

**STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)**

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1st Quarter March 31, 2015

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015

(In Canadian dollars)
(Unaudited)

Notice of No Auditor Review of Condensed Interim Financial Statements

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

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Board.

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

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF FINANCIAL POSITION
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

	March 2014 (unaudited)	December 2014 (audited)
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	143,088	748,676
Restricted cash (note 3)	24,128	24,085
HST receivable	202,575	135,796
Prepaid expenses	5,697	6,143
	375,488	914,700
Non-current		
Exploration and evaluation assets (note 4)	1,620,914	1,292,467
Total assets	1,996,402	2,207,167
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7)	111,599	232,932
Total liabilities	111,599	232,932
EQUITY (DEFICIENCY)		
Capital stock (note 5)	7,399,057	7,399,057
Contributed surplus	1,314,068	881,868
Deficit	(6,828,322)	(6,306,690)
Total equity (deficiency)	1,884,803	1,974,235
Total liabilities and equity (deficiency)	1,996,402	2,207,167

Going concern (note 1)

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

On behalf of the Board:

"Signed"

Raymond F. Leach

Raymond F. Leach
Director

"Signed"

Robert Lelovic

Robert Lelovic
Director

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF COMPREHENSIVE LOSS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

	3 month period ended March 31, 2015 \$	3 month period ended March 31, 2014 \$
Expenses		
Management and consulting fees (note 7)	37,995	30,549
Investor and shareholder relation expenses	10,832	10,236
Professional fees	5,000	63,147
Travelling and promotion	21,735	-
Office expense	9,373	2,578
Exploration expenses	4,850	-
Stock-based compensation (notes 5(d) and 7)	432,200	31,092
Expenses before interest, premium paid on flow-through shares and management fee income	521,985	137,602
Interest income	353	-
Loss before income taxes	(521,632)	(137,602)
Deferred income tax recovery	-	-
Net loss and comprehensive loss	(521,632)	(137,602)
Basic and diluted net loss per share	(0.01)	(0.00)
Weighted average number of common shares	67,131,459	45,748,685

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

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF CHANGES IN EQUITY
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

	Number of common shares issued	Capital Stock \$	Contributed surplus \$	Deficit \$	Total Equity \$
Opening balance, January 1, 2015	67,131,459	7,399,057	881,868	(6,306,690)	1,974,235
Net loss and comprehensive loss	-	-	-	(521,632)	(521,632)
Issuance of stock options (note 5)	-	-	432,200	-	432,200
Balance at March 31, 2015	67,131,459	7,399,057	1,314,068	(6,828,322)	1,884,803
Opening balance, January 1, 2014	41,804,241	4,874,360	658,695	(5,595,402)	(62,347)
Stock-based compensation	-	-	31,092	-	31,092
Acquisition of interests in exploration and evaluation assets	1,000,000	50,000	-	-	50,000
Shares issued on private placements	14,000,000	700,000	-	-	700,000
Share issuance costs	-	(4,850)	-	-	(4,850)
Net loss and comprehensive loss	-	-	-	(137,602)	(137,602)
Balance at March 31, 2014	56,804,241	5,619,510	689,787	(5,733,004)	576,293

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

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF CASH FLOWS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

	3 month period ended March 31, 2015	3 month period ended March 31, 2014
	\$	\$
Operating activities		
Net loss for the year	(521,632)	(137,602)
Items not involving cash:		
Stock-based compensation	432,200	31,092
	(89,432)	(106,510)
Changes in operating assets and liabilities:		
HST receivable	(66,779)	(8,758)
Restricted cash	(43)	-
Prepaid expenses	446	(5,000)
Accounts payable and accrued liabilities	(189,146)	(41,693)
Cash flow used in operating activities	(255,522)	(161,961)
Investing activities		
Acquisition of exploration and evaluation assets	(260,634)	(75,000)
Cash flow used in investing activities	(260,634)	(75,000)
Financing activities		
Issuance of common shares and warrants	-	700,000
Share issuance costs	-	(4,850)
Cash flows provided by financing activities	-	695,150
Net change in cash and cash equivalents	(605,588)	458,189
Cash and cash equivalents, beginning of period	748,676	19,931
Cash and cash equivalents, end of period	748,676	478,121
Supplemental disclosure of cash flow information		
Interest received	353	-
Shares issued for the acquisition of exploration and evaluation assets	-	50,000
Exploration and evaluation assets included in accounts payable and accrued liabilities	67,813	22,600

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

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

1. NATURE OF BUSINESS AND GOING CONCERN

Nature of Business

Stakeholder Gold Corp. (the “Company” or “Stakeholder”) was incorporated under the Canada Business Corporations Act and is a junior mining exploration company operating in Canada. The address of the registered office is 121 Richmond Street West, Suite 402, Toronto, Ontario, M5H 2K1. The Company’s shares are listed on the TSX Venture Exchange (“TSXV”) under the symbol SRC.

Going Concern

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to a going concern, 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’s ability to continue as a going concern is dependent upon achieving profitable operations and/or obtaining additional financing.

The Company’s principal business activities include the acquisition, exploration, and development of mineral rights located in Canada. The business of mining, exploration and development involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation properties and development programs.

Although the Company has been able to obtain adequate financing in the past, there is no assurance that the Company will continue to obtain adequate financing in the future, or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production or proceeds from disposition of exploration and evaluation assets.

As of March 31, 2015 the Company incurred a net loss of \$521,632 (March 31, 2014–\$137,602) and had a deficit of \$6,828,322. The Company had positive working capital of \$263,889 (December 31, 2014–\$681,768). These material uncertainties cast a significant doubt regarding the Company’s ability to continue as a going concern.

The carrying amounts of assets and liabilities presented in the interim financial statements and the classification used in the statements of financial position have not been adjusted, as would be required if the going concern assumption was not appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”), and were approved by the Board of Directors on May 28, 2015.

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES—CONTINUED

Basis of Presentation

These condensed interim financial statements have been prepared in accordance with IFRS applicable to the preparation of condensed interim financial statements including IAS 34.

The notes in these condensed interim financial statements include only significant events and transactions and do not include all matters usually disclosed in the Company's audited annual financial statements, and are therefore referred to as condensed. These statements should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2014, prepared in accordance with IFRS. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information

Presentation of the statements of financial position differentiates between current and non-current assets and liabilities. The statements of comprehensive loss are prepared using an expense by nature classification.

Except as noted below, the accounting policies applied in the preparation of these unaudited condensed interim financial statements have been applied consistently and are the same as those applied and disclosed by the Company in the financial statements dated December 31, 2014. The accounting policies are based on IFRS issued and outstanding as at the date the Board of Directors approved these condensed interim financial statements for issue.

Measurement Uncertainty

The preparation of financial statements, in conformity with IFRS, requires management to make judgments, estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

Significant areas requiring the use of estimates and assumptions include the valuation of HST receivable, valuation of stock-based payments, valuation and impairment of mineral rights and provision for reclamation and rehabilitation. By their nature, these estimates and assumptions are subject to measurement uncertainty, and the impact of the changes in estimates in the financial statements of future periods could be material. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings (loss) in the periods in which they become known.

Significant Accounting Judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations that have the most significant effect on the amounts recognized in the Company's financial statements, are related to the economic recoverability of the mineral properties, cash-generating units, definition of segments and related parties, impairment of financial assets, the provision for reclamation and obligation, when, and if, deferred taxes are recoverable and the assumption that the Company will continue as a going concern.

Future Accounting Pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's financial statements, but which may affect the financial statements, are listed below. The Company intends to adopt those standards when they become effective.

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES—CONTINUED

IFRS 9—Financial Instruments, effective January 1, 2018

IFRS 9 was initially issued by the IASB in November 2009 and issued in its completed version in July 2014. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

The Company intends to adopt the standard on its effective date and has not yet begun the process of assessing the impact on its financial statements.

3. RESTRICTED CASH

As at March 31, 2015, the Company's restricted cash balance of \$24,128 (December 31, 2014—\$24,085) related to guaranteed investment certificates securing the Company's corporate credit card.

4. EXPLORATION AND EVALUATION ASSETS

Details of exploration and evaluation assets for the periods ended March 31, 2015 and March 31, 2014 are as follows:

Areas of interest	Bass River	Total
	\$	\$
Balance, January 1, 2015	1,292,167	1,292,167
Exploration and evaluation costs capitalized	328,447	977,990
Net additions of the period	328,447	1,292,167
Impairments	-	-
Balance, March 31, 2015	1,620,614	1,292,167

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

4. EXPLORATION AND EVALUATION ASSETS—CONTINUED

Areas of interest	Bass River	Total
	\$	\$
Balance, January 1, 2014	-	-
Shares issued to vendors	50,000	50,000
Exploration and evaluation costs capitalized	75,000	75,000
Net additions of the period	125,000	125,000
Impairments	-	-
Balance, March 31, 2014	125,000	125,000

Bass River

On March 31, 2014 the Company received approval from the TSX Venture Exchange for a property option agreement (the "Agreement") with Cogonov Inc. ("Cogonov"). Stakeholder can earn up to a 51% interest in the Bass River Iron-Oxide-Copper-Gold (IOCG) under the following conditions:

- On Execution of the Option: By issuing 1,000,000 common shares of Stakeholder to Cogonov. The Company exercised this option in March, 2014.
- Six Months from Execution of Option: By incurring expenditures of at least \$600,000 on Bass River over a period of up to six months from the Execution of the Option and by issuing an additional 1,000,000 common shares of Stakeholder to Cogonov by six months from the Execution of the Option. The Company incurred the required expenses and issued the additional shares on October 15, 2014.
- Two Years from Execution of the Option: By incurring expenditures of at least a total of \$2,000,000 (including the initial \$600,000) on Bass River over a period of up to two years from the Execution of the Option.
- Upon completion of the terms above, the Company would own a 40% interest. Stakeholder then has the right to earn a further 11% in Bass River in advance of exercising the right of first refusal by spending an additional \$1,000,000 over a period of up to eighteen (18) months. Stakeholder would also have a right of first refusal over the remaining 49% of Bass River.
- Stakeholder would be the operator of Bass River.

On September 18, 2014 the Company received approval for an amendment to the Agreement. Under the terms of the amendment, the Company can expand its interest in the project up to 70%, after earning its initial 51%, by spending a further \$4,000,000 on project exploration over 24 months, by making a cash payment of \$1,000,000 to Cogonov within 6 months of earning the 51% interest and by making share payments totaling 2,000,000 common shares of the Company. The common shares would be issued in tranches of 500,000 common shares, beginning on signing, and issued at the next three annual anniversaries thereof. Any share issuances are subject to TSX Venture Exchange approval.

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

5. EQUITY

(a) Capital

Authorized: unlimited common shares

Issued:

	Number of Shares		Value
Balance at January 1, 2015 and March 31, 2015	67,131,459	\$	7,399,057
Balance at January 1, 2014	41,804,241	\$	4,874,360
Acquisition of interests in exploration and evaluation assets	1,000,000		50,000
Shares issued on private placements	14,000,000		700,000
Share issue costs			(4,850)
Balance at March 31, 2014	56,804,241	\$	5,619,510

- (i) The Company issued 1,000,000 common shares at \$0.05 per share (see note 4).
- (ii) On March 7, 2014 the Company closed a non-brokered private placement of \$700,000 through the issuance of 14,000,000 common shares at \$0.05 per share. All common shares issued were subject to a four month hold period ending July 6, 2014.

(b) Warrants

A summary of changes in the Company's warrants is presented below:

	For the three months ended March 31, 2015		For the three months ended March 31, 2014	
	Number of warrants	Weighted average exercise price \$	Number of warrants	Weighted average exercise price \$
Balance, beginning and ending of period	3,563,609	0.32	-	-

(c) Agent warrants issued as compensation

There are no changes in the Company's agent warrants since March 31, 2015.

	For the three months ended March 31, 2015		For the three months ended March 31, 2014	
	Number of warrants	Weighted average exercise price \$	Number of warrants	Weighted average exercise price \$
Balance, beginning and ending of period	2,240	0.35	-	-

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

5. EQUITY—CONTINUED

(d) Stock options

The incentive stock option plan (the “Plan”) was approved by the shareholders on June 27, 2013. At its Shareholder meeting held on September 18, 2014, the Company amended the Plan from a fixed plan to a 10% rolling stock option plan (the “2014 Option Plan”). Under the 2014 Option Plan, the Board may, from time to time and at its discretion, grant to directors, officers, employees, management company employees or consultants of the Company, options to acquire common shares of the Company, provided that the number of options granted does not exceed a maximum of 10% of the aggregate number of common shares of the Company issued and outstanding. Consequently, the number of common shares that are reserved under the 2014 Option Plan is automatically increased or decreased as the number of issued and outstanding common shares of the Company increases or decreases. The options have a maximum term of five years and have no vesting period except for options granted to persons performing investor relations activities, which must at a minimum, vest in stages over a period not less than 12 months with no more than one-fourth of the option vesting in any three month period. All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

The 2014 Option Plan must take into account the reserved shares due to the Arrangement relating to options of Hinterland (see (e) below).

On January 22, 2014, the Company granted 800,000 stock options to independent directors at an exercise price of \$0.05 for five years. These options vested immediately. The total fair value of these options amounts to \$31,092, and was recorded as stock-based compensation expense, the offsetting credit being recorded in contributed surplus. The assumptions used include stock price at the date of grant of \$0.05, exercise price at date of grant of \$0.05, an interest rate without risk of 1.55%, an expected life of the options of five years, no expected dividend yield, an estimated volatility of 107% and resulted in a fair value per option of approximately \$0.04.

On January 15, 2015, the Company granted 2,300,000 stock options to directors and officers at an exercise price of \$0.25 for five years. These options vest immediately. The total fair value of these options using the Black Scholes pricing model was \$432,200, and was recorded as stock-based compensation expense with a corresponding entry to contributed surplus. The assumptions used include the stock price on the date of grant of \$0.25, exercise price of \$0.25, an interest rate without risk of 1.02%, a 2.5 year expected life of options, volatility of 145% and no expected dividend yield. The fair value on a per option basis was approximately \$0.19.

Stock options outstanding and exercisable:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
500,000	500,000	0.12	January 25, 2017
800,000	800,000	0.05	January 31, 2019
2,300,000	2,300,000	0.25	January 14, 2020
3,600,000	3,600,000		

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

5. EQUITY—CONTINUED

(d) Stock options—Continued

A summary of changes on the Company's stock options outstanding and exercisable is presented below:

	Number of options	Weighted average exercise price \$
Balance, January 1, 2015, exercisable	1,300,000	0.08
Issued	2,300,000	0.25
Exercised	-	-
Expired	-	-
Balance, March 31, 2015, exercisable	3,600,000	0.19
Balance, January 1, 2014	3,050,000	0.12
Cancelled	800,000	0.05
Balance, March 31, 2014, exercisable	3,850,000	0.11

(e) Reserved shares

As per a Plan of Arrangement (the "Arrangement") with Hinterland, each pre-consolidation warrant and option holder of Hinterland will receive upon exercise 0.25 shares of Hinterland and 0.23125 shares of the Company. The warrants and options will keep the same expiry date. Hinterland will receive all the funds upon exercise and will redistribute 28% of the funds to the Company, subject to a minimum exercise price of \$0.15 in the Company.

Pursuant to the Arrangement, the Company has a commitment to issue common shares upon the exercise of options and warrants of Hinterland.

The following table summarizes information about the reserved share commitment as at March 31, 2015 and December 31, 2014:

Number of common shares reserved	Exercise price in Hinterland	Amount to be received from Hinterland	Expiry date
	\$	\$	
479,842	0.64	93,090	January 7, 2016
479,842		93,090	

6. CAPITAL MANAGEMENT

The capital of the Company consists of the items included in equity of 1,885,073 (December 31, 2014—\$1,914,235). The Company's objectives when managing capital are to safeguard its ability to continue its operations as well as its acquisition and exploration programs. As needed, the Company raises funds through private placements. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its activities until

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

6. CAPITAL MANAGEMENT—CONTINUED

conditions improve. The Company does not have any long-term debt. There is no dividend policy. The Company has no externally imposed capital requirements, nor regulatory, nor contractual requirements to which it is subject, except for those relating to flow-through private placements where the funds are restricted in use for exploration expenses.

7. RELATED PARTY TRANSACTIONS

Compensation to key management

Key management includes directors, the chief executive officer and the chief financial officer. Key management compensation includes the following expenses:

	Three months ended March 31, 2015	Three months ended March 31, 2014
	\$	\$
Short-term compensation		
Management and consulting fees ¹	48,000	29,549
Total short-term compensation		29,549
Stock-based compensation	432,200	31,092
Total compensation	480,200	60,641

¹ Management and consulting fees of \$15,000 were capitalized to E&E assets

- (a) The Company incurred management and consulting fees relating to exploration work of \$60,000 which was capitalized to exploration and evaluation assets (2014—\$60,000), rent of \$2,775 (2014—\$nil).
- (b) During the period, the Company issued \$nil (March 31, 2014—\$1,000,000) common shares to a company controlled by officers and/or directors. The value of the common shares issued was \$50,000 and was capitalized to exploration and evaluation assets.
- (c) As at March 31, 2015 accounts payable and accrued liabilities includes \$13,209 (December 31, 2014—\$13,500) due to officers and directors.
- (d) During the period the Company made rental payments for equipment of \$15,030 which was capitalized to exploration and evaluation assets (2014—\$nil) charged by companies controlled by officers and/or directors.
- (e) Included in accounts payable and accrued liabilities is \$67,813 (December 31, 2014—\$148,189) payable to companies controlled by officers and/or directors.

8. FINANCIAL INSTRUMENTS

The Company is exposed to various financial risks resulting from both its operations and its investment activities. The Company's management manages these risks. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Company's main financial risk exposure and its financial risk management policies are as follows:

STAKEHOLDER GOLD CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
1ST QUARTER MARCH 31, 2015
(In Canadian dollars)
(Unaudited)

8. FINANCIAL INSTRUMENTS—CONTINUED

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The term deposits 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. Because these financial assets are recognized at amortized cost, the fair value variations have no impact on profit (loss).

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is subject to concentrations of credit risk through cash and term deposits. The Company has no trade accounts. The exposure to credit risk for cash and cash equivalents and term deposits is considered negligible since the counterparties are reputable banks with high-quality external credit ratings. As at March 31, 2015, the Company's maximum exposure to credit risk is limited to the carrying amount of these financial assets at the reporting date totaling \$167,216 (December 31, 2014—\$772,761).

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they fall due. Although the Company takes steps to ensure that it has sufficient working capital and available sources of financing to meet future cash requirements for capital programs, there is no assurance that any steps taken by the Company will be successful in this regard, and there is risk that unforeseen circumstances and expenditures will limit the cash that will be available.

The Company will issue equity at its best effort to ensure the Company has sufficient access to cash to meet current and foreseeable financial requirements. The Company actively monitors its liquidity to ensure that its cash flows and working capital are adequate to support its immediate financial obligations and the Company's capital programs. However, there is risk that unforeseen circumstances and expenditures will limit the time period for which cash will be available, and the Company may not be able to raise financing of sufficient magnitude, or on a cost-effective basis. The failure of the Company to raise further financing would limit the ability of the Company to advance its business plan and carry on current activities.

Commodity price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, particularly as they relate to base and phosphate, individual equity movements and the stock market in general to determine the appropriate future course of action to be taken by the Company.

Fair Value

The carrying value of cash and cash equivalents, restricted cash, HST receivable and accounts payable and accrued liabilities is considered to be an approximation of fair value because of the short-term maturity of these instruments.