SONORO METALS CORP.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2014 and 2013

(Expressed in Canadian Dollars)

(Unaudited)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim consolidated financial statements for the nine month periods ended September 30, 2014 and 2013.

SONORO METALS CORP.
Condensed interim consolidated statements of financial position
(Expressed in Canadian Dollars)
(unaudited)

As at	September 30, 2014	December 31, 2013
Assets		
Current assets		
Cash and cash equivalents	$ 511,256	$ 780,232
Receivables	26,912	25,858
Prepaid expenses	24,187	10,239
	562,355	816,329
Non-current assets		
Exploration and evaluation assets (note 5)	1,622,838	1,566,838
	$ 2,185,193	$ 2,383,167
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	$ 53,756	$ 72,240
Due to related parties (note 7)	73,238	56,175
	126,994	128,415
Shareholders' Equity		
Share capital (note 8)	38,525,530	3,836,530
Reserves	334,670	360,000
Deficit	(2,129,001)	(1,941,778)
	2,058,199	2,254,752
	$ 2,185,193	$ 2,383,167

Approved on behalf of the Board on November 27, 2014:

"Kenneth MacLeod" (signed)

Kenneth MacLeod, Director

"Scott Kelly" (signed)

Scott Kelly, Director

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

SONORO METALS CORP.

Condensed interim consolidated statements of comprehensive loss
(Expressed in Canadian Dollars)
(unaudited)

	Three Months Ended September 30, 2014	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2014	Nine Months Ended September 30, 2013
Expenses				
Consulting fees (note 7)	$ 28,122	$ 27,800	$ 79,019	$ 92,050
Legal and audit	14,112	11,113	66,038	36,748
Office and administration	7,271	7,012	21,347	17,979
Insurance	2,456	2,398	7,051	7,073
Mineral properties	4,744	-	8,912	-
Share-based compensation	7,355	-	22,670	-
Transfer agent fees	6,453	1,080	25,393	17,299
Travel and promotion	4,375	1,916	6,742	8,675
	(74,888)	(51,319)	(237,172)	(179,824)
Other Income (Expenses)				
Interest income	1,493	2,314	3,457	6,668
Foreign exchange (loss) gain	(716)	(1,644)	(1,508)	6,713
	777	670	1,949	13,381
Loss and Comprehensive Loss for the Period	$ (74,111)	$ (50,649)	$ (235,223)	$ (166,443)
Loss per Share (note 8d)	$ (0.01)	$ (0.00)	$ (0.02)	$ (0.02)
Weighted Average Number of Common Shares Outstanding *(Refer to Note 1)*	10,559,013	10,620,919	10,601,688	10,620,919

SONORO METALS CORP.

Condensed interim consolidated statements of changes in equity
(Expressed in Canadian Dollars)
(unaudited)

	Share Capital		Share-Based		
	Shares (note 1)	Amount	Payment Reserve	Deficit	Shareholders' Equity
Balance, December 31, 2012	10,620,919	$3,836,530	$394,851	$(1,691,090)	$ 2,540,291
Net loss for the period	-	-	-	(166,443)	(166,443)
Balance, September 30, 2013	10,620,919	3,836,530	394,851	(1,857,533)	2,373,848
Share-based compensation (note 8(c))	-	-	(34,851)	34,851	-
Net loss for the period	-	-	-	(119,096)	(119,096)
Balance, December 31, 2013	10,620,919	3,836,530	360,000	(1,941,778)	2,254,752
Acquisition of mineral property (note 5)	50,000	16,000	-	-	16,000
Share-based compensation (note 8(b))	-	-	(25,330)	48,000	22,670
Net loss for the period	-	-	-	(235,223)	(235,223)
Balance, September 30, 2014	**10,670,919**	**$3,852,530**	**$ 334,670**	**$(2,129,001)**	**$2,058,199**

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

SONORO METALS CORP.
Condensed interim consolidated statements of cash flows
(Expressed in Canadian Dollars)
(unaudited)
For the nine months ended September 30,

	2014	2013
Operating Activities		
Net loss	$ (235,223)	$ (166,443)
Items not involving cash		
Stock-based compensation	22,670	-
Changes in non-cash working capital		
Receivables	(1,054)	2,048
Prepaid expenses	(13,948)	(10,590)
Accounts payable and accrued liabilities	(18,484)	(10,702)
Due to related parties	17,063	(6,020)
Cash Used in Operating Activities	(228,976)	(191,707)
Investing Activities		
Expenditures on exploration and evaluation assets	(40,000)	(82,314)
Cash Used in Investing Activities	(40,000)	(82,314)
Outflow of Cash and Cash Equivalents	(268,976)	(274,021)
Cash and Cash Equivalents, Beginning of Period	780,232	1,174,403
Cash and Cash Equivalents, End of Period	$ 511,256	$ 900,382
Cash and Cash Equivalents Consists of		
Cash	$ 111,256	$ 30,382
Term deposit	400,000	870,000
	$ 511,256	$ 900,382

Supplemental disclosure with respect to cash flows:

	2014	2013
Interest received	$ -	$ 6,668
Expired stock options	48,000	-
Common shares issued for exploration and evaluation assets	16,000	-

1. NATURE OF OPERATIONS AND GOING CONCERN

Sonoro Metals Corp. ("Sonoro" or the "Company") was incorporated in Ontario on November 30, 1944 under the *Company Act* of Ontario. On January 15, 2007, the Company was issued a Certificate of Continuation by the Province of British Columbia. On December 20, 2011, the Company changed its name from Becker Gold Mines Ltd. to Sonoro Metals Corp, which took effect on January 6, 2012. The Company's principal business activity is the acquisition, exploration and development of exploration and evaluation assets. The Company is a publicly-traded company listed on the TSX Venture Exchange ("TSX-V") under the symbol "SMO".

The head office, registered address and records office of the Company is located at 480 – 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

On July 14, 2014, the Company completed the consolidation of all of its issued and outstanding common share of the Company on the basis of one new common share for two previously issued and outstanding common shares (the "Share Consolidation"). All share and per share amounts in these condensed consolidated interim financial statements have been adjusted retroactively to reflect this change.

The Company incurred a net loss of $235,223 for the nine months ended September 30, 2014 (2013 - $166,443). As at September 30, 2014, the Company had an accumulated deficit of $2,129,001 (December 31, 2013 - $1,941,778) with working capital of $435,361 (December 31, 2013 - $687,914).

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes the Company will realize its assets and discharge its liabilities in the normal course of business. These condensed interim consolidated financial statements do not include any adjustments related to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and to finance mineral property acquisitions and future exploration. The Company does not generate cash flow from operations to adequately fund its activities and has therefore relied principally upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Although these condensed interim consolidated financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's business, results of operations and financial condition.

These condensed interim consolidated financial statements were approved by the board of directors for issue on November 27, 2014.

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements have been prepared by management in accordance with IAS 34 *Interim Financial Reporting* ("IAS 34") using accounting principles consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The significant accounting policies applied in preparing these condensed interim consolidated financial statements are consistent with the accounting policies as disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2013 with the exception of the new accounting policies disclosed in note 3 below.

These condensed interim consolidated financial statements do not include all of the required disclosures for annual consolidated financial statements. Accordingly, they should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2013 and the notes thereto.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for cash and cash equivalents and other financial instruments classified as fair value through profit or loss or available-for-sale that have been measured at fair value, and are presented in Canadian dollars.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Cap Capital Corp., Minera Mar Plata S.A. de C.V. ("MMP") and Minera Breco, S.A. de C.V. ("Breco"), effective July 8, 2014 All significant intercompany transactions and balances have been eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

Adoption of new accounting policies

The following accounting standards and amendments to existing standards were adopted effective January 1, 2014:

IAS 32 *Financial Instruments: Presentation* clarifies certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- The meaning of "currently has a legally enforceable right of set-off";
- The application of simultaneous realization and settlement;
- The offsetting of collateral amounts; and
- The unit of account for applying the offsetting requirements.

Amendments to IAS 36 *Impairment of Assets* reduces the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarifies the disclosures required and introduces and explicit requirement to disclose the discount rate used in determining impairment (or reversals) where the recoverable amount (based on fair value less costs of disposal) is determined using the a present value technique.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The adoption of these standards has not had a significant impact on the Company's financial position or financial performance.

Changes in accounting standards not yet adopted

IFRS 9 Financial Instruments ("IFRS 9"): This standard replaces the current IAS 39 Financial Instruments Recognition and Measurement. The standard introduces new requirements for classifying and measuring financial assets and liabilities. The effective implementation date of IFRS 9 is January 1, 2018. The Company anticipates that the application of this standard, will not have a material impact on the results and financial position of the Company.

4. FINANCIAL INSTRUMENTS

The Company has classified its cash and cash equivalents as fair value through profit and loss; receivables, as loans and receivables; and accounts payable and accrued liabilities and due to related parties, as other financial liabilities.

Fair value

The carrying values of accounts payable and accrued liabilities and due to related parties approximate their fair values due to the short-term nature of these financial instruments.

Credit risk

The Company is exposed to credit risk with respect to its cash. Cash has been placed on deposit with major Canadian and Mexican financial institutions. The risk arises from the non-performance of counterparties of contracted financial obligations. The Company is not exposed to significant credit risk on receivables as these amounts are due from government agencies.

Concentration of credit risk exists with respect to the Company's cash as the majority of the amount is held with only a few Canadian and Mexican financial institutions. The Company's concentration of credit risk and maximum exposure thereto at September 30 is as follows:

	2014	**2013**
Cash held at major Canadian financial institutions	$ 505,231	$ 882,591
Cash held at major Mexican financial institutions	6,025	17,791
Total cash	$511,256	$ 900,382

Included in cash and cash equivalents at September 30, 2014, is a cashable guaranteed investment certificate of $400,000 earning interest at prime less 1.95%, maturing March 20, 2015.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company had working capital as at September 30, 2014 in the amount of $435,361 (December 31, 2013 - $687,914).

4. FINANCIAL INSTRUMENTS (Continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Company's cash and cash equivalents consist of cash held in bank accounts. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of September 30, 2014.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars.

The Company is exposed to foreign currency risk with respect to cash and cash equivalents, receivables, due to related parties, and accounts payable and accrued liabilities as a portion of these amounts are denominated in US dollars and Mexican pesos. The Company has not entered into any foreign currency contracts to mitigate this risk.

As at September 30, 2014 and December 31, 2013, the Company's significant exposure to foreign currency risk, based on consolidated statement of financial position carrying values, were to the Mexican peso and the US dollar, as follows:

	September 30, 2014	
	MXP	USD
Cash	-	6,593
Receivables	265,869	
Accounts payable and accrued liabilities	(149,466)	-
Net	116,403	6,593
Canadian dollar equivalent	$ 9,580	$ 6,025

	December 31, 2013	
	MXP	USD
Cash	151,132	1,777
Accounts payable and accrued liabilities	(149,466)	-
Net	1,666	1,777
Canadian dollar equivalent	$ 128	$ 1,786

(Expressed in Canadian Dollars)

4. FINANCIAL INSTRUMENTS (Continued)

Market risk (continued)

(ii) Foreign currency risk (continued)

The sensitivity analysis of the Company's exposure to foreign currency risk suggests that a 5% change in foreign exchange rates between the Mexican peso, US dollar and Canadian dollar would not have a material impact on loss and comprehensive loss for the period ending September 30, 2014 and the year ending December 31, 2013.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

5. EXPLORATION AND EVALUATION ASSETS

	Chipriona	Santa Clara	Los Pinos	San Marcial	Total
December 31, 2012	$ 927,147	$ 237,817	$ 319,560	$ -	$ 1,484,524
Acquisition costs	-	82,314	-	-	82,314
September 30, 2013 and December 31, 2013	927,147	320,131	319,560	-	1,566,838
Acquisition costs	-	-	-	56,000	56,000
September 30, 2014	$ 927,147	$ 320,131	$ 319,560	$ 56,000	$ 1,622,838

(a) Chipriona

The Chipriona property is subject to a 2% royalty on net operating profits and the Los Pinos property is subject to a 2% net smelter return royalty.

(b) Santa Clara

On January 10, 2011, the Company entered into an option agreement whereby the Company can acquire a 100% interest in the Santa Clara concession, which is contiguous to the Company's current mineral concessions, for total cash payments of US $240,000 over a three-year period and the issuance of 120,000 common shares due as follows:

Cash		
Payable by January 2011	US $40,000	(paid - $39,096)
Payable by February 2011	US $20,000	(paid - $19,153)
Payable by July 2011	US $60,000	(paid - $56,411)
Payable by January 2012	US $60,000	(paid - $60,000)
Payable by July 2013	US $60,000	(paid – $59,526)
	US $240,000	

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (Continued)

(b) Santa Clara (continued)

Shares	
Issuable by July 2013*	120,000 common shares with a par value of US$0.67

* In June 2013, the Company completed the acquisition of a 100% interest in the Santa Clara concession by paying US$80,400 ($82,314) cash in lieu of issuing common shares.

The Santa Clara property is subject to a 2.5% royalty on net operating profits.

(c) San Marcial

On July 8, 2014, the Company completed the acquisition of Breco, a private Mexican company whose only asset is the San Marcial property, in Sonora, Mexico. The Company acquired all of the issued and outstanding shares of Breco by paying $40,000 cash and issuing 50,000 common shares (100,000 pre-Share Consolidation) with a market value of $16,000.

Future-stage cash payments to an aggregate of $60,000 over two years and share issuances to an aggregate of 300,000 shares over three years will be made at Sonoro's option as follows:

	Cash	Shares
1st anniversary date	$30,000	100,000
2nd anniversary date	$30,000	100,000
3rd anniversary date	nil	100,000
	$60,000	300,000

On September 10, 2012, Breco entered into an option agreement with certain vendors ("Vendors") whereby Breco can enter into a Final Binding Agreement to acquire a 100% interest in the San Marcial concession, for periodic cash payments of US $180,000 to the Vendors (contingent on the Company continuing to exercise its right to proceed with each subsequent phase) and other consideration*, as follows:

Cash		
Payable September 2012	US $10,000	(paid by Breco - $9,837)
Payable on execution of Final Agreement	US $10,000	(paid in October 2014)
Payable 6 months following Final Agreement	US $20,000	
Payable 12 months following Final Agreement	US $20,000	
Payable 18 months following Final Agreement	US $30,000	
Payable 24 months following Final Agreement	US $30,000	
Payable 30 months following Final Agreement	US $30,000	
Payable 36 months following Final Agreement	US $30,000	
Total	US $180,000	

* The San Marcial concession is subject to a 2% net smelter return royalty which may be purchased for US$750,000 at the Company's election.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (Continued)

(c) San Marcial (continued)

Subsequent to September 30, 2014, the Company entered into the Final Binding Agreement to acquire a 100% interest in the San Marcial concession per the consideration noted above.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities for the Company are broken down as follows:

	September 30, 2014	December 31, 2013
Trade payables	$ 29,381	$ 40,633
Accrued liabilities	24,375	31,607
	$ 53,756	$ 72,240

All accounts payable and accrued liabilities for the Company are due within the next 12 months.

7. RELATED PARTY TRANSACTIONS

The condensed interim consolidated financial statements include the financial statements of Sonoro and its 100% owned subsidiaries, Cap Capital and MMP.

The Company entered into the following transactions with related parties during the period:

(a) Rent of $15,900 (2013 - $13,041) was paid to a company with directors in common and is included in office and administration.

At September 30, 2014, $73,238 (December 31, 2013 - $56,175) is owing to related parties without interest or stated terms of repayment.

Compensation of key management

Key management comprises directors and executive officers. Compensation awarded to key management for the nine months ended September 30 is as follows:

	2014	2013
Short-term employee benefits	$ 73,750	$ 65,000
Share-based payments	22,670	-
	$ 96,420	$ 65,000

The Company incurred no post-employment benefits, no long-term benefits and no termination benefits.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES

(a) Capital Stock

As at September 30, 2014, the Company had unlimited authorized common shares without par value and 10,670,919 common shares issued and outstanding (December 31, 2013 – 10,620,919).

(b) Stock options

Pursuant to the policies of the TSX-V, under the Company's stock option plan, options to purchase common shares are granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of grant for a maximum term of five years. The board of directors may grant options for the purchase of up to a total of 10% of the outstanding shares at the time of the option grant less the aggregate number of existing options and number of common shares subject to issuance under outstanding rights that have been issued under any other share compensation arrangement. Options granted under the plan may vest over a period of time at the discretion of the board of directors.

A summary of the Company's outstanding and exercisable stock options at September 30, 2014 and December 31, 2013 and changes during the nine months ended September 30, 2014 is as follows:

	Outstanding	Exercisable		Weighted Average Exercise Price
Balance, December 31, 2013	900,000	900,000	$	0.57
Issued	225,000	56,250	$	0.20
Expired	(125,000)	(125,000)	$	(0.40)
Cancelled	(125,000)	(125,000)	$	0.42
Balance, September 30, 2014	875,000	706,250	$	0.50

During the nine months ended September 30, 2014, the Company issued 225,000 stock options entitling the holder to acquire 225,000 common shares of the Company for $0.20 per share until April 7, 2019. These options vest 25% at the date of grant and 25% every six months thereafter. Share-based compensation of $22,670 relating to the issuance of these shares has been included in the statements of comprehensive loss.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (Continued)

(b) Stock options (continued)

As at September 30, the following share purchase options were outstanding:

Expiry Date	Exercise Price	**2014**	**2013**
May 20, 2014*	$ 0.40	-	150,000
December 23, 2016	$ 0.60	650,000	750,000
April 7, 2019	$ 0.20	225,000	-
		875,000	900,000

The weighted average remaining contractual life for the outstanding options at September 30, 2014 is 2.82 years.

* 25,000 of these options were cancelled before May 20, 2014. On May 20, 2014, 125,000 of these options expired unexercised, which resulted in $48,000 in contributed surplus being reversed to deficit.

(c) Warrants

As at September 30, 2014, the Company had share purchase warrants outstanding entitling the holders to acquire common shares as follows:

Exercise Price	Expiry Date	Outstanding, December 31, 2013	Issued	Expired	Outstanding, September 30, 2014
$ 0.40	December 20, 2014*	2,137,500	-	-	2,137,500
$ 0.60	December 20, 2014**	112,500	-	-	112,500
		2,250,000	-	-	2,250,000

* During the year ended December 31, 2013 these warrants were reduced from $0.60 to $0.40 and the exercise period was extended for a period of one year.

** During the year ended December 31, 2013 these warrants had the exercise period extended for a period of one year.

The Company issued finder's warrants in connection with a private placement that was completed during the year ending December 31, 2011. The fair value of the finder's warrants was calculated at $34,851 and originally included as part of share-based payment reserves. This amount was reversed to deficit when these warrants expired unexercised on December 20, 2013.

(Expressed in Canadian Dollars)

9. SEGMENTED INFORMATION

The Company has one business segment, the exploration of mineral properties. The Company's significant assets are distributed by geographic locations as follows:

		September 30, 2014		December 31, 2013
Non-current assets				
Mexico	$	1,622,838	$	1,566,838

10. EVENTS AFTER THE REPORTING PERIOD

The following events occurred after the reporting period:

(a) On November 6, 2014, the Company entered into an option agreement whereby the Company can earn a 50% interest in the Monroe Property located in the Fort Steel Mining Division in southeastern British Columbia (the "Option"). To exercise the Option, Sonoro must expend $2,500,000 on exploration and development of the property and make certain staged option payments of $400,000 over four years as follows:

Cash payments:		
Payable upon signing	$50,000	(paid)
On or before the first anniversary	$50,000	
On or before the second anniversary	$100,000	
On or before the third anniversary	$200,000	
Total	$400,000	

Exploration and development expenditures:
A cumulative total of not less than $250,000 by November 6, 2015
A cumulative total of not less than $750,000 by November 6, 2016
A cumulative total of not less than $1,250,000 by November 6, 2017
A cumulative total of not less than $2,500,000 by November 6, 2018

(b) On November 20, 2014, the Company completed a private placement of 1,666,667 flow-through units (the "Flow-Through Units") at a price of $0.12 per Flow-Through Unit for gross proceeds of $200,000. Each Flow-through Unit is comprised of one flow-through share and one common share purchase warrant (a "Warrant") exercisable for a term of three years. Each Warrant entitles the holder to purchase one additional common share of the Company at a price of $0.15 per share during the first year following the closing, escalating to $0.20 per share in the second year and $0.25 per share in the third year, subject to the right of the Company to accelerate the expiry of the Warrants, if at any time after four months and one day from the closing, during the term of the Warrants, the common shares of the Company close at a price at or above $0.40 per share for more than 20 consecutive trading days.

10. EVENTS AFTER THE REPORTING PERIOD (continued)

(c) On November 27, 2014 the Company completed a private placement of 7,000,000 non-flow through units (the "Non-Flow Through Units") at a price of $0.10 per Non-Flow Through Unit for gross proceeds of $700,000. Each Non-Flow Through Unit is comprised of one share and one share purchase warrant exercisable for a term of 3 years (the "Warrants"). Each Warrant entitles the holder thereof to purchase one additional common share of the Company at an exercise price of $0.15 per share during the first year following the closing of the private placement, escalating to $0.20 in the second year and $0.25 in the third year, subject to the right of the Company to accelerate the expiry of the Warrants, if at any time after four months and one day from the issue date of the Warrants, during the term of the Warrants, the common shares of the Company close at a price at or above $0.40 per share for more than 20 consecutive trading days.

(d) On November 25, 2014 the Company announced a private placement of 3,000,000 non-flow through units (the "NFT Units") at a price of $0.105 per NFT Unit for gross proceeds of $315,000. Each NFT Unit will consist of one share and one share purchase warrant exercisable for a term of 3 years (the "Warrants"). Each Warrant entitles the holder thereof to purchase one additional common share of the Company at an exercise price of $0.15 per share during the first year following the closing of the private placement, escalating to $0.20 in the second year and $0.25 in the third year, subject to the right of the Company to accelerate the expiry of the Warrants, if at any time after four months and one day from the issue date of the Warrants, during the term of the Warrants, the common shares of the Company close at a price at or above $0.40 per share for more than 20 consecutive trading days.