common shares.

(c) 0941680 BC Ltd. (formerly Prima Fluorspar Corp.)

As at April 17, 2013, the Company owned approximately 39% of the total outstanding shares of 0941680 BC Ltd. ("0941680 BC") (formerly Prima Fluorspar Corp.) a private company incorporated on May 29, 2012, being 4,500,000 common shares. The Company exerted significant influence over 0941680 BC and therefore 0941680 BC was accounted for as an investment under the equity method. The investment in 0941680 BC was recorded at cost of $235,000 and was adjusted for $nil (2013: $56,689) of equity loss. At April 18, 2013, upon completion of the reverse takeover (the "Transaction" – see (b) above), the remaining balance of the original investment of 0941680 BC was reduced to nil.

(d) Electra Stone Ltd. (formerly Electra Gold Corp.)

During the year ended November 30, 2014, Electra Stone Ltd. ("Electra") issued 24,000,000 shares in exchange for debt valued at $1,218,969. The Company received 10,000,000 of the Electra shares in exchange for its related portion of the debt, which was purchased for $41,667, creating a gain of $466,230 on the purchase. In addition, the Company received 809,323 shares for the conversion of their Red Star shares into Electra shares, and purchased 314,500 shares in the market, for a total investment of $659,938. The investment is adjusted for $70,779 (2013: $nil) of equity loss due to the decrease of net assets of Electra. As at November 30, 2014, the Company holds 11,123,823 shares of Electra, equal to 27.1% of Electra's outstanding common shares.

(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS

Property Name	Partner	Balance, November 30, 2013 $	Additions $	Impairment $	Property sales $	Balance, November 30, 2014 $
AB Frac /Peace River (n)	Dahrouge	9,750	1,125	-	(10,875)	-
AB Potash (α)	Dahrouge	84	-	-	-	84
Barite Claims	N/A	1,401	-	(1,401)	-	-
Beatty Bay	Dahrouge	21,590	1,449	(23,039)	-	-
Black Birch (α)	Dahrouge	14,068	2,220	-	-	16,288
Burr River (Brassy Rapids)(α)	Dahrouge	2,175	-	-	-	2,175
Deep Bay/Simon Lake (k)	Dahrouge	3,263	4,381	-	-	7,644
Garland/Voisey's Bay Property (p)	Dahrouge	-	35,188	-	(34,567)	621
Gotcha (Tungsten) (α)	N/A	-	9,221	-	-	9,221
Irving Lake Gold	Dahrouge	19,275	486	(19,761)	-	-
Jay Claims	Dahrouge	2,759	-	(2,759)	-	-
Kubwa	Strategic	165,000	-	(165,000)	-	-
Lac Caron Graphite	Dahrouge	8,034	-	(8,034)	-	-
Munn Lake (q)	Dahrouge	-	22,892	-	-	22,892
Marchel Lake (α)	Dahrouge	-	18,241	-	-	18,241
Parallel Creek Frac (α)	Dahrouge	-	1,818	-	-	1,818
Pelican Frac Sands (α)	Dahrouge	-	13,041	-	-	13,041
Michon	Dahrouge	1,803	-	(1,803)	-	-
Portland Graphite (i)	N/A	-	60,534	(60,534)	-	-
Sask Craton Property (o)	Dahrouge	31,994	1,200	-	(33,194)	-
Saskoba Gold	Dahrouge	35,405	3,964	(39,369)	-	-
Longworth Silica Claims	N/A	39,313	7,268	(7,178)	-	39,403
Springer Lake (α)	Dahrouge	16,682	-	-	-	16,682
Zaharik Lake	Dahrouge	9,809	-	(9,809)	-	-
		382,405	183,029	(338,687)	(78,636)	148,110

(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS (continued)

Property Name	Partner	Balance, November 30, 2012 $	Additions $	Impairment $	Property sales $	Balance, November 30, 2013 $
Munglinup (g)	Strategic	2,708	-	-	(2,708)	-
Portland Graphite (i)	MPH	64,715	-	-	(64,715)	-
AB Frac /Peace River (n)	Dahrouge	8,725	1,025	-	-	9,750
AB Potash (α)	Dahrouge	84	-	-	-	84
Barite Claims (α)	N/A	-	1,401	-	-	1,401
Beatty Bay (α)	Dahrouge	21,590	-	-	-	21,590
Black Birch (α)	Dahrouge	-	14,068	-	-	14,068
Brassy Rapids (α)	Dahrouge	-	2,175	-	-	2,175
Deep Bay/Simon Lake (k)	Dahrouge	-	3,263	-	-	3,263
Diamonds (SK) (α)	Dahrouge	-	31,994	-	-	31,994
Irving Lake Gold (α)	Dahrouge	19,275	-	-	-	19,275
Jay Claims (α)	Dahrouge	-	2,759	-	-	2,759
Kubwa (α)	Strategic	165,000	-	-	-	165,000
Lac Caron Graphite (α)	Dahrouge	8,034	-	-	-	8,034
Odin Creek (α)	Javorsky	2,811	-	(2,811)	-	-
Michon (α)	Dahrouge	1,803	-	-	-	1,803
Saskoba Gold (α)	Dahrouge	30,297	5,108	-	-	35,405
Silica Claims (α)	N/A	-	39,313	-	-	39,312
Springer Lake (α)	Dahrouge	-	16,682	-	-	16,682
Zaharik Lake (α)	Dahrouge	9,808	-	-	-	9,808
		334,850	117,788	(2,811)	(67,423)	382,404

(α) Properties Held for Sale

Joint Venture Properties

Dahrouge Geological Consulting Corp., 877384 Alberta Ltd., and DG Resource Management Ltd. (“Dahrouge”)

The Company entered into verbal mutual agreements in which Dahrouge Geological Consulting Corp. (“Dahrouge”), 877384 Alberta Ltd. (“877384”), and DG Resource Management Ltd. (“DG Resource”), that Dahrouge, 877384, and/or DG Resource will stake and hold the ownerships of the properties on behalf of the Company.

Strategic Resource Management Pty Ltd. (“Strategic”)

On April 13, 2011, the Company entered into an agreement for the joint acquisition and sale of iron properties of merit in Australia with Kubwa Iron Ore Holdings Pty Ltd. (“Kubwa”). Kubwa is a private Australian company, wholly owned by Strategic Resource Management Pty Ltd. (“Strategic”). Zimtu will contribute $50,000 on signing of the agreement (paid) and contribute up to $50,000 to fund additional iron tenement applications for Kubwa (paid). After the 50/50% joint venture is formed, the proceeds from the sale of any or all of the tenements/permits will be shared equally by the Company and Kubwa; however, Zimtu will be entitled to the first portion of any cash consideration received for the tenements/permits equal to 50% of the amount contributed for additional tenement applications. If the maximum $50,000 is spent on additional tenement applications, Zimtu will be entitled to the first $25,000 of any cash consideration received. During the year ended November 30, 2014, the Company paid $nil (2013: $nil) to Kubwa for geological evaluation expenditures and impaired the property.

8. MINERAL PROPERTY INTERESTS (continued)

Joint Venture Properties (continued)

MPH Consulting Ltd. ("MPH")

During the year ended November 30, 2011, the Company and MPH Consulting Ltd. (with president, Paul Sobie and executive VP, Bill Brereton) entered into a mutual agreement which was executed verbally that they were the legal and beneficiary holders of the mineral claims making up the Lavergne Rare Earth Property and Black Donald Graphite Properties. The proceeds from the Lavergne Property and Black Donald Properties will be shared on a 50(Zimtu)-25(Sobie)-25(Brereton)% joint venture basis. During the year ended November 30, 2012, the parties entered into an agreement that they are the legal and beneficial holders of the mineral claims making up the Griffith and Brougham Graphite Properties, McWhirter Lake Property, and Portland Graphite Property. During the year ended November 30, 2014, the Portland Graphite Property was returned and the Company was allowed the property to lapse subsequently to the year ended November 30, 2014.

Farmed-out Properties

(a) Blachford Rare Earth Element Property

On June 16, 2011, the Company and one of its prospecting partners signed an agreement with Desert Star Resources Ltd. ("Desert Star") (formerly First Graphite Corp.) whereby Desert Star can earn a 100% interest in the Blachford Rare Earth Element ("REE") Property located in the Northwest Territories, approximately 100 kilometres southeast of the city of Yellowknife. The property is contiguous to Avalon Rare Metals Inc.'s ("Avalon") Thor Lake REE Project. For its participation in the transaction, Zimtu will receive staged payments totalling $100,000 ($12,500 received in 2011 and $37,500 received in 2012) and 1,250,000 common shares (500,000 shares received and fair valued at $42,500 in 2012) over an 18-month period. Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the property; 1% of which can be purchased by Desert Star for $750,000. The agreement was accepted by the TSX-V on November 30, 2011. On August 22, 2012, the agreement between Desert Star and Zimtu was terminated. During the year ended November 30, 2014, $nil (2013: $16,500) was recognized as revenue for the satisfaction of Desert Star's termination obligations.

(b) Black Donald, Little-Bryan and Beidelman-Lyall Graphite Properties

On November 2, 2011, the Company and its prospecting partners signed an agreement with Standard Graphite Corp. ("Standard") (formerly Orocan Resource Corp.) whereby Standard has an option to purchase a 100% interest in and to the Black Donald, Little-Bryan, and Beidelman-Lyall Graphite Properties located in the Ontario, Canada. For its participation in the transaction, Zimtu will receive cash of $12,500 (received) and staged payments of 1,000,000 common shares (750,000 shares received and fair valued at $160,250 in 2012) over a two-year period. Zimtu's prospecting partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims at which half can be purchased for $1 million. The agreement was approved by the TSX-V on December 9, 2011. On September 16, 2013, the Company amended the property agreement as the Purchaser did not maintain the property and allowed some of the claims to lapse. To settle the original property agreement, the Purchaser issued the final 250,000 common shares to the Company. During the year ended November 30, 2014, $nil (2013: $25,000) was recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)
(c) McWhirter Lake Graphite Property

On August 14, 2012, the Company and its prospecting partners signed an agreement with Olympic Resources Ltd. ("Olympic") whereby Olympic has an option to purchase a 100% interest in and to the McWhirter Lake Graphite Property located in the Carlow, Monteagle, and Dungannon townships in Ontario, Canada. For its participation in the transaction, Zimtu will receive cash payments of $20,000 (received) and payments of 1,250,000 common shares (received 750,000 shares fair valued at $37,500 in 2012, 250,000 shares fair valued at $6,250 in 2013, and 250,000 shares fair valued at $6,250 in 2014). Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on August 28, 2012. During the year ended November 30, 2014, $6,250 (November 30, 2013: $6,250) was recognized as revenue from the property sale.

(d) Flora Lake Graphite Property

On April 19, 2012, the Company and one of its prospecting partners signed an agreement with Olympic Resources Ltd. ("Olympic") whereby Olympic has an option to purchase a 100% interest in and to the Flora Lake Graphite Property located in Labrador, Canada. For its participation in the transaction, Zimtu will receive staged cash payments of $30,000 (received) and staged payments of 1,500,000 common shares (250,000 shares received and fair valued at $82,500 in 2012 and 250,000 received and fair valued at $13,750 in 2013) over a fourteen-month period.

Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on May 31, 2012. On April 15, 2013, the Company and its prospecting partners amended the property agreement dated May 22, 2012 with Olympic for the Flora Lake Graphite Property. Olympic was to keep the property in good standing, however failed to do so. In order to alleviate their liability to the Vendors, Olympic issued 500,000 (fair valued at $27,500) shares to the Company as full and complete fulfillment of their obligation under the agreement. During the year ended November 30, 2014, $nil (2013: $41,250) was recognized as revenue from the property sale.

(e) Griffith and Brougham Graphite Properties

On April 17, 2012, the Company and its prospecting partners signed an agreement with Big North Graphite Corp. ("Big North") (formerly Big North Capital Inc.) whereby Big North has an option to purchase a 100% interest in and to the Griffith and Brougham Graphite Properties located in Ontario, Canada. For its participation in the transaction, Zimtu will receive cash of $40,000 (received) and staged payments of 1,000,000 common shares (500,000 shares received with a fair value of $75,000 in 2012, 250,000 shares received with a fair value of $12,500 in 2013, and 250,000 shares received with a fair value of $12,500 in 2014) over a two-year period. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on April 24, 2012. During the year ended November 30, 2014, $12,500 (2013: $12,500) was recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)*(f) Henry Graphite Property*

On April 5, 2012, the Company and its prospecting partner signed an agreement with Desert Star Resources Ltd. ("Desert Star") (formerly First Graphite Corp.) whereby Desert Star has an option to purchase a 100% interest in and to the Henry Graphite Property located in Saskatchewan, Canada. For its participation in the transaction, Zimtu will receive staged cash payments of $77,500 (received) and staged payments of 1,000,000 common shares (350,000 shares with a fair value of $140,000 and 150,000 shares with a fair value of $12,750 were received in 2012 and 125,000 (250,000 pre-consolidation) shares with a fair value of $14,375 and 125,000 (250,000 pre-consolidation) with a fair value of $10,000 were received in 2013) over a two-year period. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims. The agreement was approved by the TSX-V on April 13, 2012. During the year ended November 30, 2014, $nil (2013: $24,375) was recognized as revenue from the property sale.

(g) Munglinup Graphite Project

On February 27, 2012, the Company and its prospecting partners signed an agreement with Pinestar Gold Inc. ("Pinestar") whereby Pinestar has an option to purchase a 100% interest in and to the Munglinup Graphite Project located in the Western Australia and eight additional graphite occurrences located in Australia. For its participation in the transaction, Zimtu will receive cash of $75,000 ($12,500 received) and staged payments of 1,750,000 common shares over a two-year period. Zimtu's prospecting partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims at which half can be purchased for $1 million. On May 11, 2012, Pinestar and Zimtu terminated the letter agreement in place with the Company and its prospecting partners to acquire the Munglinup Graphite Properties.

On February 19, 2013, the Company and its prospecting partners signed an agreement with Lithex Resources Limited ("Lithex"), a publicly traded company on the Australia Securities Exchange (ASX: LTX), whereby Lithex has an option to purchase a 100% interest in and to the Munglinup Graphite Project located in the Western Australia and eight additional graphite occurrences located in Australia. For its participation in the transaction, Zimtu will receive cash of $15,210 (received) and payments of 1,200,000 common shares (received) fair valued at $53,758. During the year ended November 30, 2014, $nil (2013: $66,260) was recognized as revenue from the property sale.

(h) Quatre Milles Graphite Property

On November 11, 2011, the Company and its prospecting partners signed an agreement with Lomiko Metals Inc. ("Lomiko") whereby Lomiko has an option to purchase a 100% interest in and to the Quatre Milles Graphite Property located in the Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $25,000 (received) and staged payments of 2,000,000 common shares (500,000 shares received with a fair value of $55,000 in 2011, 250,000 shares received with a fair value of $16,250 in 2012, 500,000 shares received with a fair value of $27,500 in 2013, and 750,000 shares received with a fair value of $67,500 in 2014) over a two-year period. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims which can be purchased for $1 million. The agreement was approved by TSX-V on March 26, 2012. During the year ended November 30, 2014, $67,500 (2013: $27,500) is recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(h) Quatre Milles Graphite Property (continued)

On May 7, 2012, the Company and its prospecting partners signed an agreement with Lomiko whereby Lomiko has an option to purchase a 100% interest in and to the Quatre Milles - Extension located in the Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $1,000 (received) and 600,000 common shares (received with a fair value of $48,000 in 2014). Zimtu's prospecting partners will receive cash and share consideration equal to that of Zimtu. The agreement was approved by the TSX-V on March 25, 2014. During the year ended November 30, 2014, $49,000 (2013: $nil) is recognized as revenue from the property sale.

(i) Portland Graphite Property

On February 26, 2013, the Company and one of its prospecting partners signed an agreement with Pistol Bay Mining Inc. ("Pistol Bay") whereby Pistol Bay can earn a 100%-interest in the advanced stage Portland Graphite Property located in Southern Ontario. For its participation in the transaction, the Company will receive cash of $75,000 and share payments of 2,750,000 common shares (1,000,000 shares received and fair valued at $135,000 and 750,000 shares fair valued at $41,250) over a two year period. Zimtu's prospective partner will receive cash/share consideration equal to that of Zimtu. The timing of the staged payments were modified in an agreement dated May 31, 2013. The agreement was accepted by the TSX-V on March 20, 2013. During the year ended November 30, 2014, $nil (2013: $111,535) is recognized as revenue from the property sale. On July 4, 2014, the agreement was terminated and the property was returned to the vendors and was allowed to lapse subsequent to the year ended November 30, 2014. As a result, the cost of $60,534 was written off.

(j) C&C/7 Rare Earth Element Properties

On December 15, 2010, Critical Elements Corp. (formerly First Gold Exploration Inc.) announced that it had signed an agreement with the Company and its joint venture partners, Cathro Resources Corp. and Cazador Resources Ltd. ("C&C"), to acquire a 100% interest in seven rare earth element (REE) and niobium properties in southeastern British Columbia. For its participation in the transaction, the Company will receive staged payments of $62,500 cash (received) and share payments totalling 2,000,000 common shares (1,000,000 shares received and fair valued at $290,000 in 2011, 500,000 shares received and fair valued at $70,000 in 2012, and 500,000 shares received and fair valued at $117,500 in 2013) over a two year period. Zimtu's partners, C&C, will together receive cash and share consideration equal to that of Zimtu. During the term of the agreement Critical Elements shall ensure that the claims are maintained in good standing. The vendors will retain a 2% NSR royalty on the properties; 1% of which can be purchased by Critical Elements for $1-million and the second 1% of which can be purchased by Critical Elements for $5-million. The transaction was accepted by the TSX-V on January 5, 2011. During the year ended November 30, 2014, $nil (2013: $117,500) is recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(k) Deep Bay Graphite and Simon Lake Graphite Properties

On September 1, 2011, the Company and one of its prospecting partners signed an agreement with Strike Graphite Corp. (formerly Strike Gold Corp.) ("Strike") whereby Strike has an option to purchase a 100% interest in and to the Deep Bay East and Simon Lake Graphite Properties located in the Saskatchewan, Canada. For its participation in the transaction, Zimtu will receive staged payments of $162,500 ($87,500 received) and 1,500,000 common shares (500,000 shares received and fair valued at $167,500 in 2011 and 500,000 shares received and fair valued at $155,000 in 2012) over a 14-month period. Zimtu's prospecting partner will received cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 3% NSR royalty on the claims. The agreement was accepted by the TSX-V on September 6, 2011.

On November 19, 2012, the agreement was amended to defer the final payment and share issuance from November 6, 2012 to February 28, 2013. On March 22, 2013, the Company provided Strike with a written notice of default, requiring payment of cash and shares in full before close of business on April 21, 2013 and again on October 22, 2013, the Company provided Strike with a written notice of default, requiring payment of cash and shares in full before close of business on November 22, 2013. The payment did was not received and the option agreement was terminated and the property was returned to the Optionors. During the year ended November 30, 2014, $nil (2013: $nil) was recognized as revenue from the property sale.

(l) Snip and Seebach Properties

On November 22, 2010, the Company announced that it and one of its prospecting partners had signed an option agreement with Remstar Resources Ltd. whereby Remstar can earn a 60% interest in the Snip and Seebach 02-03 rare-earth-element properties located in the Carbo area of north-eastern British Columbia. Remstar and the Company renegotiated the terms of the option agreement on June 17, 2011. As a result of the signing of the revised agreement, Remstar will now acquire a 100% interest in the properties by paying $25,000 (paid) and issuing a total of 2,000,000 common shares (1,000,000 shares received and fair valued at $100,000 in 2010 and 250,000 shares received and fair valued at $7,500 in 2012) over two years to the Company and incurring exploration expenditures of $850,000 over three years. Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The vendors will retain a 2% NSR royalty on the properties. The agreement was accepted by the TSX-V on July 25, 2011. $113,227 and $4,525 from the transaction is respectively recognized as revenue from property sale in 2011 and 2010.

On June 29, 2012, the agreement between the Company and Remstar Resources Ltd. for the purchase of the Snip and Seebach Properties was amended. As a result, the Company will receive 2,000,000 common shares (1,000,000 shares received and fair valued at $100,000 in 2010 and 250,000 shares received and fair valued at $7,500 in 2012) over five years (previously over two years) and incur exploration expenditures of $850,000 over five years (previously over three years). Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The vendors will retain a 2% NSR royalty on the properties. The mineral property agreement was terminated on July 24, 2013.

(m) Zim Frac Claims

On January 27, 2014, the Company and its prospecting partner signed an agreement with 92 Resources Corp. ("92 Resources") (formerly Rio Grande Mining Corp.) whereby 92 Resources can earn a 100%-interest in and to the Zim Frac Sand Property located in Alberta, Canada. For its participation in the transaction, the Company will receive share payments of 1,000,000 common shares (received and fair valued at $50,000 in 2014). Zimtu's prospective partner will receive share consideration equal to that of Zimtu. The agreement was accepted by the TSX-V on February 6, 2014. During the year ended November 30, 2014, $50,000 (2013: $nil) is recognized as revenue from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(n) Peace River Frac Sands Property

On February 5, 2014, the Company and its prospecting partner signed an agreement with Rainmaker Mining Corp. ("Rainmaker") whereby Rainmaker can earn a 100%-interest in and to the Peace River Frac Sand Property located in Alberta, Canada. For its participation in the transaction, the Company will receive cash of $10,000 ($5,000 received) and share payments of 750,000 common shares (375,000 common shares received and fair valued at $56,250 in 2014) on or before September 15, 2014. Zimtu's prospective partner will receive cash/share consideration equal to that of Zimtu. The agreement was accepted by the TSX-V on February 25, 2014. During the year ended November 30, 2014, $50,185 (2013: $nil) is recognized as revenue from the property sale. On September 14, 2014, Rainmaker terminated its option in the Peace River Frac Sands Property and returned it to the vendors.

On October 1, 2014, the Company and its prospecting partner signed a Letter of Intent ("LOI") with Prime Meridian Resources Corp.("Prime Meridian") (formerly Phoenix Metals Corporation) whereby Prime Meridian can earn a 100%-interest in and to the Peace River Frac Sand Property located in Alberta, Canada. For its participation in the transaction, the Company will receive cash of $5,000 (received) and $7,500 and 1,125,000 common shares on or before the expiry of the Due Diligence Period and subject to TSX-V approval. Zimtu's prospective partner will receive cash/share consideration equal to that of Zimtu. During the year ended November 30, 2014, $5,000 (2013: $nil) is recognized as revenue from the property sale.

(o) Sask Craton Property

On May 20, 2014, the Company and its prospecting partners signed an agreement with Strike Graphite Corp. ("Strike") whereby Strike can earn an 80%-interest in and to the Sask Craton Property located in east-central Saskatchewan, Canada. For its participation in the transaction, the Company will receive share payments of 1,000,000 common shares (received and fair valued at $70,000 in 2014) at a deemed value of $0.05 and 200,000 transferrable common share purchase warrants with an exercise price of $0.25 per common share warrant, fair valued at $9,147, valid for a three-year term. Zimtu's prospecting partners will receive cash of $553,028 and 800,000 transferable common share purchase warrants with the same terms as above. The agreement was accepted by the TSX-V on October 6, 2014. During the year ended November 30, 2014, $45,953 (2013: $nil) is recognized as revenue from the property sale.

(p) Garland / Voisey's Bay Property

On July 10, 2014, the Company and its prospecting partners DG Resource Management Ltd. and Ridge Resources Ltd., collectively the "Vendors", entered into an agreement with Equitas Resources Corp. ("Equitas") whereby Equitas has the right to acquire a 100% interest in the Garland Property, located in Labrador, Canada. In consideration, the Company will receive 3,000,000 shares over a 36 month period (1,000,000 shares received and fair valued at $35,000 in 2014) and $40,000 (15,000 paid subsequent to November 30, 2014) over a 1 year period. The agreement was accepted by the TSX-V on November 17, 2014. During the year ended November 30, 2014, $103 (2013: $nil) is recognized as a loss from the property sale.

8. MINERAL PROPERTY INTERESTS (continued)

Farmed-out Properties (continued)

(q) Munn Lake Diamond Property

On July 25, 2014, the Company and its prospecting partner entered into an agreement with Prima whereby Prima has an option to acquire an undivided 100% interest in and to 19 mineral claims covering more than 14,000 ha (34,000 acres) in the Munn Lake Diamond Property located in the Slave Province, Northwest Territories. In consideration of the grant of the option, the Company will receive cash of $25,000 and 2,250,000 common shares of Prima and the Company's prospecting partner will receive cash and share consideration equal to that of the Company. Prima shall be entitled at any time to purchase 1% GORR for $2,000,000 in respect of all minerals other than diamonds. Required considerations have not been rendered as the agreement is still subject to final acceptance of the TSX-V.

Property Advisory Services

Big North Lake Graphite Property

On March 27, 2012, the Company and its prospecting partners signed an agreement with Big North Graphite Corp. ("Big North") (formerly Big North Capital Inc.) whereby Big North has an option to purchase a 100% interest in and to the Big North Lake Graphite Property located in Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $20,000 (received) and staged payments of 750,000 common shares (375,000 shares received with a fair value of $65,625 and 125,000 shares received with a fair value of $7,500 in 2012, and 125,000 shares received with a fair value of $6,250 and 125,000 shares received with a fair value of $5,625 in 2013) on or before over a fourteen-month period, as well as incurring a minimum of exploration expenditures totalling $500,000 within fifteen months of the effective date. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on April 24, 2012. During the year ended November 30, 2014, $nil (2013: $11,875) was recognized as revenue from the property sale.

Goeland Rare Earth Property

On January 6, 2011, Canada Strategic Metals Inc. ("Canada Strategic") (formerly Canada Rare Earth Inc.) announced that it had signed an agreement with the Company and one of its prospecting partners to acquire a 100% interest in the Goeland Rare Earth Property, located 215 km north of Val d'Or in the Abitibi region of Quebec. For its participation in the transaction, the Company received $12,500 cash on signing and staged share payments totalling 1,250,000 common shares (500,000 shares received and fair valued at $370,000 in 2011, 250,000 shares received and fair valued at $92,500 in 2012, 250,000 shares received and fair valued at $21,250 in 2013, and 250,000 shares received and fair valued at $22,500 in 2014) over a 36 month period. The vendors will retain a 2% NSR royalty on the properties; 1% of which can be purchased by Canada Strategic for $1,000,000. Zimtu's partner will receive cash and share consideration equal to that of Zimtu. The transaction was accepted by the TSX-V January 21, 2011. During the year ended November 30, 2014, $22,205 (2013: $21,250) is recognized as revenue from the property advisory services performed.

(Expressed in Canadian Dollars)

8. MINERAL PROPERTY INTERESTS (continued)

Property Advisory Services (continued)

Wagon Graphite Property

On February 20, 2012, the Company and its prospecting partners signed an agreement with Strike Graphite Corp. ("Strike") whereby Strike has an option to purchase a 100% interest in and to the Wagon Graphite Properties located in the Quebec, Canada. For its participation in the transaction, Zimtu will receive cash of $12,500 ($7,500 received) and staged payments of 375,000 common shares (125,000 shares received with a fair value of $42,500 in 2012 and 250,000 shares received and fair valued at $7,500 in 2013), as well as incurring a minimum of exploration expenditures totalling $100,000 on or before April 11, 2013. Zimtu's acquisition partners will receive cash and share consideration equal to that of Zimtu. The vendors will collectively retain a 2% NSR royalty on the claims of which one-half can be purchased for $1 million. The agreement was approved by the TSX-V on April 11, 2012. On October 15, 2012, the agreement was amended to replace the final cash payment with a payment of 125,000 shares (received and fair valued at $3,750 in 2013). During the year ended November 30, 2014, $nil (2013: $11,250) is recognized as revenue from the property advisory services performed

9. PROPERTY AND EQUIPMENT

Cost		**Office Furniture**		**Leasehold Improvements**		**Computer Equipment**		**Total**
November 30, 2012	$	177,121	$	101,164	$	21,664	$	299,949
Additions		-		-		1,960		1,960
November 30, 2013 and 2014	**$**	**177,121**	**$**	**101,164**	**$**	**23,624**	**$**	**301,909**
Accumulated depreciation								
November 30, 2012	$	165,750	$	61,919	$	21,664	$	249,333
Additions		4,665		19,995		735		25,395
November 30, 2013	$	170,415	$	81,914	$	22,399	$	274,728
Additions		4,031		19,250		980		24,261
November 30, 2014	**$**	**174,446**	**$**	**101,164**	**$**	**23,379**	**$**	**298,989**
Net book value								
November 30, 2013	$	6,706	$	19,250	$	1,225	$	27,181
November 30, 2014	**$**	**2,675**	**$**	**-**	**$**	**245**	**$**	**2,920**

10. SHARE CAPITAL

a) Authorized: Unlimited common shares without par value

b) Issued:

On July 11, 2014, the Company completed a non-brokered private placement, issuing 2,228,690 units ("Unit") at a price of $0.50, for gross proceeds of $1,114,345. Each Unit consists of one common share of the Company and one non-transferrable common share purchase warrant ("Warrant"), with one Warrant entitling the holder to acquire on additional share at a price of $0.75 per warrant until July 11, 2016. The Company paid cash finders' fees to certain finders in the aggregate amount of $29,840 and issued 59,680 warrants (the "Finders warrants") each exercisable into one common share until July 11, 2016 at a price of $0.50. The fair value of the shares at the date of issuance was $0.58.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

b) Issued: (continued)

The fair value of the Warrant is deemed to be $nil based on the residual method. The Finders warrants were valued at fair value of $17,353, or $0.29 per share. The fair value of each Finder warrant was calculated using the Black-Scholes pricing model assuming a risk-free interest rate of 1.10%, a dividend yield of nil, an expected volatility of 86.53% and an average expected life of 2 years. The residual $35,295 of share issuance costs includes legal and filing expenses related directly to the private placement.

There were no share issuances during the year ended November 30, 2013.

c) Warrants:

At November 30, 2014, the Company had the following share purchase warrants outstanding:

Expiry Date	Exercise Price	Number of warrants	Weighted average life (years)
July 11, 2016	$0.75	2,228,690*	1.61

*These warrants are subject to an acceleration clause. If on any 20 consecutive trading days following July 11, 2014, the closing sales price of the Shares as quoted on the TSX-V is greater than 150% of the exercise price, the Company may accelerate the expiry date of the warrants to the 30th day after the date on which the Company gives notice to the Warrant holder.

d) Finders Warrants:

At November, 2014, the Company had the following finders warrants outstanding:

Expiry Date	Exercise Price	Number of warrants	Weighted average life (years)
July 11, 2016	$0.50	59,680*	1.61

*These finders warrants are subject to an acceleration clause. If on any 20 consecutive trading days following July 11, 2014, the closing sales price of the Shares as quoted on the TSX-V is greater than 150% of the exercise price, the Company may accelerate the expiry date of the finders warrants to the 30th day after the date on which the Company gives notice to the Warrant holder.

e) Stock Option Plan

The Company has a Stock Option Plan (the "Plan") under which it is authorized to grant options to directors, officers, consultants or employees of the Company. At the Company's Annual General Meeting on May 22, 2013, the shareholders approved the "2013 Stock Option Plan", and set the number of options granted under the Plan to be fixed at 1,998,873 (2013: 1,998,873), which is equal to 20% of the issued and outstanding shares. Options granted under the Plan have a maximum life of five years. Options granted to employees vest fully on grant. Options issued to investor relations consultants vest in stages over 12 months with one quarter of the options vesting in any three month period.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

e) Stock Option Plan (continued)

A summary of the stock option transactions under the Company's stock option plan is presented below:

	2014			2013		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of year	871,000	$	1.18	1,414,900	$	1.07
Granted	1,100,000		0.50	-		-
Expired/cancelled	(365,000)		0.90	(543,900)		0.90
Outstanding, end of year	1,606,000	$	0.78	871,000	$	1.18
Weighted average life (years)	3.19			1.14		

As at November 30, 2014 and 2013, the Company had the following stock options outstanding:

Expiry Date	Original Exercise Price	2014 Number of options	2013 Number of options
May 4, 2014	$0.90	-	290,000
June 1, 2014	$0.90	-	75,000
December 3, 2014*	$1.08	96,000	96,000
April 5, 2015	$1.35	100,000	100,000
November 4, 2015	$1.48	310,000	310,000
February 25, 2019	$0.50	100,000	-
March 31, 2019	$0.50	500,000	-
April 30, 2019	$0.50	500,000	-
		1,606,000	871,000

On February 25, 2014, a total of 100,000 stock options were issued to a consultant. The stock options have an exercise price of $0.50 and expire on February 25, 2019. The exercise price of the options granted is equal to the market price at the date of grant. These options w were fully vested as at November 30, 2014.

On March 31, 2014, a total of 500,000 stock options were issued to employees and consultants. The stock options have an exercise price of $0.50 and expire on March 31, 2019. The exercise price of the options granted is lower than the market price at the date of grant. All of the stock options vested immediately.

On April 30, 2014, a total of 500,000 stock options were issued to employees and consultants. The stock options have an exercise price of $0.50 and expire on April 30, 2019. The exercise price of the options granted is lower than the market price at the date of grant. All of the stock options vested immediately.

* Expired unexercised subsequent to November 30, 2014.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (continued)

e) Stock Option Plan (continued)

During the year ended November 30, 2014, share based payment expenses of $428,194 (2013 - $nil) was recognized for the above granted stock options using the Black-Scholes option pricing model with the following assumptions:

	2014
Risk-free interest rate	1.67-1.71%
Expected life of options	5 years
Annualized volatility	91-95%
Dividends	0.00%
Fair value of option	$0.36-0.42

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

11. ADVANCES AND AMOUNTS RECEIVABLE

The Company's current advances and amounts receivable consist mainly of amounts advanced for property and share payments. The amounts are unsecured, non-interest bearing, and have no specific terms of repayments.

12. PREPAID EXPENSES

The Company's current prepaid expenses consist mainly of marketing expenses paid in advance of service, advance payments made on the Company's credit card for marketing and travel expenses, and an advance payment for a future investment.

13. LOAN RECEIVABLE

The Company's loans receivable consist of:

a. five promissory notes totalling $3,750 issued to individuals with a term ending April 18, 2016, three years from the date of the completion of the reverse takeover of Prima. The non-interest bearing promissory notes are for shares issued to employees of the Company,
b. six promissory notes totalling $4,200 issued to individuals with a term ending three years following the date on which Red Star Capital Ventures Inc. shares commence trading on the TSX-V following the acceptance of a qualified transaction pursuant to the policies of the TSX-V. The non-interest bearing promissory notes are for shares issued to employees of the Company,
c. four promissory notes totalling $95,035 with terms of three years ending April 27, 2015. These non-interest bearing loans are for the sale of shares of Pasinex to three individuals. The repayments coincide with the release of shares from escrow,
d. four promissory notes totalling $90,054 issued to individuals with a term of three years ending August 22, 2017. These non-interest bearing promissory notes are for the purchase of the escrow shares of Red Star Capital Ventures Inc., and
e. twenty three promissory notes totalling $57,917 issued to individuals with a term of three years ending August 14, 2017. These non-interest bearing promissory notes are for the purchase of the escrow shares of Electra Stone Ltd.

(Expressed in Canadian Dollars)

14. DEPOSITS

The Company's deposits consist of an amount equal to one month's basic rent, held by the landlords to be applied to the last month of rent in the Company's lease (see Note 21).

15. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities of the Company are due to service providers, mainly including management fees, professional fees and consulting fees. All accounts payable and accrued liabilities for the Company fall due within the next 12 months.

16. UNEARNED REVENUE

The Company has entered into agreements with five companies to provide corporate development and marketing services for a twelve month period. These services are billed for in advance and recorded as revenue on the first of the month. Amounts received for services provided in the future are included as unearned revenue.

17. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		2014		2013
Accounts payable portion of mineral property	$	38,652	$	73,955
Gain on transaction (Note 7)	$	-	$	(186,538)
Shares received for debt (Note 7)	$	795,669	$	-
Shares received for finders' fees	$	2,500	$	5,000
Shares received for property	$	368,000	$	554,801
Shares received on exercise of warrant	$	7,692	$	-
Fair value of finders warrants (Note 10 (b))	$	17,353	$	-

18. GENERAL AND ADMINISTRATIVE EXPENSES

During the years ended November 30, 2014 and 2013, the Company incurred the following general and administrative expenses:

		2014		2013
Expenses				
Advertising and promotion	$	608,827	$	322,774
Amortization		24,261		25,395
Filing fees and transfer agent expenses		27,675		21,380
Investor relations		68,459		125,334
Office, rent and telephone		315,028		301,129
Professional fees		125,270		126,708
Share-based payments		428,194		-
Wages and benefits		1,523,015		1,526,737
		3,120,729		2,449,457

(Expressed in Canadian Dollars)

19. RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations and are measured at the exchange amount.

	Year Ended November 30,	
	2014	**2013**
Key management compensation*	**$**	**$**
Total wages paid	642,138	601,005
Share based payments	162,917	-
Total key management compensation	805,055	601,005

Amounts due to related parties	**November 30, 2014**	**November 30, 2013**
	$	**$**
Sean Charland, a director	-	2,605
Sven Olsson, a director	15,920	13,242
Total amount due to related parties	15,920	15,847

Loan receivable due from related parties	**November 30, 2014**	**November 30, 2013**
	$	**$**
David Hodge, CEO and a director	36,344	-
Jody Bellefleur, CFO	6,109	1,100
Sean Charland, a director	28,010	-
Sven Olsson, a director	1,042	-
Ryan Fletcher, a director (resigned Nov 24, 2014)	-	1,200
Total amount due from related parties	71,505	2,300

* Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and certain members of its Board of Directors.

The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayments.

20. SEGMENT INFORMATION

All of the Company's business is located in Canada. The Company's segment information is presented by industry according to the nature of their operations and the products and services they provide. Each of the Company's industry segments represents a strategic business unit offering products and services subject to different risks and returns from those of the other industry segments. Summary details of the industry segments are as follows:

(a) Investment in stock, warrants and others
(b) Investments in mineral resource property acquisitions and dispositions segment and project management;
(c) Management services segment;
(d) Corporate segment

(Expressed in Canadian Dollars)

20. SEGMENT INFORMATION (continued)

For the year ended November 30, 2014

	Investment in stock, warrants and others $	Investment in mineral properties $	Management services $	Corporate $	Total $
Revenue					
Administrative fees	-	-	1,276,312	-	1,276,312
Corporate development fees	-	-	320,889	-	320,889
Loss on sale of investments	(1,634,448)	-	-	-	(1,634,448)
Income from property sale	-	299,381	-	-	299,381
	(1,634,448)	299,381	1,577,791	-	262,134
Segment assets	5,533,907	148,110	-	1,862,544	7,544,561
Expenditure for segment capital assets	-	183,564	-	-	183,564

For the year ended November 30, 2013

	Investment in stock, warrants and others $	Investment in mineral properties $	Management services $	Corporate $	Total $
Revenue					
Administrative fees	-	-	1,331,755	-	1,331,755
Loss on sale of investments	(904,760)	-	-	-	(904,760)
Income from property sale	-	503,878	-	-	503,878
	(904,760)	503,878	1,331,755	-	930,873
Segment assets	6,142,128	382,404	-	688,151	7,212,683
Expenditure for segment capital assets	-	117,788	-	1,960	119,748

21. LONG-TERM LEASE OBLIGATIONS

The Company leases its main office premises under a long-term lease that expires September 1, 2019. The basic rent under the lease agreement is set out in the table below. In addition, the Company is required to pay realty taxes, maintenance, and other costs for the leased premises.

The rent payable in each of the next five fiscal years is as follows:

November 30, 2015	$ 115,184
November 30, 2016	116,436
November 30, 2017	120,192
November 30, 2018	120,192
November 30, 2019	90,144
	$ 562,148

(Expressed in Canadian Dollars)

21. LONG-TERM LEASE OBLIGATIONS (continued)

The Company also leases a second office premises under a sub-lease effective June 1, 2014 that expires May 31, 2017. The basic rent under the lease agreement is set out in the table below. In addition, the Company is required to pay realty taxes, maintenance, and other costs for the leased premises.

The rent payable in each of the next three fiscal years is as follows:

November 30, 2015	$ 26,558
November 30, 2016	27,704
November 30, 2017	14,139
	$ 68,401

22. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in order to conform to the current year's financial statements presentation.

22. INCOME TAXES

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of operations and comprehensive loss for the years ended November 30, 2014 and 2013:

	2014	2013
Statutory tax rate	**26%**	25.67%
Loss before income taxes	**$ (1,491,286)**	$ (3,113,894)
Expected income taxes	**(387,734)**	(799,290)
Increase (decrease) in income taxes resulting from:		
Non-deductible items	**110,966**	434,855
Share issuance costs	**(21,447)**	-
Change in estimates	**16,278**	1,381
Change in enacted tax rate	**-**	(4,892)
Other items	**(11,290)**	(14,315)
Change in deferred tax asset not recognized	**179,210**	1,048,658
Income tax expense (recovery)	**$ (114,017)**	$ 666,399
Current income tax expense (recovery)	**$ (114,017)**	$ -
Deferred tax expense (recovery)	**-**	666,399
	$ (114,017)	$ 666,399

(Expressed in Canadian Dollars)

22. INCOME TAXES (continued)

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax assets at November 30, 2014 and November 30, 2013 are comprised of the following:

	2014	2013
Non-capital losses carry forwards	**$ 387,208**	$ 167,232
Capital loss carryforwards	**148,666**	77,127
Equipment	**25,076**	18,769
Investments	**639,877**	835,935
Mineral property interests	**(1,785)**	(74,749)
Financing costs	**28,826**	24,344
	1,227,868	1,048,658
Deferred tax asset not recognized	**1,227,868**	1,048,658
Net deferred tax asset (liability)	**$ -**	$ -

The Company has non capital loss carryforwards of approximately $1,489,262 (2013: $612,174) which may be carried forward to apply against future years' net income for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expiry	2014
2033	$ 612,174
2034	877,088
Total	$ 1,489,262

In addition, the Company has capital losses of approximately $571,793, which may be carried forward indefinitely and applied to reduce future capital gains.

23. EVENTS AFTER THE REPORTING PERIOD

a) On January 30, 2015, the Company signed an agreement where the Company would assign $100,000 of the debt owing from Equitas Resources Corp. (“Equitas”) at a discounted price of $50,000 to Ridge Resources Ltd. (“Ridge”). Equitas would then settle the debt with Ridge by issuing 1,000,000 shares of Equitas. On February 17, 2015, the agreement was amended to change the number of shares from 1,000,000 to 833,333 due to an appreciation of Equitas’ share price.

b) On December 1, 2014, the Company entered into an agreement with Electra Stone Ltd. (“Electra”) (formerly Electra Gold Ltd.) to form a Strategic Alliance (the “Alliance”) with MGX Minerals Inc. (“MGX”) for the purpose of jointly developing industrial mineral properties. The Company agreed to transfer the Longworth Property to Electra, and Electra agreed to transfer to MGX an exclusive and irrevocable 50% in the Longworth Property. The Company will transfer 100% title to Electra upon receipt of 666,667 common shares of MGX. Electra will then transfer 2,000,000 shares to MGX and 50% interest in the Property and enter into a Joint Venture Agreement. MGX will spend the first $100,000 of the exploration costs, Electra will spend the next $100,000, and then split the costs 50-50 moving forward. The agreement received conditional TSX-V acceptance on February 18, 2015.

23. EVENTS AFTER THE REPORTING PERIOD (continued)

c) On January 28, 2015 and amended on March 12, 2015, the Company and 877384 Alberta Ltd., entered into an agreement with Lakeland Resources Inc. ("Lakeland"), whereby Lakeland can acquire a 100% interest in the Brassy Rapid Claim and the Black Birch Claims located in the Athabasca Basin Region of Saskatchewan. For the Black Birch Claims, total consideration of $4,409 cash and 44,087 common shares of Lakeland will be paid on the TSX Approval date and on the six month anniversary of the Approval date to each of the Company and 877384 Alberta Ltd. For the Brassy Rapid Claim, total consideration of $3,750 cash and 37,500 common shares of Lakeland will be paid on the TSX Approval date and on the six month anniversary of the Approval date to each of the Company and 877384 Alberta Ltd. The property is subject to a 2% NSR, with Lakeland having the right to purchase 1% any time for $2,000,000 for each claim.

d) On March 9, 2015, the Company signed an agreement with Secutor Capital Management Corp. and Marquest Capital Markets (the "Agents") for them to act as lead manager of a proposed offering of up to $1,500,000 of both flow through shares (the "FT Shares") and Units (the "Units") by way of a brokered private placement (the "Offering"). The FT shares will be priced at $0.35 per share. The Units will be priced at $0.30 per unit, where each Unit consists of one common share ("Share") and one common share purchase warrant ("Warrant"). Each Warrant will entitle the holder to acquire one common share of the Company at a price of $0.40 per common share for 18 months following the Closing Date and $0.30 per share for a period of 19 months to 24 months following the closing date. The Company will pay finders fees of 8% cash and 8% agent options for gross proceeds received, except for investors introduced by the Company, for which the Company will pay 2% cash and 2% agent options.

e) Also see Note 10.