Roughrider
EXPLORATION LIMITED

(formerly WESTHAM RESOURCES CORP.)

FINANCIAL STATEMENTS

December 31, 2014 and 2013

Expressed in Canadian dollars

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Roughrider Exploration Limited
(formerly Westham Resources Corp.)

We have audited the accompanying financial statements of Roughrider Exploration Limited (formerly Westham Resources Corp.), which comprise the statements of financial position as at December 31, 2014 and 2013 and the statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, these financial statements present fairly, in all material respects, the financial position of Roughrider Exploration Limited (formerly Westham Resources Corp.) as at December 31, 2014 and 2013 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 conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Roughrider Exploration Limited's (formerly Westham Resources Corp.) ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Accountants

April 28, 2015

ROUGHRIDER EXPLORATION LIMITED
(FORMERLY WESTHAM RESOURCES CORP.)
STATEMENTS OF FINANCIAL POSITION
Expressed in Canadian Dollars

	As at December 31, 2014	As at December 31, 2013
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,300,201	$ 241,257
Receivables	80,481	7,035
Prepaid expenses	10,464	--
	1,391,146	248,292
Non-current assets		
Exploration property acquisition costs (Note 4.a)	620,382	--
Security deposit	2,000	--
	$ 2,013,528	$ 248,292
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 9)	$ 95,908	$ 11,522
Loans (Note 10)	22,460	--
	118,368	11,522
Non-current liabilities		
Flow-through premium (Note 5)	33,360	--
	151,728	11,522
Shareholders' equity		
Capital stock (Note 6)	3,496,652	290,375
Other equity reserves	451,212	6,000
Deficit	(2,086,064)	(59,605)
	1,861,800	236,770
	$ 2,013,528	$ 248,292

Nature and continuance of operations (Note 1)
Related party transactions (Note 9)

On behalf of the Board of Directors on April 28, 2015

Signed "Scott Gibson"	*Signed "Alex Heath"*
Director	**Director**

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

ROUGHRIDER EXPLORATION LIMITED

(FORMERLY WESTHAM RESOURCES CORP.)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Expressed in Canadian Dollars

	For the year ended December 31, 2014	For the year ended December 31, 2013
Exploration expenses (Note 4.b)	$ 1,308,846	$ --
Filing fees	28,926	14,767
Interest income	(6,481)	--
Marketing	52,278	--
Office expenses	16,646	214
Professional fees	78,783	12,300
Salaries	182,047	--
Share-based compensation (Note 6)	365,414	--
Loss and comprehensive loss for the year	**$ (2,026,459)**	**$ (27,281)**
Basic and diluted loss per common share	$ (0.17)	$ (0.01)
Weighted average number of common shares outstanding	11,927,741	1,960,000

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

ROUGHRIDER EXPLORATION LIMITED
(FORMERLY WESTHAM RESOURCES CORP.)
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
Expressed in Canadian Dollars

	Capital Stock				
	Number of Shares	**Amount**	**Other Equity Reserves**	**Deficit**	**Total Equity**
Balance, December 31, 2012	**5,200,000**	**$ 290,375**	**$ 6,000**	**$ (32,324)**	**$ 264,051**
Loss for the year	--	--	--	(27,281)	(27,281)
Balance, December 31, 2013	5,200,000	290,375	6,000	(59,605)	236,770
Qualifying transaction:					
Shares issued under option agreement	1,969,828	433,362	--	--	433,362
Units issued as private placement	12,528,454	2,756,260	--	--	2,756,260
Unit issuance costs	-	(249,659)	54,346	--	(195,313)
Flow-through shares issued as private placement	1,668,000	300,240	--	--	300,240
Flow-through premium	--	(33,360)	--	--	(33,360)
Share issuance costs	--	(41,566)	11,700	--	(29,866)
Shares issued as acquisition costs	100,000	21,000	--	--	21,000
Vesting of stock options	--	--	385,166	--	385,166
Exercise of warrants	140,000	20,000	(6,000)	--	14,000
Loss for the year	--	--	--	(2,026,459)	(2,026,459)
Balance, December 31, 2014	**21,606,282**	**$3,496,652**	**$ 451,212**	**$(2,086,064)**	**$1,861,800**

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

ROUGHRIDER EXPLORATION LIMITED
(FORMERLY WESTHAM RESOURCES CORP.)
STATEMENTS OF CASH FLOWS
Expressed in Canadian Dollars

	For the year ended December 31, 2014	For the year ended December 31, 2013
OPERATING ACTIVITIES		
Loss for the year	$ (2,026,459)	$ (27,281)
Items not affecting cash:		
Share-based compensation expense	385,166	--
Changes in non-cash working capital items:		
Increase in receivables	(73,446)	(1,592)
Increase in prepaid expenses	(10,464)	--
Increase in accounts payable and accrued liabilities	84,386	5,522
Net cash used in operating activities	(1,640,817)	(23,351)
INVESTING ACTIVITIES		
Exploration property acquisition costs	(166,020)	--
Increase in security deposits	(2,000)	--
Net cash used in investing activities	(168,020)	--
FINANCING ACTIVITIES		
Shares and warrants issued in private placements	3,056,500	--
Issuance costs paid in cash for placements of shares and warrants	(225,179)	--
Proceeds from Loans	22,460	--
Warrants exercised	14,000	--
Net cash generated through financing activities	2,867,781	--
Increase / (decrease) in cash and cash equivalents for the year	1,058,944	(23,351)
Cash and cash equivalents, beginning of year	241,257	264,608
Cash and cash equivalents, end of year	$ 1,300,201	$ 241,257
Cash and cash equivalents consist of:		
Cash	$ 400,201	$ 241,257
Guaranteed investment certificate issued by a Canadian bank	$ 900,000	$ --
Cash paid during the year for interest and taxes	$ --	$ --
Non-cash transactions affecting cash flows from investing and financing activities:		
Shares issued as exploration property acquisition costs	$ 454,362	$ --
Black-Scholes valuation of warrants exercised	6,000	--
Finder's warrant valuations	66,046	--
Premium on flow-through shares	$ 33,360	--

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Roughrider Exploration Limited (formerly Westham Resources Corp.) ("Roughrider" or the "Company") was incorporated on December 7, 2011 under the *British Columbia Business Corporations Act*. Until July 16, 2014, Roughrider was a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. During that period of time, the Company's sole business was the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (also defined in TSX-V Policy 2.4). The Company completed its Qualifying Transaction on July 16, 2014 (Note 4.a). On completion of the Qualifying Transaction, the Company was listed on the TSX Venture Exchange as a Tier 2 Mining Issuer and changed its name from Westham Resources Corp. to Roughrider Exploration Limited. The principal business of the Company is now the exploration of the Genesis property, a uranium project located to the northeast of the Athabasca Basin in Saskatchewan.

The address of the Company's head office is Suite 580 – 625 Howe Street, Vancouver, British Columbia, Canada V6C 2C6. The address of the Company's registered office is 1600 – 609 Granville Street, Vancouver, British Columbia, Canada V7Y 1C3.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. The Company has no source of revenue, has an accumulated deficit of $2,086,064 at December 31, 2014, and expects to incur further losses in order to explore the Genesis property. All of these factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore suggest that the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations are dependent upon its ability to obtain sufficient financing to explore the Genesis property, and upon the successful exploration and development or sale of the Company's exploration projects. Although the Company has been successful in obtaining financing to begin this process, there is no assurance that it will be able to obtain adequate financing in the future, or that such financing will be on terms that are advantageous to the Company.

2. BASIS OF PREPARATION

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

The preparation of these financial statements required management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements (Note 7). Actual results could differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation

These financial statements are expressed in Canadian dollars, the Company's functional and presentation currency, the currency of the primary economic environment in which it operates. These financial statements have been prepared on a historical cost basis, except for financial instruments classified as *financial instruments at fair value through profit and loss*, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The functional currency of the Company is the Canadian dollar.

b. Cash and cash equivalents

Cash includes deposits held with banks that are available on demand. Cash equivalents, if any, are defined as financial instruments that are readily convertible to a known amount of cash and are subject to insignificant changes in value. As at December 31, 2014, the Company had $400,201 (2013 - $241,257) in cash, and $900,000 (2013 – $nil) in cash equivalents.

c. Exploration property acquisition costs

Costs related to the acquisition of exploration properties are capitalized and deferred until such time as the property is either sold, or put into production. If, after management review, it is determined that capitalized acquisition costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Costs related to the exploration and evaluation of properties are recognized in profit or loss as incurred, up to the time a decision is made to proceed with the development of the related exploration property due to the existence of economically recoverable reserves. A mineral resource is considered to have economic potential when it is expected that a documented resource can be legally and economically developed considering forecast metal prices.

Incoming option payments, or proceeds from the sale of royalty interests received by the Company are first applied to capitalised costs, with any excess recognized in profit or loss. Tax credits received are applied against the costs that generated the tax credit. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

d. Impairment of non-financial assets

The recoverability of amounts expended on exploration property acquisition costs is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the Company's ability to overcome the regulatory, financing and other hurdles in order to complete their development and future profitable production or proceeds from the disposition thereof.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Impairment of non-financial assets (continued)

The Company performs impairment tests on property and equipment and exploration property interests when events or circumstances occur which indicate the assets may not be recoverable. Impairment assessments are carried out on a project-by-project basis.

When impairment indicators are identified, an impairment loss is recognized if the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset's value in use or the asset's fair value less costs to sell.

An impairment loss is reversed if there is an indication that there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amounts that would have been determined (net of depreciation) if no impairment loss had been recognized.

e. Financial instruments

Financial assets and liabilities are initially recognized at fair value on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) financial assets available-for-sale, (3) financial assets held-to-maturity, (4) loans and receivables, and (5) other financial liabilities. Measurement in subsequent periods depends on the financial instrument's classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in profit or loss. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax. Financial assets "held-to-maturity", "loans and receivables", and "other financial liabilities" are subsequently measured at amortized cost using the effective interest rate method.

The Company's cash and cash equivalents are classified as FVTPL. Subsequent measurement is at fair value with changes in fair value recognized in profit or loss.

Receivables and security deposits are classified as loans and receivables and are thus recorded at amortized cost, net of anticipated collection costs, if any.

Accounts payable and accrued liabilities and loans are classified as other liabilities, initially recorded at fair value and subsequently measured at amortized cost.

Financial instrument fair values are classified within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 Valuation based on directly or indirectly observable inputs (other than Level 1 inputs) such as quoted interest or currency exchange rates; and
- Level 3 Valuation based on significant inputs that are not based on observable market data such as discounted cash flow methodologies based on internal cash flow forecasts.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Impairment of financial assets

At each reporting date, for financial assets classified as other than FVTPL, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss.

For financial assets classified as available-for-sale, where a decline in the fair value constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of loss and comprehensive loss.

For financial assets carried at amortized cost, the loss is the difference between the amortized cost of the receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event or condition occurring after the impairment was recognized.

g. Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issuance costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issuance costs are charged to capital stock when the related shares are issued. Deferred share issuance costs related to financing transactions that are not eventually completed are charged to expenses.

h. Share-based payments

The Company applies the fair value method of accounting for all stock option awards. Under this method, compensation expense attributed to the award of options to employees is measured at the fair value of the award on the date of grant, and is recognized over the vesting period of the award. Share-based payments to non-employees are valued based on the fair value of the service received, if reliably determinable, otherwise based on the fair value of the award granted. Valuation is calculated based on the date at which the Company receives the service. If and when the stock options are ultimately exercised, the applicable amounts of other equity reserves are transferred to capital stock.

The fair value of instruments granted is measured using the Black-Scholes Option Pricing Model, taking into account the terms and conditions under which the instruments are granted. The fair value of the awards is adjusted by an estimate of the number of awards that are expected to vest as a result of non-market conditions. At each statement of financial position date, the Company revises its estimates of the number of options that are expected to vest based on the non-market conditions including the impact of the revision to original estimates, if any, with corresponding adjustments to equity.

Warrants issued with a common share, as part of a unit offering, are valued using the residual value method. A value representing the premium to the market-price that is obtained (if any) during the issuance is attributed to the warrant.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Flow-through shares

Tax law in Canada permits the Company to transfer certain corporate tax losses to investors for their deduction, through a mechanism known as flow-through shares. When an investor purchases flow-through shares from the Company, the Company recognizes a liability for the premium paid for the flow-through shares that is in excess of the market value of shares without flow-through features at the time of issue. As qualifying expenditures are incurred, the Company decreases the liability for the flow-through share premium and transfers the amounts to profit or loss.

j. Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

k. Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of shares outstanding.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l. Foreign currency translation

Any transaction denominated in a foreign currency is translated into the functional currency using the exchange rate prevailing at the date of the transaction or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

m. Decommissioning and restoration provisions

Decommissioning and restoration provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation and discount rates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows discounted for the market discount rate.

Over time the discounted liability is increased for the changes in the present value based on the current market discount rates and liability risks. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

Changes in reclamation estimates are accounted for prospectively as a change in the corresponding capitalized cost.

The Company did not have any decommissioning and restoration provisions for the years presented.

n. Adoption of new standards and interpretations

Effective January 1, 2014, the following new or amended standards relevant to the entity were adopted but have had no material impact on the financial statements:

- IAS 32, Financial Instruments: Presentation: This standard has been amended to clarify requirements for offsetting financial assets and liabilities.

- IAS 36, Impairment of Assets: This standard was amended to address the disclosures required regarding the recoverable amount of impaired assets or cash generating units for periods in which an impairment loss has been recognized or reversed.

Expressed in Canadian Dollars

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

o. Recent accounting pronouncements

Certain new or amended accounting standards and interpretations have been published which are not yet effective for years ended December 31, 2014. The following standards are relevant to the Company and are expected not to have a material impact on the Company's financial statements, but may result in additional disclosures in future years:

- IFRS 7, Financial Instruments: Disclosures: This standard was amended to require additional disclosures on transition from IAS 39 and IFRS 9. It is effective for annual periods beginning on or after January 1, 2015.
- IFRS 9, Financial Instruments: This new standard replaces IAS 9 and describes classification and measurement of financial instruments. It is effective for annual periods commencing on or after January 1, 2018.

4. EXPLORATION PROPERTY

a. Acquisition costs

	Genesis property	Other Canadian properties	Total
Balance, December 31, 2013 and 2012	$ --	$ --	$ --
Cash payment	125,000	--	125,000
Share payment (Note 6.a)	433,362	--	433,362
Share payment (Note 6.c)	21,000	--	21,000
Staking costs	29,531	11,489	41,020
December 31, 2014	$608,893	$11,489	$620,382

Genesis property

On July 16, 2014, the Company closed its Qualifying Transaction with Kivalliq, a British Columbia Company listed on the TSX Venture Exchange (TSXV: KIV). Roughrider and Kivalliq have entered into an option agreement under which Roughrider may earn up to an 85% interest in Kivalliq's "Genesis" uranium project (the "Genesis property").

In order to earn the full 85% interest in the Genesis property the Company must complete $5,000,000 in exploration expenditures, make $1,000,000 in cash payments and issue to Kivalliq 3,939,656 common shares over a period of four years. In connection with the closing of the Qualifying Transaction, the Company made an initial cash payment of $125,000 to Kivalliq and issued 1,969,828 common shares to Kivalliq.

The execution of the option agreement and the advance of initial consideration to Kivalliq thereunder served as the Company's Qualifying Transaction under the policies of the TSX Venture Exchange. As a result, on completion of the Qualifying Transaction, the Company was listed on the TSX Venture Exchange as a Tier 2 Mining Issuer and changed its name from Westham Resources Corp. to Roughrider Exploration Limited.

Expressed in Canadian Dollars

4. EXPLORATION PROPERTY (CONTINUED)

a. Acquisition costs (continued)

Genesis property (continued)

Under the terms of the option agreement, the Company may earn an initial 50% interest by making cash payments, incurring expenditures, and issuing shares as follows:

	Payments	Expenditures	Common shares
On the effective date of the agreement	$125,000[(1)]	N/A	1,969,828[(1)]
On or before December 31, 2014	N/A	$1,000,000[(1)]	N/A
On or before August 31, 2016	$175,000	$1,500,000	1,969,828

[(1)]- this amount has been paid, this expenditure incurred, or these shares issued as of December 31, 2014

The Company may acquire a further 35% interest (for an aggregate 85% interest) by making cash payments, incurring expenditures, and issuing shares as follows:

	Payments	Expenditures	Common shares
On or before August 31, 2017	$250,000	N/A	N/A
On or before August 31, 2018	$450,000	$2,500,000	N/A

Other Canadian properties

Roughrider has added selected properties to the portfolio of uranium assets, while maintaining the overall focus on the Genesis Property. These other Canadian properties are outside the Genesis joint venture, and are 100% owned by Roughrider.

b. Exploration expenses

No exploration costs were incurred prior to completion of the Qualifying Transaction on July 16, 2014.

	Genesis property
Airborne geophysical survey	$ 441,928
Assays	74,402
Communications	5,914
Conferences	2,707
Fuel	165,033
Helicopter	191,178
Materials	40,256
Meals and accommodation	77,661
Personnel time	240,970
Shipping	25,034
Stock based compensation (Note 6)	19,752
Travel	24,011
Total exploration costs for the year ended December 31, 2014:	$ 1,308,846

5. FLOW THROUGH PREMIUM LIABILITY

On December 31, 2014, the Company completed a flow-through private placement of 1,668,000 flow-through shares at a price of $0.18 per share. A $33,360 flow-through share premium liability was recorded pursuant to this financing.

6. CAPITAL STOCK

Authorized:

Unlimited common shares with no par value and unlimited preferred shares with no par value.

Issuances and Initial Public Offering

During the year ended December 31, 2014 the following share issuances were completed:

a) In connection with the closing of the Qualifying Transaction (Note 4.a), the Company issued 1,969,828 common shares to Kivalliq, valued at $433,362.

b) Concurrent with the closing of the Qualifying Transaction, the Company also completed a private placement of 12,528,454 units at $0.22 per unit for gross proceeds of $2,756,260. Each unit was comprised of one common share and one-half of one non-transferrable warrant (a "Unit"), with each whole warrant (a "Warrant") entitling the holder to purchase one common share at a price of $0.35 per share for a period of three years after the date of issuance. Due to rounding, a total of 6,264,226 warrants were issued as part of the units. In connection with the closing of the private placement, Roughrider paid unit issuance costs totaling $195,313 in cash, and issued an aggregate of 469,980 finder's warrants (the "Finder's Warrants") valued at $54,346, to certain arm's length parties. Each Finder's Warrant entitles the holder to purchase one common share at a price of $0.22 per common share for a period of two years after the closing of the private placement.

c) On November 3, 2014 Roughrider purchased a Saskatchewan mineral claim outright from an arm's length party for 100,000 Roughrider common shares, valued at $21,000. This claim was added to the Genesis property.

d) On December 31, 2014, the Company completed a flow-through private placement of 1,668,000 flow-through shares at a price of $0.18 per share for gross proceeds of $300,240. The Company paid cash finder's fees of $24,020 and issued 133,440 finder's warrants valued at $11,700. Each of these finder's warrants entitles the holder to purchase one non flow-through common share at a price of $0.18 per common share until June 30, 2016. The Company incurred additional costs of $5,846 in connection with this financing.

e) The Company issued 140,000 common shares for gross proceeds of $14,000 upon the exercise of warrants which had a fair value when granted of $6,000.

During the year ended December 31, 2013, the Company had no capital stock transactions.

Escrowed shares

As at December 31, 2014, the Company has 2,916,000 shares held in escrow (2013 – 3,240,000). Under the escrow agreement, 10% (324,000 shares) of the originally escrowed common shares were released from escrow on the issuance of the Final Exchange Bulletin following completion of the Qualifying Transaction (Note 4.a). Additional tranches of 15% (486,000 shares) will be released on January 16, 2015; July 16, 2015; January 16, 2016; July 16, 2016; January 16, 2017; and July 16, 2017.

Expressed in Canadian Dollars

6. CAPITAL STOCK (CONTINUED)

Stock options

The Company has established a share purchase option plan whereby the Board of Directors may grant options to directors, officers, employees or consultants. The goal of this plan is to more closely align the interests of option-holders with the interests of shareholders.

The Company has been authorized by its shareholders to grant stock options numbering up to ten percent (10%) of the number of common shares issued and outstanding. Under the plan, the exercise price of each option shall be determined by the directors but will in no event be less than the discount market price for the common shares. Stock options granted are subject to a maximum term of 10 years and vest at the discretion of the Board of Directors. Options granted to consultants performing investor relations activities shall vest over a minimum of 12 months with no more than one quarter of such options vesting in any 3 month period.

Details of stock option activity are as follows:

	Number of options	Weighted average exercise price
Outstanding, December 31, 2012 & 2013	Nil	Nil
Granted	1,950,000	$0.22
Outstanding, December 31, 2014	1,950,000	$0.22

The following table summarizes information about stock options outstanding and exercisable to directors, officers, employees and consultants as at December 31, 2014:

Grant date	Expiry date	Exercise price	Number of options outstanding and exercisable	Remaining contractual life
Aug. 7, 2014	Aug. 7, 2019	$0.22	1,950,000	4.63 years

The fair value of the stock options issued during the year ended December 31, 2014 was calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions:

	Dec 31, 2014	Dec 31, 2013
Average risk-free interest rate	1.43%	--
Expected dividend yield	0.00%	--
Expected stock price volatility	144.6%	--
Expected life	5.0 years	--
Value per option	$0.1975	--

The fair value of options granted during the year ended December 31, 2014 is $385,166 (2013 – $nil). This amount was allocated between share-based compensation expense of $365,414 and exploration expense of $19,752.

Expressed in Canadian Dollars

6. CAPITAL STOCK (CONTINUED)

Warrants

Details of warrant activity are as follows:

	Number of warrants	Weighted average exercise price
As at Dec. 31, 2012 and Dec. 31, 2013	140,000	$0.10
Exercised	(140,000)	$0.10
Issued	6,867,646	$0.34
Outstanding, December 31, 2014	6,867,646	$0.34

As at December 31, 2014, the outstanding stock purchase warrants were as follows:

Expiry date	Exercise price	Number of warrants	Remaining life (years)
July 16, 2016	$0.22	469,980[2]	1.54
July 16, 2017	$0.35	6,264,226	2.54
June 30, 2016	$0.18	133,440[2]	1.50

[2]finder's warrants

The fair value of the finder's warrants issued during the year was calculated using the Black-Scholes Option Pricing Model, based on the following weighted average assumptions:

Issue date	Dec 31, 2014	Dec 31, 2013
Exercise price	$0.21	--
Average risk-free interest rate	1.05%	--
Expected dividend yield	0.00%	--
Expected stock price volatility	112.81%	--
Expected life	1.89 years	--

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to use judgement in making estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management has made judgements in a number of areas in preparing these financial statements. Those judgements that have the most significant effect on the amounts recognised in the financial statements are the determination whether the entity remains a going concern, the assessment of impairment indicators for the Company's exploration property acquisition costs, and the recoverability of receivables. Areas of critical accounting estimates include valuation of receivables, share-based payments and warrants and deferred tax assets.

Critical judgements

a) Going Concern

These statements have been prepared on the assumption that the Company is able to continue as a going concern. Additional information relating to the going concern assumption is disclosed in Note 1.

b) Impairment of Exploration Property Acquisition Costs

Management's judgement is that there are no indicators of impairment of exploration property acquisition costs. Further, ownership in exploration properties involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many exploration properties. The Company has investigated ownership of its exploration properties and in management's judgement, ownership of its exploration property interests are in good standing at December 31, 2014. Exploration property interests are subject both to routine renewal, and non-routine extension and conversion. At appropriate times, the Company applies to the relevant Ministry of Energy and Minerals licence for renewals, extensions and conversions and is subject to the Ministry's decisions. Carrying amounts of exploration property exploration costs are specified on the Statement of Financial Position.

c) Receivables

Determining the value of receivables requires the exercise of judgement in relation to the size of the amounts the Company is entitled to receive from certain other parties.

Key sources of estimation uncertainty

a) Share-based payments and warrants

Determining the fair value of options and warrants requires the exercise of judgement related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments. Option and warrant pricing models require the input of highly subjective assumptions including the expected price volatility and expected life. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's warrants at the date of grant. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Company's future operating results or on other components of equity. Refer to Note 6 for a summary of assumptions used.

Expressed in Canadian Dollars

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

b) Deferred tax assets

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Actual results may differ from the estimates made. Judgements and estimates, and their underlying assumptions, are reviewed on an ongoing basis. Revisions to accounting estimates or judgements are recognized in the period in which the estimates are revised and in any future periods affected.

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2014	2013
Loss for the year	$ (2,026,459)	$ (27,281)
Expected income tax recovery	$ (527,000)	$ (7,025)
Non-deductible expenses	95,000	--
Share issuance cost	(59,000)	--
Impact of change in tax rates and other	1,000	(1,025)
Change in unrecognized deductible temporary differences and other	490,000	8,050
Total income tax recovery	$ --	$ --

The significant components of the Company's unrecorded deferred tax assets are as follows:

	2014	2013
Deferred Tax Assets		
Share issuance costs	$ 53,000	$ 9,925
Exploration expenses	340,000	--
Non-capital losses available for future periods	129,000	22,115
	522,000	32,040
Unrecognized deferred tax assets	(522,000)	(32,040)
Net deferred tax assets	$ --	$ --

Expressed in Canadian Dollars

8. INCOME TAXES (CONTINUED)

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	2014	Expiry Date Range	2013	Expiry Date Range
Share issuance costs	$ 206,000	2035 to 2038	$ 38,000	2034 to 2037
Exploration expenses	1,309,000	No expiry	--	N/A
Non-capital losses available for future periods	$ 494,000	2031 to 2034	$ 85,000	2031 to 2033

9. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel:

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes executive and non-executive members of the Company's Board of Directors, corporate officers and a vice president. Apart from legal fees disclosed later in this section, key management personnel received no remuneration for their services up to the date of the qualifying transaction. For the period from July 18, 2014 to December 31, 2014, officers and a vice president of the Company were compensated with cash compensation of $160,000, included in salaries and in exploration expenses, (2013 – $nil) and were granted 600,000 options with a Black-Scholes calculated value of $118,512 (2013 – $nil). During the same period, non-executive members of the Company's Board of Directors received no cash compensation, and were granted 750,000 options with a Black-Scholes calculated value of $148,140. All options described herein formed part of the option grant of 1,950,000 options more fully described in Note 6.

Other related parties:

In the year ended December 31, 2014, services valued at $108,500 (2013 - $nil) were received from a law firm for which one of the directors of the Company is a partner.

As at December 31, 2014, $15,643 (2013 – $nil) was owing to related parties, and has been included in accounts payable and accrued liabilities.

10. LOANS

As at December 31, 2014, the Company had $22,460 in loans (2013 - $nil). These loans are non-interest bearing with no specific terms of repayment.

11. CAPITAL DISCLOSURES

The Company manages its common shares, options and warrants as capital, each components of shareholders' equity. As at December 31, 2014, the Company's shareholders' equity was $1,861,800. As the Company is an exploration-stage mining company, its principal source of funds is from the issuance of common shares (See Note 1: Nature and continuance of operations). When managing the capital structure, the Company's competing objectives are to minimize the number of shares issued and to raise sufficient capital to both safeguard its ability to continue as a going concern, and to execute near-term exploration objectives. The Company has not established any quantitative capital management criteria as the competing objectives require subjective analysis.

The Company is not subject to any externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categorization and Valuation

The Company has categorized its financial instruments as follows:

i) Cash and cash equivalents are categorized as fair value through profit and loss, and are recorded at fair value using level 1 observable inputs.

ii) Receivables and security deposits are categorized as loans and receivables, and are recorded at amortized cost using the effective interest rate method. Due to their short-term nature, the Company estimates that their fair values approximate their carrying values.

iii) Accounts payable and accrued liabilities are categorized as other financial liabilities and are recorded at their amortized cost using the effective interest rate method. Due to the short-term nature of accounts payable and accrued liabilities, the Company estimates that their fair value approximates their carrying value.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with a major Canadian bank. The Company's only significant receivable at December 31, 2014 relates to a sales tax refund from the Government of Canada, who is not considered a default risk.

Liquidity risk

All of the Company's current financial liabilities are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, equity prices, and foreign currency fluctuations.

a) Interest rate risk

Interest rate risk on cash and cash equivalents is minimal because these investments generally have a fixed yield rate. As at December 31, 2014 the Company did not have any interest bearing debt.

b) Foreign currency risk

The Company could be exposed to foreign currency risk on fluctuations related to cash, and accounts payable and accrued liabilities that are denominated in a foreign currency. As at December 31, 2014 and December 31, 2013, the Company did not have any significant exposure to foreign currencies and so considers foreign currency risk insignificant to the Company at present.

c) Price risk

The Company may at times have limited indirect exposure 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.

13. SEGMENTED INFORMATION

The Company has one reportable operating segment being the acquisition, exploration and evaluation of exploration properties. The total assets attributable to geographical locations relate primarily to exploration properties and are located in Canada.