
BRS VENTURES LTD.
(A Capital Pool Company)

FINANCIAL STATEMENTS
Year ended October 31, 2013
(Expressed in Canadian dollars)



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of BRS Ventures Ltd.

We have audited the accompanying financial statements of BRS Ventures Ltd., which comprise the balance sheets as at October 31, 2013 and 2012, and the statements of loss and comprehensive loss, statements of changes in equity (deficiency) attributable to shareholders, and statements of 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.

Auditor's 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of BRS Ventures Ltd. as at October 31, 2013 and 2012, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes the uncertainty as to whether or not BRS Ventures Ltd. will complete a Qualifying Transaction as defined by TSX Venture Exchange Policy 2.4. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about BRS Ventures Ltd.'s ability to continue as a going concern.

Wolrige Mahon LLP

CHARTERED ACCOUNTANTS

February 26, 2014
Vancouver, B.C.

BRS VENTURES LTD.

(A Capital Pool Company)

Balance Sheets*(Expressed in Canadian dollars)*

	<i>notes</i>	October 31 2013	October 31 2012
		\$	\$
Assets			
Current			
Cash		118,965	166,445
GST / HST recoverable		-	12,885
Other assets		833	833
		119,798	180,163
Liabilities			
Current			
Accounts payable and accrued liabilities	9	16,832	28,714
Equity Attributable to Shareholders			
Share capital	6	988,145	988,145
Contributed surplus		92,150	92,150
Deficit		(977,329)	(928,846)
		102,966	151,449
		119,798	180,163

Approved by the Board of Directors

"Luke Norman" Director_____
"Robert McMorran" Director

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

BRS VENTURES LTD.

(A Capital Pool Company)

Statements of Loss and Comprehensive Loss

Years ended October 31

(Expressed in Canadian dollars)

	<i>note:</i>	2013	2012
		\$	\$
Expenses			
Accounting and audit	9	24,011	22,094
Legal		6,347	15,198
Listing		14,806	19,236
GST / HST payments not recovered	5	14,835	-
Office and miscellaneous		297	1,903
		<hr/>	<hr/>
Loss before other income (expense)		(60,296)	(58,431)
Gain on forgiveness of debt		11,813	1,458
		<hr/>	<hr/>
Net loss and comprehensive loss		(48,483)	(56,973)
		<hr/>	<hr/>
Basic and diluted loss income per share		(0.00)	(0.00)
		<hr/>	<hr/>
Weighted average number of shares outstanding		12,941,659	12,823,080
		<hr/>	<hr/>

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

BRS VENTURES LTD.

(A Capital Pool Company)

Statements of Changes in Equity (Deficiency) Attributable to Shareholders

Years ended October 31

(Expressed in Canadian dollars)

	Number of Shares <small>(notes 1 and 6)</small>	Share Capital	Subscriptions received	Contributed Surplus	Deficit	Total
		\$	\$	\$	\$	\$
Balance, October 31, 2011	1,966,659	490,900	91,667	92,150	(871,873)	(197,156)
Shares issued pursuant to private placement in consideration for:						
Cash	10,000,000	500,000	(91,667)	-	-	408,333
Finders fees	975,000	48,750	-	-	-	48,750
Less issue costs paid in consideration for:						
Cash	-	(2,755)	-	-	-	(2,755)
Finders' shares	-	(48,750)	-	-	-	(48,750)
Comprehensive loss, year ended October 31, 2012	-	-	-	-	(56,973)	(56,973)
Balance, October 31, 2012	12,941,659	988,145	-	92,150	(928,846)	151,449
Comprehensive loss, year ended October 31, 2013	-	-	-	-	(48,483)	(48,483)
Balance, October 31, 2013	12,941,659	988,145	-	92,150	(977,329)	102,966

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

BRS VENTURES LTD.

(A Capital Pool Company)

Statements of Cash Flows

Years ended October 31

(Expressed in Canadian dollars)

	2013	2012
	\$	\$
Cash provided from (used in):		
Operating Activities		
Net loss	(48,483)	(56,973)
Items not affecting cash		
Gain on forgiveness of debt	(11,813)	(1,458)
GST / HST payments not recovered	14,835	-
	(45,461)	(58,431)
Net change in non-cash working capital items		
GST / HST recoverable	(1,950)	(4,193)
Other assets	-	2,540
Accounts payable and accrued liabilities	(69)	(276,376)
	(47,480)	(336,460)
Financing Activity:		
Shares issued for cash, net of issue costs	-	405,578
(Decrease) increase in cash	(47,480)	69,118
Cash - beginning of year	166,445	97,327
Cash - end of year	118,965	166,445

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

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements

Years ended October 31, 2013 and 2012

(Expressed in Canadian dollars)

1. ORGANIZATION, NATURE AND CONTINUANCE OF OPERATIONS

BRS Ventures Ltd. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007. The Company is classified as a capital pool company as defined by TSX Venture Exchange Policy 2.4 ("Policy 2.4"). The Company's objective is to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals. The Company is currently trading on the NEX board of the TSX Venture Exchange (the "Exchange") under the trading symbol "BRV.H".

The address and domicile of the Company's registered office and its principal place of business is suite 880, 580 Hornby Street, Vancouver, British Columbia V6C 3B6.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. For the year ended October 31, 2013, the Company had: incurred operating losses in the amount of \$48,483; accumulated losses of \$977,329; had working capital of \$102,966; and had not completed a Qualifying Transaction. In the event the Company is successful in securing a Qualifying Transaction, there can be no assurance that any required additional financing can be secured. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of compliance and functional currency

These financial statements have been presented in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These financial statements have been prepared on an accrual basis, under the historical cost convention except for financial assets and liabilities, which have been measured at fair value as set out in the relevant accounting policies.

These financial statements are presented in Canadian dollars which is the Company's functional and presentation currency.

These consolidated financial statements were approved by the board of directors on February 26, 2014.

b) Use of estimates and judgments

In accordance with IFRS, the preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. Estimates, judgments and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances, but are not necessarily readily apparent or recognizable at the time such estimate, judgment or assumption is made. Actual results may differ significantly from these estimates.

Estimates, judgments and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate, judgment or underlying assumption is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgments and estimates include valuation of:

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Year ended October 31, 2013

(Expressed in Canadian dollars)

(i) Going concern

These statements have been prepared under the assumption that the Company is a going concern and will continue in operation for the foreseeable future and a least one year. The factors considered by management in making a going-concern assessment are disclosed in note 1.

(ii) Share-based payments

All equity-settled, share-based awards issued by the Company are recorded at fair value using the Black-Scholes option-pricing model. In assessing the fair value of equity-based compensation, estimates have to be made regarding the expected volatility in share price, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant date.

(iii) Income taxes

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in profit or loss both in the period of change, which would include any impact on cumulative provisions, and in future periods. Deferred tax assets (if any) are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as the amounts recognized in profit or loss in the period in which the change occurs.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements are as follows:

Financial assets

All financial assets are initially recorded at fair value and classified upon inception into one of the following three categories: held-to-maturity, available-for-sale, loans and receivables or designated at fair value through profit or loss ("FVTPL").

Financial assets are designated as FVTPL to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy.

Financial assets designated as FVTPL are measured at fair value with unrealized gains and losses recognized through income and loss.

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost using the effective interest method less any allowance for impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary or a significant or prolonged decline in the fair value of that investment below its cost. Such losses are recorded in the statement of loss.

Transaction costs associated with FVTPL financial assets are expensed as incurred while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset and amortized to income or loss as part of the application of the effective interest method.

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Years ended October 31, 2013 and 2012

(Expressed in Canadian dollars)

Financial liabilities

All financial liabilities are initially recorded at fair value and upon initial recognition are designated upon inception as FVTPL or classified as other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Financial liabilities designated as FVTPL include financial liabilities designated upon initial recognition as FVTPL. Derivatives are also classified as FVTPL unless they are designated as effective hedging instruments. Transaction costs on financial liabilities designated as FVTPL are expensed as incurred. Fair value changes on financial liabilities designated as FVTPL are recognized through income and loss.

De-recognition of financial assets and liabilities

Financial assets are de-recognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in income or loss.

Financial liabilities are de-recognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in income or loss.

Share capital

Common shares issued for non-monetary consideration are recorded at their fair value based initially upon the trading price of the Company's shares on the TSX Venture Exchange ("the Exchange") on the date of the agreement to issue the shares or, for subsequent issues, the date of share issuance.

Costs incurred to issue shares are deferred until the shares are issued, at which time these costs are charged to share capital.

Share-based payments

When the value of goods or services received in exchange for share-based payments cannot be reliably estimated, the fair value is measured by use of a valuation model. The Company has a stock option plan (Note 6 (d)), whereby stock options are granted in accordance with the policies of regulatory authorities. The Company records a compensation cost attributable to all share purchase options granted at fair value at the grant date using the Black-Scholes valuation model and the fair value of all share purchase options are expensed over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital.

The Black-Scholes model requires the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate.

Income taxes

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized. No potential income tax assets of the Company have been recognized.

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Years ended October 31, 2013 and 2012

(Expressed in Canadian dollars)

Loss per share

Basic loss per share is calculated by dividing the net loss for the year available to common shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. Basic and diluted loss per share are the same for the years presented.

On February 28, 2013, options on a total of 130,000 shares exercisable at a price of \$0.30 options expired; unexercised. For the years ended October 31, 2013 and 2012, potentially dilutive common shares issuable while such options were outstanding were not included in the computation of loss per share because their effect was anti-dilutive.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Unless otherwise noted, the following revised standards and amendments are effective for the Company beginning November 1, 2013.

- (i) IFRS-9, **Financial Instruments**, was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely. Requirements for financial liabilities were added to IFRS 9 in October 2010 and they largely carried forward existing requirements in IAS 39, **Financial Instruments – Recognition and Measurement**, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. This standard does not yet have an effective application date, however early application is permitted. The Company has not assessed the impact of this standard.
 - (ii) IFRS 10, **Consolidated Financial Statements**, requires an entity to consolidate an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces **SIC-12, Consolidation - Special Purpose Entities** and parts of IAS 27, **Consolidated and Separate Financial Statements**. The adoption of this standard is not expected to have a material impact on the Company's financial statements.
 - (iii) IFRS 11, **Joint Arrangements**, requires a venturer 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 a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, **Interests in Joint Ventures**, and SIC-13, **Jointly Controlled Entities - Non-monetary Contributions by Venturers**. The adoption of this standard is not expected to have a material impact on the Company's financial statements.
 - (iii) IFRS 12, **Disclosure of Interests in Other Entities**, establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosures that address the nature of, and risks associated with, an entity's interests in other entities.
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BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Years ended October 31, 2013 and 2012

(Expressed in Canadian dollars)

The adoption of this standard is not expected to have a material impact on the Company's financial statements.

- (iv) IFRS 13, ***Fair Value Measurement***, 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. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

5. GST / HST PAYMENTS NOT RECOVERED

During the year ended October 31, 2013, Canada Revenue Agency ("CRA") advised the Company that it is not eligible to recover GST Input Tax Credits until such time as it is engaged to complete a QT. Accordingly, expenses recorded in the year ended October 31, 2013 include \$14,835 for HST/GST claims not recovered of which \$12,885 pertain to claims submitted prior to October 31, 2012 as well as \$1,950 pertaining to claims submitted during the year ended October 31, 2013.

6. SHARE CAPITAL

a) Authorized: Unlimited common shares without par value.

b) Financing:

During the year ended October 31, 2013, the Company did not complete any financing activities.

On November 4, 2011, the Company completed a private placement of 10,000,000 common shares at \$0.05 per share for gross proceeds of \$500,000. In connection with the private placement, the Company incurred cash issue costs of \$2,755. The Company also issued 975,000 finder's shares having a stated value of \$48,750 with the same terms as the private placement shares. At October 31, 2011, the Company had received \$91,667 of shares subscriptions in connection with the private placement.

c) Share Consolidation:

Effective November 2, 2011, the Company consolidated its common shares on the basis of one (1) new common share for every three (3) old common shares issued and outstanding at that time. All references to share and per share amounts have been retroactively restated to reflect the share consolidation.

d) Options:

The Company has established a stock option plan in accordance with the policies of the Exchange pursuant to which the Company is authorized to grant share purchase options up to 10% of its outstanding shares. The exercise price of options granted equals the market price of the Company's stock on the date of the grant. The options are for a maximum term of five years.

As at October 31, 2012, the Company had a total of 130,000 options outstanding and exercisable at a price of \$0.30 each at any time up until and including February 28, 2013 which expired; unexercised. The average remaining life of the options outstanding as at October 31, 2012 was 0.33 years. The Company has not granted any options during the year ended October 31, 2013.

e) Escrow shares:

Pursuant to the regulatory requirements as at October 31, 2013 and October 31, 2012, 724,997 issued and outstanding common shares were held in escrow. The shares will be released as to 10% on the completion of the Company's Qualifying Transaction and the remainder will be released in 6 equal tranches of 15% each every 6 months thereafter.

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Years ended October 31, 2013 and 2012

*(Expressed in Canadian dollars)***f) Earnings (loss) per share**

Net earnings (loss) per share is calculated based on the weighted average number of shares outstanding as follows:

	October 31 2013	October 31 2013
Basic and diluted weighted average number of common shares	12,941,659	12,823,080
	\$	\$
Adjusted (loss)		
Net loss	(48,483)	(56,973)

7. INCOME TAX EXPENSE

The tax expense differs from the theoretical amount that would arise using the tax rate applicable to profits of the Company as follows:

	October 31 2013	October 31 2012
Loss for the period before income tax recovery	\$ (48,483)	\$ (56,973)
Average statutory rate	25.58%	25.25%
		\$
Recovery of income taxes based on statutory rates	12,404	14,386
Provision for permanent differences		
Allowance for Share issuance cost	-	-
Net income taxes recoverable	12,404	14,386
Increase (decrease) in income tax recovery resulting from:		
Effect of change in tax rate	9,596	(284)
Change in non-recognized deferred tax assets	(22,000)	(14,102)
Income tax recovery	-	-

The Company has deferred tax assets which have not been recognized on the Balance Sheet as follows:

	October 31 2013	October 31 2012
	\$	\$
Deferred tax assets		
Losses carried forward	254,000	232,000

Deferred income tax assets are only recognized to the extent that the realization of tax loss carry-forwards is determined to be probable. As at October 31, 2013, the Company has not recognized any income tax assets.

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Years ended October 31, 2013 and 2012

(Expressed in Canadian dollars)

For income tax purposes, as at October 31, 2013, the Company had \$976,000 (2012 - \$928,000) of Canadian federal net operating losses carry-forward of which expire as follows:

year	\$
2027	5,000
2028	158,000
2029	309,000
2030	331,000
2031	57,000
2032	56,000
2033	60,000
	<hr/>
	976,000

8. FINANCIAL INSTRUMENTS

Management of Capital

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

The Company considers its cash to be its manageable capital. The Company's policy is to maintain sufficient cash and investment balances to cover operating costs over a reasonable future period, generally one to one and a half years. The Company accesses capital markets through equity issues as necessary and may also acquire additional funds where advantageous circumstances arise.

Excess cash investments are restricted to bankers' acceptances of major Canadian banks or instruments of equivalent or better quality. The Company currently has no externally-imposed capital requirements.

Classification of Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company classified its cash as loans and receivables. The accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is primarily held with highly rated banking institutions.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss is limited because at present the Company's liabilities are non-interest bearing.

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. The Company has working capital of \$102,966 as at October 31, 2013.

BRS VENTURES LTD.

(A Capital Pool Company)

Notes to the Financial Statements (continued)

Years ended October 31, 2013 and 2012

(Expressed in Canadian dollars)

9. KEY MANAGEMENT COMPENSATION AND RELATED PARTIES

The retention of certain key management personnel is not subject to any management agreements,

Some key management personnel, or their related parties, may hold positions in other entities whose services are retained by the Company. In such instances, these appointments result in the Company's key management personnel representing those related parties in which they hold control or significant influence over the financial or operating policies of these entities.

Key management includes officers and directors (executive and non-executive) of the Company. During the year ended October 31, 2013 the Company incurred accounting and bookkeeping fees paid to a management company owned by a director in the amount of \$1,711 (October 31, 2012 - \$9,019). This amount is included in accounting and audit fees that totalled \$24,011 (2012 - \$22,094), as disclosed on the statements of loss and comprehensive loss. This expenditure was measured at the exchange amount which is the amount agreed upon by the transacting parties. Other than these fees, there were no other transactions with related parties. There was no compensation paid or payable to key management for employee services.

In addition, as at October 31, 2013 the Company's total indebtedness to related parties amounted to \$602 (2012 - \$1,928). The amounts due to related parties are unsecured, non-interest-bearing and due on demand.