AURYN RESOURCES

(Formerly "Georgetown Capital Corp.")

(An exploration stage company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Three and Nine months ended March 31, 2014 and 2013

Unaudited

(Expressed in Canadian dollars unless otherwise stated)

AURYN RESOURCES INC.

(the "Company")

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Three and Nine months ended March 31, 2014 and 2013

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of Company's management.

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

May 23, 2014

Auryn Resources Inc.

(Formerly "Georgetown Capital Corp.")
Condensed Consolidated Interim Statements of Financial Position

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

		At March 31, 2014		At June 30, 2013
Assets				
Current assets:				
Cash and cash equivalents	$	2,854,904	$	1,286,803
Amounts receivable		36,119		6,469
Prepaid expenses and deposits		32,927		9,467
Total assets	**$**	**2,923,950**	**$**	**1,302,739**
Liabilities and Equity				
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$	116,010	$	139,663
		116,010		139,663
Equity				
Share capital (note 3)		5,503,452		2,768,786
Equity reserves (note 4)		328,351		19,717
Deficit		(3,023,863)		(1,625,427)
		2,807,940		1,163,076
Total liabilities and equity	**$**	**2,923,950**	**$**	**1,302,739**

Approved on behalf of the Board of Directors:

"Ivan Bebek"
Director

"Shawn Wallace"
Director

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Auryn Resources Inc.
(Formerly "Georgetown Capital Corp.")
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

	Three months ended March 31, 2014	Three months ended March 31, 2013	Nine months ended March 31, 2014	Nine months ended March 31, 2013
Administration expenses:				
Consulting fees, directors' fees, wages and benefits (note 5)	$ 143,689	$ 19,892	$ 295,825	$ 59,256
Legal and professional fees	54,522	2,500	99,308	13,095
Office, rent and administration	47,353	7,634	112,748	43,763
Regulatory, transfer agent and shareholder information	11,756	4,243	21,237	13,338
Stock based compensation	265,660	–	265,660	–
Travel, promotion and investor relations	25,163	2,766	138,537	7,145
	548,143	37,035	933,315	136,597
Other (income) expenses:				
Project investigation costs	253,435	16,761	489,298	16,761
Interests and other income	(5,954)	(4,286)	(14,076)	(12,922)
Write-off of accounts receivable	–	–	–	18,171
Reclassification of cumulative translation adjustment	–	–	–	19,400
Foreign exchange (gain) loss	(6,677)	(1,684)	(10,101)	(1,399)
	240,804	10,791	465,121	40,011
Loss for the period	(788,947)	(47,826)	(1,398,436)	(176,608)
Foreign currency translation adjustment	–	–	–	(1,534)
Reclassification of cumulative translation adjustment	–	–	–	19,400
Comprehensive loss for the period	**$ (788,947)**	**$ (47,826)**	**$ (1,398,436)**	**$ (158,742)**
Basic and diluted loss per share	$ (0.04)	$ (0.00)	$ (0.09)	$ (0.01)
Weighted average number of shares outstanding	18,265,272	13,335,605	15,813,623	13,335,605

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Auryn Resources Inc.

(Formerly "Georgetown Capital Corp.")
Condensed Consolidated Interim Statements of Changes in Equity

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

	Number of common shares		Share capital		Equity reserves (note 6)		Deficit		Accumulated other comprehensive income		Total
Balance at June 30, 2012	**13,335,605**	**$**	**2,768,786**	**$**	**19,717**	**$**	**(1,205,689)**	**$**	**(17,866)**	**$**	**1,564,948**
Net loss for the period	–		–		–		(176,608)		–		(176,608)
Reclassification of cumulative translation adjustment on write-off of exploration and evaluation assets	–		–		–		–		19,400		19,400
Foreign currency translation adjustment	–		–		–		–		(1,534)		(1,534)
Balance at March 31, 2013	**13,335,605**	**$**	**2,768,786**	**$**	**19,717**	**$**	**(1,382,297)**	**$**	**–**	**$**	**1,406,206**
Balance at June 30, 2013	13,335,605	$	2,768,786	$	19,717	$	(1,625,427)	$	-	$	1,163,076
Net loss for the period	–		–		–		(1,398,436)		–		(1,398,436)
Stock based compensation	–		–		308,634		–		–		308,634
Issued pursuant to a private placement at $0.50 per share	4,393,000		2,164,997		–		–		–		2,164,997
Issued pursuant to a private placement at $0.50 per share	1,150,000		569,669		–		–		–		569,669
Balance at March 31, 2014	**18,878,605**	**$**	**5,503,452**	**$**	**328,351**	**$**	**(3,023,863)**	**$**	**–**	**$**	**2,807,940**

See accompanying notes to these unaudited condensed consolidated interim financial statements.

Auryn Resources Inc.

(Formerly "Georgetown Capital Corp.")

Condensed Consolidated Interim Statements of Cash Flows

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

	Three months ended March 31, 2014	Three months ended March 31, 2013	Nine months ended March 31, 2014	Nine months ended March 31, 2013
Cash provided by (used in):				
Operating activities:				
Loss for the period	$ (788,947)	$ (47,826)	$ (1,398,436)	$ (176,608)
Items not involving cash:				
Interest income classified as investing activity	8,122	(4,286)	–	(12,922)
Reclassification of cumulative translation adjustment	–	–	–	19,400
Unrealized foreign exchange	2,015	(1,556)	6,359	(1,333)
Provision for uncollectible ITCs	–	–	–	18,171
Stock base compensation	308,634	–	308,634	–
Changes in non-cash working capital:				
Amounts receivable	(26,437)	11,692	(42,839)	4,460
Prepaid expenses and deposits	(17,791)	(3,867)	(23,460)	(994)
Accounts payable and accrued liabilities	33,477	35,614	(23,653)	10,136
Cash used in operating activities	(480,927)	(10,229)	(1,173,395)	(139,690)
Investing activities:				
Interest received	11,118	1,016	13,189	18,119
Cash provided by (used in) investing activities	11,118	1,016	13,189	18,119
Financing activities:				
Net proceeds from issuance of common shares	569,669	–	2,734,666	–
Cash provided by financing activities	569,669	–	2,734,666	–
Effect of foreign exchange rate changes on cash and cash equivalents	(2,015)	1,556	(6,359)	(201)
Increase (decrease) in cash and cash equivalents	97,845	(7,657)	1,568,101	(121,772)
Cash and cash equivalents, beginning of period	2,757,059	1,433,640	1,286,803	1,547,755
Cash and cash equivalents, end of period	**$ 2,854,904**	**$ 1,425,983**	**$ 2,854,904**	**$ 1,425,983**

Supplemental cash flow information (note 8)

See accompanying notes to these unaudited condensed consolidated interim financial statements.

1. Corporate information

Auryn Resources Inc., (the “Company” or “Auryn”) was incorporated on June 9, 2008, under the British Columbia Business Corporations Act under the name Georgetown Capital Corp. Subsequently on October 15, 2013, the Company changed its name to Auryn Resources Inc.

The Company’s principal business activities include the acquisition, exploration and development of resource properties. The head office and principal address of the Company are located at 1199 West Hastings Street, Suite 600, Vancouver, British Columbia, V6E 3T5.

The Company currently has no mineral property interests. The business of the Company involves a high degree of risk and there is no assurance that the Company will identify appropriate properties for acquisition or investment and, even if so identified and warranted, that it will be able to finance the acquisition or investment. In the event that the Company is not able to identify an appropriate mineral property for acquisition or investment in accordance with the listing requirements of the TSX Venture Exchange (the “ Exchange”), there is a risk that the Company, at the discretion of the Exchange, will be transferred to the NEX board as an inactive company. However, the Company is currently considered active.

2. Basis of presentation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). The accounting policies followed in these condensed consolidated interim financial statements are the same as those applied in the Company’s most recent audited consolidated financial statements for years ended June 30, 2013, except for the new accounting standards adopted commencing July 1, 2013 as described in note 2(f). These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended June 30, 2013, which were filed under the Company’s profile on SEDAR at www.sedar.com.

These condensed consolidated interim financial statements were authorized for issue and approved by the Board of Directors of the Company on May 23, 2014.

(b) Basis of preparation and consolidation

The condensed consolidated interim financial statements have been prepared on a historical cost basis and the functional and presentation currency is the Canadian dollar. These consolidated financial statements are presented in Canadian dollars, unless otherwise noted.

The consolidated financial statements included the accounts of the Company and its controlled and wholly-owned subsidiary Akkese Madencilik Sanayi Ve Ticaret Ltd. Şt. (“Akkese”). Georgetown Alaska Inc. (“GTA”) was also included up until August 10, 2012, the effective date of the GTA’s voluntarily dissolution. GTA’s functional currency is the US dollar and on dissolution of GTA, the cumulative translation adjustment was reclassified to the statement of loss and comprehensive loss in the prior year.

All material intercompany balances and transactions have been eliminated and where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other entities in the Company.

2. Basis of presentation (continued)

(c) Critical accounting judgments and estimates

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires the Company's management to make estimates and assumptions about future events that affect the amounts reported in this condensed consolidated interim financial statements and related notes. Actual results may differ from those estimates. Information about areas of judgment and key sources of uncertainty and estimation is contained in the accounting policies and the notes to the Company's audited consolidated financial statements for the year ended June 30, 2013.

(d) Going concern of operations

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles 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 operations. The ability of the Company to meet its commitments as they become due, including completion of the acquisition of an interest in and exploration and development of its mineral properties, is dependent upon the existence of economically recoverable reserves, the Company's ability to obtain the necessary financing to complete exploration and development and upon future profitable production or proceeds from disposition of these properties. The outcome of these matters cannot be predicted at this time. These consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

(e) Foreign currency translation

The financial statements of the Company are prepared in its functional currency, which is denominated based on the primary economic environment in which operates. The functional and presentation currency of the Company is the Canadian dollar. Amounts in United States dollars are denoted as US$.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the transaction dates. At each statement of financial position date, monetary items denominated in foreign currencies are translated into the entity's functional currency at the then prevailing rates and non−monetary items measured at historical cost are translated into the entity's functional currency at rates in effect at the date the transaction took place.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are included in the statement of comprehensive income or loss for the period in which they arise.

(f) Changes in accounting policies

Standards, amendments and interpretations issued but not yet effective

1. IFRS 9, Financial Instruments ("IFRS 9")

   IFRS 9 covers the classification and measurement of financial assets and financial liabilities and is applicable for annual periods beginning on or after January 1, 2015, with earlier application permitted. The Company is still assessing the impact of adopting IFRS 9, however no significant impact is expected.

2. IFRIC 21 – Levies, an interpretation of IAS 37 ("IFRIC 21")

   IFRIC 21 – Levies, an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event ("obligating event"). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The change in accounting standard will not have a significant impact on the Company's consolidated financial statements.

2. Basis of presentation (continued)

(f) Changes in accounting policies (continued)

Standards, amendments and interpretations issued but not yet effective (continued)

3. IAS 32 – Financial instruments, Presentation ("IAS 32")

   IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date. The amendments apply to annual periods beginning on or after January 1, 2014. The change in accounting standard will not have a significant impact on the Company's consolidated financial statements.

4. IAS 36 – Impairment of Assets ("IAS 36")

   IFRS 36 was amended by recoverable amount disclosures for non-financial assets. The amendments apply retrospectively for annual periods beginning on or after 1 January 2014. The change in accounting standard will not have a significant impact on the Company's consolidated financial statements.

New standards, amendments and interpretations adopted by the Company

5. IFRS 7, Financial Instruments: Disclosures ("IFRS 7") – amendments

   In December 2011, the IASB issued new disclosure requirements for financial assets and liabilities that (1) are offset in the statement of financial position; or (2) subject to master netting agreements or similar arrangements. These new disclosure requirements are effective for annual periods beginning on or after January 1, 2013 and are to be applied retrospectively. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

6. IFRS 10, Consolidated Financial Statements ("IFRS 10")

   IFRS 10 replaces the consolidation requirements in IAS 27, Consolidated and Separate Financial Statements, and Standing Interpretations Committee ("SIC") Interpretation 12, Consolidation - Special Purpose Entities. IFRS 10 introduces a single consolidation model for all entities based on control, irrespective of the nature of the investee and is effective for annual periods on or after January 1, 2013, with earlier adoption permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

7. IFRS 11, Joint Arrangements ("IFRS 11")

   In May 2011, the IASB issued guidance establishing principles for financial reporting by parties to a joint arrangement. IFRS 11 replaces IAS 31, Interests in Joint Ventures. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures based on the rights and obligations of the parties to the joint arrangements. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement ("joint operators") have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement ("joint venturers") have rights to the net assets of the arrangement. IFRS 11 requires that a joint operator recognize its portion of assets, liabilities, revenues and expenses of a joint arrangement, while a joint venturer recognizes its investment in a joint arrangement using the equity method. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

8. IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12")

   IFRS 12 requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. The disclosure requirements are applicable to all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013 with earlier adoption permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

2. Basis of presentation (continued)

(f) Changes in accounting policies (continued)

New standards, amendments and interpretations adopted by the Company (continued)

9. IFRS 13, Fair Value Measurement ("IFRS 13")

   In May 2011, the IASB issued guidance establishing a single source for fair value measurement. IFRS 13 defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. However, IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another standard requires or permits the item to be measured at fair value, with limited exceptions. IFRS 13 is effective for annual periods beginning on or after January 1, 2013 with early application permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

10. IAS 27, Separate Financial Statements ("IAS 27")

    IAS 27 was amended as a consequence of the issuance of IFRS 10, 11 and 12. IAS 27 sets the standards for investments in subsidiaries, jointly controlled entities, and associates when an entity elects, or is required, to present separate non-consolidated financial statements. Amendments to IAS 27 are effective for annual periods beginning on or after January 1, 2013 with early application permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

11. IAS 28, Investments in Associates and Joint Ventures ("IAS 28")

    IAS 28 was amended as a consequence of the issuance of IFRS 10, 11 and 12. IAS 28 provides additional guidance for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Company will apply this standard when there is joint control or significant influence over an investee. Amendments to IAS 28 are effective for annual periods beginning on or after January 1, 2013 with early application permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

12. IFRIC 19, Extinguishing financial liabilities with equity instruments ("IFRIC 19")

    IFRIC 19 addresses the accounting by the entity that issues equity instruments in order to settle, in full or in part, a financial liability. IFRIC 19 is effective for annual periods beginning on or after January 1, 2013 with early application permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

13. IFRIC 20, Stripping costs in a production phase of a surface mine ("IFRIC 20")

    This Interpretation clarifies that surface mining companies will capitalize production stripping costs that benefit future periods if certain criteria are met. IFRIC 20 is effective for annual periods beginning on or after January 1, 2013 with early application permitted. The adoption of this new standard, commencing July 1, 2013, did not have an impact on these condensed consolidated interim financial statements.

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

3. Share capital

(a) Authorized

Unlimited common shares without par value

(b) Issued and outstanding

On November 8, 2013, the Company completed a non-brokered private placement for gross proceeds of $2,196,500 by issuing 4,393,000 common shares of the Company at a price of $0.50 per common share. The common shares are subject to a four month hold period expiring March 8, 2014.

Related to this share issuance, the Company incurred costs in the amount of $31,503 which included cash commission of $16,800 and other legal and regulatory costs of $14,703.

On February 17, 2014, the Company completed a non-brokered private placement for gross proceeds of $575,000 by issuing 1,150,000 common shares of the Company at a price of $0.50 per share (the "Offering"). The shares sold under the Offering will be subject to a four-month hold period.

Related to this share issuance, the Company incurred costs in the amount of $5,331 and no amount in commissions.

(c) Escrow shares

Pursuant to existing escrow agreements, the remaining 769,750 escrowed shares were released on February 22, 2014.

4. Equity reserves

(a) Share-based payments

The Company maintains a Rolling Stock Option Plan providing for the issuance of stock options up to 10% of the Company's issued and outstanding common shares at the time of the grant. The Company may grant stock options from time to time to its directors, officers, employees and other service providers. The stock options vest 25% on the date of the grant and 12½% every three months thereafter for a total vesting period of 18 months.

The continuity of the number of stock options issued and outstanding is as follows:

	Number of stock options	**Weighted average exercise price**
Outstanding, July 31, 2012 and 2013	-	$ -
Granted	1,580,000	0.51
Outstanding, March 31, 2014	1,580,000	$ 0.51

As at March 31, 2014, the number of stock options outstanding and exercisable was:

	Outstanding			Exercisable		
Expiry date	Number of options	Exercise price	Remaining contractual life (years)	Number of options	Exercise price	Remaining contractual life (years)
Feb 17, 2019	1,580,000	$ 0.51	4.89	395,000	$ 0.51	4.89

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

4. Equity reserves (continued)

(a) Share-based payments (continued)

The Company uses the fair value method of accounting for all share-based payments to directors, officers, employees and others providing similar services. During the nine months ended March 31, 2014, an amount of $308,634 (Nine months ended March 31, 2013 – $nil) was expensed in the consolidated statements of comprehensive loss, of this $42,974 was included in project investigation costs.

The weighted average fair value of stock options granted of $0.50 per option during the nine months ended March 31, 2014 (2013 – $nil) was calculated as of the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions and inputs:

	2014	**2013**
Risk-free interest rate	1.64%	- %
Expected dividend yield	nil	nil
Expected share price volatility	138.19%	- %
Expected life in years	5 years	-
Forfeiture rate	- %	- %

The expected volatility assumption is based on the historical and implied volatility of Cayden's Canadian dollar common share price on the TSX Venture Exchange. The risk-free interest rate assumption is based on the Government of Canada benchmark bond yields with a remaining term equal to the stock options' expected life.

(b) Share purchase warrants

No share purchase warrants were issued, cancelled or expired during the period ended March 31, 2014 (nil as at June 30, 2013)

No share purchase warrants were outstanding as at March 31, 2014.

Unaudited - (Expressed in Canadian dollars, unless otherwise stated)

5. Related party balances and transactions

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. All amounts are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

(a) Related parties

	Three months ended March 31, 2014	Three months ended March 31, 2013	Nine months ended March 31, 2014	Nine months ended March 31, 2013
Universal Mineral Services Ltd. [1]	$ 159,428	$ 36,448	$ 457,580	$ 88,667
Nicmar Capital Corp. (formerly Tony Ricci, CA) [2]	-	10,500	-	21,000

1. Universal Mineral Services Ltd., ("UMS") is a private company with directors and officers in common that, pursuant to an agreement dated March 30, 2012, provides geological, corporate development, administrative and management services to the Company on a cost recovery basis. The Company holds a non-voting equity interest in UMS. The outstanding balance owing at March 31, 2014 was $54,020 (June 30, 2013 – $80,886).

2. Nicmar Capital Corp. is a company controlled by a former director and officer of the Company. Transactions with this company are also included in the key management compensation disclosure. The outstanding balance owing at March 31, 2014 was $nil (June 30, 2013 – $nil)

(b) Compensation of key management personnel

During the period, compensation to key management personnel was as follows:

	Three months ended March 31, 2014	Three months ended March 31, 2013	Nine months ended March 31, 2014	Nine months ended March 31, 2013
Short-term benefits	$ 93,874	$ -	$ 230,040	$ 1,276
Share-based payments	85,949	-	85,949	-
Consulting fees	-	10,500	-	31,500
	$ 179,823	$ 10,500	$ 315,989	$ 32,776

6. Financial instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable and trade payables and other. The fair values of these financial instruments approximate their carrying values due to their short-term to maturity.

(a) Credit risk

Credit risk is the risk that a third party fails to discharge its obligations under the terms of the financial contract and causes a financial loss for the Company. The Company's credit risk is attributable to its current assets. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalent balances in Canadian highly rated financial institutions and Canadian guaranteed investments certificates ("GIC"). The Company considers the risk of loss associated with cash and cash equivalents to be low.

The Company also has credit risk exposure in relation to its interest receivable from its investments in Canadian GIC's and goods and service tax ("GST") from the Canadian government which management is confident that their carrying values are recoverable in full and risk is minimal

6. Financial instruments (continued)

(b) Market risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Significant market risks to which the company is exposed are as follows:

Foreign currency risk

The Company is exposed to foreign currency risk by having balances and transactions in currencies that are different from its functional currency or the Canadian dollar. As at March 31, 2014, the Company held financial assets denominated in US dollars in the amount of US$182,027 (June 30, 2013 – US$4,252).

A 10% increase or decrease in the above mentioned currencies compared to the United States dollar exchange rate would result in a corresponding increase or decrease in the Company's net loss of approximately $18,203 (June 30, 2013 – $447).

7. Segmented information

The Company operates in one operational segment, being acquisition, exploration and development of mineral resource properties. The Company did not have revenues or non-current assets at March 31, 2014 or its comparative period June 30, 2013.

The Company's net loss for the three and nine months ended March 31, 2014 and June 30, 2013 was incurred in Canada.

8. Supplemental cash flow information

	As at March 31, 2014	**As at June 30, 2013**
Components of cash and cash equivalents		
Cash	$ 354,904	$ 186,803
Term deposits	2,500,000	1,100,000
	$ 2,854,904	$ 1,286,803