GOLD JUBILEE CAPITAL CORP.
(An Exploration Stage Company)

FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

NOVEMBER 30, 2013

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charlton

charlton & company
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Shareholders of:
Gold Jubilee Capital Corp.

We have audited the accompanying financial statements of Gold Jubilee Capital Corp, which comprise the statements of financial position as at November 30, 2013 and 2012, the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 company'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, these financial statements present fairly, in all material respects, the financial position of

Gold Jubilee Capital Corp. as at November 30, 2013 and 2012 and the results of its operations and cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has incurred losses to date. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Charlton & Company"

CHARTERED ACCOUNTANTS

Vancouver, BC
March 24, 2014

GOLD JUBILEE CAPITAL CORP.
(An Exploration Stage Company)
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	November 30, 2013	November 30, 2012
ASSETS		
Current assets		
Cash	$ 250,803	$ 2,830
Short-term investments (Note 4)	270,000	220,000
Receivables (Note 5)	18,889	14,450
Prepaid expenses, deposits and advances (Note 6)	21,214	10,000
Total current assets	560,906	247,280
Non-current assets		
Exploration and evaluation assets (Note 7)	276,496	-
Total assets	$ 837,402	$ 247,280
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 51,423	$ 24,659
SHAREHOLDERS' EQUITY		
Share capital (Note 9)	1,317,701	597,701
Reserves (Note 9)	93,221	8,303
Deficit	(624,943)	(383,383)
Total shareholders' equity	785,979	222,621
Total liabilities and shareholders' equity	$ 837,402	$ 247,280

Nature and continuance of operations (Note 1)
Commitment (Note 16)
Subsequent events (Note 18)

Approved by the Board of Directors and authorized for issue on March 24, 2014:

"Minaz Devji"	Director	*"George Cavey"*	Director
Minaz Devji		George Cavey	

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

GOLD JUBILEE CAPITAL CORP.
(An Exploration Stage Company)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Year Ended November 30, 2013	Year Ended November 30, 2012
GENERAL EXPENSES		
Bad debt (Note 17)	$ -	$ 70,416
Consulting fees (Note 13)	20,000	-
Management fees (Note 13)	30,000	-
Office and miscellaneous	5,029	968
Professional fees (13)	65,444	25,963
Property investigation	18,818	-
Rent	7,500	-
Share-based payment (Note 9 and 13)	84,918	-
Transfer agent and filing fees	19,131	13,345
Loss before other items	(250,840)	(110,692)
OTHER ITEMS		
Interest income	2,118	1,604
Write down of exploration and evaluation assets (Note 7)	-	(1)
Recovery of GST written-off (Note 17)	7,162	-
Total other items	9,280	1,603
Loss and comprehensive loss for the year	$ (241,560)	$ (109,089)
Basic and diluted loss per common share	$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding	12,143,890	8,400,000

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

GOLD JUBILEE CAPITAL CORP.
(An Exploration Stage Company)
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars)

	Common Shares		Share Capital		Reserves		Deficit		Total Shareholders' Equity
Balance, November 30, 2011	8,400,000	$	597,701	$	8,303	$	(274,294)	$	331,710
Loss and comprehensive loss for the year	-		-		-		(109,089)		(109,089)
Balance November 30, 2012	8,400,000		597,701		8,303		(383,383)		222,621
Shares issued for:									
Private placements (Note 9)	14,000,000		700,000		-		-		700,000
Acquisition of exploration and evaluation assets (Note 7)	500,000		25,000		-		-		25,000
Share issuance costs (Note 9)	-		(5,000)		-		-		(5,000)
Share-based payment (Note 9 and 13)	-		-		84,918		-		84,918
Loss and comprehensive loss for the year	-		-		-		(241,560)		(241,560)
Balance, November 30, 2013	22,900,000	$	1,317,701	$	93,221	$	(624,943)	$	785,979

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

GOLD JUBILEE CAPITAL CORP.
(An Exploration Stage Company)
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Year Ended November 30, 2013	Year Ended November 30, 2012
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	$ (241,560)	$ (109,089)
Items not affecting cash:		
Share-based payment	84,918	-
Write down of exploration and evaluation assets	-	1
Changes in non-cash working capital items:		
Decrease (increase) in receivables	(4,439)	68,656
Increase in prepaid expenses	(6,860)	(6,296)
Increase in accounts payable and accrued liabilities	26,764	13,148
Net cash used in operating activities	(141,177)	(33,580)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(14,025)	-
Exploration and evaluation expenditures	(237,471)	-
Redemption (purchase) of short-term investments	(50,000)	30,000
Advances to a related party	(4,354)	-
Net cash provided by (used in) investing activities	(305,850)	30,000
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from shares issuance	700,000	-
Share issuance costs	(5,000)	-
Net cash provided by financing activities	695,000	-
Change in cash during the year	247,973	(3,580)
Cash, beginning of year	2,830	6,410
Cash, end of year	$ 250,803	$ 2,830
Interest received	$ 2,520	$ 1,604
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 11)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Gold Jubilee Capital Corp. (the "Company") is incorporated under the laws of the province of British Columbia, Canada on July 19, 2007 and its common shares are listed on the TSX Venture Exchange (the "Exchange") under the symbol "GJB". The Company's principal business activities include the acquisition and exploration of resource properties in Canada.

The head office of the Company is located at Suite 480 - 1505 Burrard Street, Vancouver, BC, Canada, V7X 1M3. The registered address and records office of the Company is located at Suite 300, 576 Seymour Street, Vancouver, BC, Canada V6B 3K1.

Going concern of operations

These financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term.

The Company has not yet determined whether its exploration and evaluation assets contain resources that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of reserves on these properties, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production from these reserves or sufficient proceeds from their disposal thereof. The Company has financed its operations primarily through the issuance of common shares and the Company continues to seek capital through various means including the issuance of equity and/or debt. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. These circumstances indicate the existence of a material uncertainty that may cast significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. In order to continue as a going concern and to meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means.

2. BASIS OF PREPARATION

Statement of compliance

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation issued by the International Financial Reporting Interpretations Committee ("IFRIC").

2. BASIS OF PREPARATION (cont'd...)

Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. All dollar amounts presented are in Canadian dollars, which is the functionally currency of the Company, unless otherwise specified.

Significant accounting judgments and critical accounting estimates

The preparation of these financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported in these financial statements.

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

i) Determination of categories of financial assets and financial liabilities which has been identified as an accounting policy which involves assessments made by management;

ii) Determination and assessment of the Company's ability to continue going concern (Note 1); and

iii) Recoverability of the carrying value of the Company's exploration and evaluation assets.

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) Deferred income taxes - The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

ii) Share-based payment – The fair value of share-based payment is determined using a Black-Scholes Option pricing model. Such option pricing models require the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

3. SIGNIFICANT ACCOUNTING POLICIES

Exploration and evaluation assets

The Company capitalizes the acquisition costs of mineral claims and mineral rights. Exploration and development costs, subsequent to the determination of the feasibility of mining operations are capitalized. Exploration and development expenses incurred prior to determination of the feasibility of mining operations, periodic option payments and administrative expenditures are expensed as incurred.

Proceeds received on the sale of interests in exploration and evaluation assets are credited to the carrying value of exploration and evaluation assets, with any excess included in operations. Write-downs due to impairment in value are charged to profit or loss.

Management periodically reviews the carrying values of its investments in exploration and evaluation assets and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company and the assessment of future probability of revenues from the property or from the sale of the property. A decision to abandon, reduce or expand activity on a specific property is based upon many factors including general and specific assessments of mineral resources, anticipated future mineral prices, anticipated costs of developing and operating a producing mine, the expiration date of mineral property leases and the availability of financing. The Company does not set a pre-determined holding period for properties with unproven resources. However, properties which have not demonstrated suitable prospects at the conclusion of each phase of an exploration program are re-evaluated to determine if future exploration is warranted and that carrying values are appropriate.

If a mineral property is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against profit or loss in the period of abandonment or determination of impairment of value.

The amounts recorded as mineral claims represent unamortized costs to date and do not necessarily reflect present or future values. The accumulated costs of mineral properties that are developed to the stage of commercial production will be amortized to operations using the unit of production depletion method.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing unless otherwise noted.

Impairment of long-lived assets

At the end of each reporting period, the Company’s assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Impairment of long-lived assets (cont'd...)

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

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The Company allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow-though premium liability is recognized for the difference. The liability is reversed when the expenditures are made and is recorded in other income. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

As at November 30, 2013 and 2012, the Company has determined that it does not have any decommissioning obligations.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments

Financial assets

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

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

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

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

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

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

Financial liabilities

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

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

Other financial liabilities: This category includes all other liabilities, all of which are recognized at amortized cost.

The Company has classified its cash and receivables (excluding GST receivables) as *loans and receivables*. The Company's short term investments are classified as *available-for-sale*. The Company's accounts payable and accrued liabilities are classified as *other financial liabilities*.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is expensed over the vesting terms. Consideration paid for the shares on the exercise of stock options is credited to capital stock. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred to accumulated losses (deficit). The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Share capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate resource properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants ("Warrants"). Depending on the terms and conditions of each equity financing agreement ("Agreement"), the Warrants are exercisable into additional common shares prior to expiry at a price stipulated by the Agreement. Warrants that are part of units are valued using residual value method which involves comparing the selling price of the units to the Company's share price on the announcement date of the financing. The market value is then applied to the common share, and any residual amount is assigned to the warrants. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate Exchange on the date of the agreement to issue shares as determined by the Board of Directors.

Loss per share

The Company recognizes the dilutive effect on loss per share based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Share issuance costs

Share issue costs are deferred and charged directly to share capital on completion of the related equity financing. If the financing is not completed, share issue costs are charged to profit or loss. Costs directly identifiable with the raising of capital will be charged against the related share capital.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized 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 affect neither accounting or taxable 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, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Comparative figures

Certain comparative figures on the statements of financial position and statements of loss and comprehensive loss have been reclassified to conform to the presentation of the current reporting period.

New accounting pronouncements

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

New accounting pronouncements (cont'd...)

a) Amendments to IFRS 7, Financial Instruments: Disclosures, to require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32 Financial Instruments: Presentation. This standard is effective for years beginning on or after January 1, 2013.

b) New standard IFRS 9, Financial Instruments, classification and measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit and loss. This standard is effective for years beginning on or after January 1, 2015.

c) New standard IFRS 10, Consolidated Financial Statements, replaces the guidance on control and consolidation in IAS 27, Consolidated and Separate Financial statements, and SIC-12, Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control under IFRS so that the same criteria are applied to all entities to determine control. This standard is effective for years beginning on or after January 1, 2013.

d) New standard IFRS 11, Joint arrangements, requires a venture to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for joint operations, the venturer will recognize its share of assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionally consolidate or equity account for interest in joint ventures. IFRS 11 supersedes IAS 31 – Interest in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non-monetary Contributions by Venturers. This standard is effective for years beginning on or after January 1, 2013.

e) New standard IFRS 12, Disclosure of Interests in Other Entities, provides the disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and consolidated structured entities. This standard is effective for years beginning on or after January 1, 2013.

f) New standard IFRS 13, Fair Value Measurement, defines fair value and sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. The standard does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions). This standard is effective for years beginning on or after January 1, 2013.

g) Reissued IAS 27, Separate Financial Statements, requires that when an entity prepares separate financial statements, investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with IFRS 9 Financial Instruments. This standard is effective for years beginning on or after January 1, 2013.

h) Reissued IAS 28, Investment in Associates and Joint Ventures, supersedes IAS 28 Investments in Associates and defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. This standard is effective for years beginning on or after January 1, 2013.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

New accounting pronouncements (cont'd...)

i) Amendments to IAS 32 - Financial Instruments: Presentation amendment provides clarification on the application of offsetting rules. This standard becomes effective for annual periods beginning on or after January 1, 2014.

j) Amendments to IAS 36 – Impairment of Assets, clarifies the recoverable amount disclosures for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted except an entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

4. SHORT-TERM INVESTMENTS

The short-term investments consist of a guarantee investment certificate ("GIC"), cashable within 30 days without significant risk of change in value. The GIC balance of $270,000 (November 30, 2012 - $220,000) has an interest rate of Prime minus 1.80% per annum (November 30, 2012 - Prime minus 2.05% per annum). The GIC matured on December 30, 2013.

5. RECEIVABLES

The Company's receivables are as follows:

	November 30, 2013	November 30, 2012
GST receivable	$ 18,303	$ 13,462
Interest receivable	586	988
	$ 18,889	$ 14,450

6. PREPAID EXPENSES, DEPOSITS AND ADVANCES

The Company's prepaid expenses, deposits and advances are as follows:

	November 30, 2013	November 30, 2012
Prepaid expenses	$ 11,150	$ -
Security deposit	5,710	-
Advances to a related party (Note 13)	4,354	10,000
	$ 21,214	$ 10,000

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

	Hewitt-Van Roi, Canada	Pyramid Copper, Canada	Total
Balance, as at November 30, 2011	$ 1	$ -	$ 1
Write-off	(1)	-	(1)
Balance, as at November 30, 2012	-	-	-
Acquisition costs:			
Cash payment	-	12,900	12,900
Shares issuance	-	25,000	25,000
Other acquisition related fees	-	1,125	1,125
	-	39,025	39,025
Exploration costs:			
Assaying, testing and surveying	-	22,551	22,551
Geological and consulting	-	214,920	214,920
	-	237,471	237,471
Balance, as at November 30, 2013	$ -	$ 276,496	$ 276,496

Hewitt-Van Roi, Canada

On June 8, 2010, the Company entered into an option agreement whereby it can earn an undivided 51% interest in Hewitt-Van Roi Property, located in the Slocan Mining Division, British Columbia, Canada. The option agreement was terminated on May 31, 2012 and its carrying value of $1 was written off to $Nil during the year ended November 30, 2012.

Pyramid Copper, Canada

On May 22, 2013, the Company entered into an agreement to purchase 100% in mineral claims collectively known as the Pyramid Copper Property, located in northern British Columbia, Canada. Per the terms of the agreement, the Company paid $12,900 and issued 500,000 common shares, valued at $25,000 (Note 9), to the vendor.

(Expressed in Canadian dollars)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are as follows:

	November 30, 2013	November 30, 2012
Trade payables	$ 18,423	$ 14,759
Accrued liabilities	9,000	9,900
Due to a related party (Note 13)	24,000	-
	$ 51,423	$ 24,659

9. SHARE CAPITAL AND RESERVES

Authorized

Unlimited number of common shares without par value.

Issued

During the year ended November 30, 2013, the Company:

a) completed tranches of a non-brokered private placement of 14,000,000 common shares at $0.05 per share, of which 6,000,000 were flow-through common shares, for total gross proceeds of $700,000. In connection with the private placement, the Company paid $5,000 of share issuance costs.

b) issued 500,000 shares with a total value of $25,000 at $0.05 per share for acquisition of the Pyramid Property (Note 7). The value of the shares issued was determined by their market value at the date of issuance.

During the year ended November 30, 2012, the Company did not have any share activities.

Stock options

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are generally for a term of up to five years from the date granted and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the board of directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the options vesting in any three-month period.

(Expressed in Canadian dollars)

9. SHARE CAPITAL AND RESERVES (cont'd…)

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, November 30, 2011 and 2012	450,000	$ 0.10
Expired	(450,000)	(0.10)
Granted	2,050,000	0.10
Balance, November 30, 2013	2,050,000	$ 0.10
Number of options currently exercisable	2,050,000	$ 0.10
Weighted average remaining life of options outstanding	4.82 years	

Share-based payment

During the year ended November 30, 2013, the Company granted 2,050,000 (2012 - Nil) stock options with an estimated weighted average fair value of $0.04 (2012 - $Nil) calculated using the Black-Scholes options pricing model. The fair value of stock options vested during the year and recognized as share-based payment expense was $84,918 (2012 - $Nil). These amounts were also recorded as reserves on the statements of financial position.

Option pricing models require the use of estimates and assumptions including the expected volatility. Changes in underlying assumptions can materially affect the fair value estimates. The following weighted average assumptions were used for the Black-Scholes valuation of options granted during the year:

	2013	2012
Risk-free interest rate	2.07%	-
Expected life of options	5 years	-
Annualized volatility	105.19%	-
Dividend rate	0.00%	-
Forfeiture rate	0.00%	-

As at November 30, 2013, the following stock options were outstanding:

Number of options	Exercise Price	Expiry Date
1,800,000	$ 0.10	September 17, 2018
250,000	0.10	November 1, 2018
2,050,000		

9. SHARE CAPITAL AND RESERVES (cont'd…)

Warrants

There were no warrant transactions during the year ended November 30, 2013 and 2012 and there were Nil warrants outstanding as at November 30, 2013 and 2012.

10. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company has in the past invested its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company has been successful at raising funds in the past through issuance of share capital, it is uncertain whether it will continue this financing due to uncertain economic conditions. There have been no changes to the Company's approach to capital management during the year.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the year ended November 30, 2013, significant non-cash transactions included issuing 500,000 common shares valued at $25,000 to acquire Pyramid Copper Property (Note 7).

During the year ended November 30, 2012 there were no significant non-cash transactions.

12. SEGMENTED INFORMATION

The Company operates in one segment – the acquisition, exploration and development of resource properties. As at November 30, 2013 and 2012, all of the Company's operations and assets were held in Canada.

13. RELATED PARTY TRANSACTIONS

During the year ended November 30, 2013, the Company entered into the following transactions with related parties, directors and key management personnel. Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include certain directors and officers.

(Expressed in Canadian dollars)

13. RELATED PARTY TRANSACTIONS (cont'd…)

Transactions with related parties and key management personnel are as follows:

	Nature of transactions	Year Ended November 30, 2013	Year Ended November 30, 2012
Key management personnel:			
Former President and CEO	Management	$ 7,500	$ -
Director	Management	7,500	-
Former Director	Management	5,000	-
Former CFO, Corporate Secretary and Director	Management	10,000	-
A company controlled by Corporate Secretary	Consulting	10,000	-
A company controlled by President and CEO	Consulting	10,000	-
A company controlled by Director	Geological consulting	10,000 [a)]	-
Directors and Officers of the Company	Share-based payments	74,426	-
Total		$ 134,426	$ -
Related parties:			
A firm of which the Director is a partner	Professional	$ 24,000	$ -
A family member of the Director	Geological consulting	7,500 [a)]	-
Total		$ 31,500	$ -

a) Included in exploration and evaluation assets.

The amounts due to a related party included in accounts payable and accrued liabilities are as follows:

	November 30, 2013	November 30, 2012
Due to a firm of which the Director is a partner	$ 24,000	$ -

During the year ended November 30, 2013, the Company paid advances to a family member of the Director for a total of $4,354, net of $5,500 advance payment and $1,146 travel expense reimbursement. Subsequent to the year ended November 30, 2013, $3,000 of the advance payment was repaid to the Company.

During the year ended November 30, 2012, the Company advanced $10,000 to a Director for business related travel.

Advance payments to related parties are included in prepaid expenses, deposits and advances in the statements of financial position.

These transactions are in the normal course of operations and are measured at the exchange amount that is the amount of consideration established and agreed by the related parties. Management believes the rates set are within industry standard ranges. The amount owing to a related party is non-interest bearing and unsecured.

(Expressed in Canadian dollars)

14. INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	November 30, 2013	November 30, 2012
Loss before taxes for the year	$ (241,560)	$ (109,089)
Canadian federal and provincial income tax rates	25.67%	25.13%
Expected income tax recovery based on the above rates	$ (62,000)	$ (27,409)
Effect of change in tax rates	(4,686)	136
Non-deductible items	21,796	12,500
Tax benefit not recognized	44,890	14,773
Total income taxes	$ -	$ -

The significant components of the Company's deferred income tax assets and liabilities, using a Canadian basic statutory rate of 26% are as follows:

	November 30, 2013	November 30, 2012
Non-capital losses	$ 131,000	$ 86,587
Cumulative exploration and development expenses	(35,000)	17,500
Share issuance costs	1,000	-
	97,000	104,087
Unrecognized deferred tax assets	(97,000)	(104,087)
Net deferred tax assets	$ -	$ -

At November 30, 2013, the Company has accumulated non-capital losses of approximately $503,977 (2012 - $346,335) which may be available to offset future income for income tax purposes. If not utilized, these non-capital losses expire between 2029 and 2033.

At November 30, 2013 and 2012, the Company had deductible temporary differences for which deferred tax assets have not been recognized because it is not probable that the related tax benefit will be realized.

15. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

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

Fair value of financial instruments

The Company has various financial instruments including cash, short-term investment, receivables and accounts payable and accrued liabilities. Short-term investments are carried at fair value using a level 1 fair value measurement. The carrying values of cash, receivables and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk is low because its receivables are primarily comprised of goods and services tax (GST), which is recoverable from the governing body in Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2013, the Company had a cash balance of $250,803 (2012 – $2,830) to settle current liabilities of $51,423 (2012 – $24,659). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited as its interest bearing financial instrument is redeemable at any time.

Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent periods. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

Foreign currency risk

As at November 30, 2013, the Company has minimum foreign currency risk exposure.

16. COMMITMENT

In connection with the issuance of flow-through common shares in August 2013, the Company had a commitment to incur $300,000 of qualifying flow-through expenditures by December 31, 2014. As at November 30, 2013 the Company has incurred $220,137 on qualifying flow-through expenditures and has $79,863 remaining on its commitment.

17. PROPOSED TRANSACTION

The Company entered into a non-binding letter of intent, dated January 18, 2011, with Lion Petroleum Corp. (“Lion”) whereby the Company has agreed to effect an amalgamation with Lion, a private corporation whose business is focused on oil and gas exploration in East and Central Africa.

During the year ended November 30, 2012, the Company and Lion mutually agreed to terminate the definitive amalgamation agreement. For compensation, Lion agreed to pay $85,000 to reimburse the expenses incurred for the transaction totaling $67,201 which had been recorded as receivables at the year ended November 30, 2011. At the year ended November 30, 2012, the Company determined that the receivables were not collectible and consequently recognized a bad debt expense of $67,201.

During the year ended November 30, 2013, the Company recovered the GST receivables of $7,162 that was previously written-off in connection with the bad debt expense.

18. SUBSEQUENT EVENTS

Subsequent to November 30, 2013, the Company:

a) completed private placements for the sale of 1,000,000 flow-through common shares at a price of $0.10 per share for gross proceeds of $100,000. The shares issued are subject to a hold period expiring on April 25, 2014.

b) completed private placements for the sale of 2,525,000 common shares at $0.10 per share for gross proceeds of $252,500. The shares issued are subject to a hold period expiring on May 9, 2014.