RICHMOND MINERALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED MAY 31, 2014 AND 2013

Wasserman Ramsay

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Richmond Minerals Inc.:

We have audited the accompanying consolidated financial statements of Richmond Minerals Inc. and the proportionate share of its joint venture interest, which comprise the consolidated statements of financial position as at May 31, 2014 and 2013 and the consolidated statements of loss and comprehensive loss, changes in 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 consolidated 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Richmond Minerals Inc. and the proportionate share of its joint venture interest as at May 31, 2014 and 2013 and the results of its operations and 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 consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Wasserman Ramsay

Chartered Accountants
Licensed Public Accountants

Markham, Ontario
September 25, 2014

Consolidated Statements of Financial Position

(In Canadian dollars)

As at:	Note	May 31, 2014	May 31, 2013
ASSETS			
Current			
Cash and equivalents		$262,485	$1,459
Cash held for future exploration	5	88,561	-
Marketable securities	6	93,600	2,325
Sundry receivables		37,996	22,326
Deposits and prepaid expenses		5,000	-
		$487,642	$26,110
Non-current			
Property, plant and equipment		$9,174	$11,264
Mineral Properties	7	265,636	286,967
		$274,810	$298,231
		$762,452	$324,341
LIABILITIES			
Current			
Accounts payable and accrued liabilities	11	$412,840	$203,211
Flow-through share liability		26,568	-
Loan payable	11	71,000	-
		$510,408	$203,211
SHAREHOLDERS' EQUITY			
Stated capital	8	$15,283,953	$14,784,216
Contributed surplus	8	610,660	610,660
Deficit		(15,642,569)	(15,273,746)
		$252,044	$121,130
		$762,452	$324,341

See Note 1 Nature of Operations and Going Concern

Approved on behalf of the board of directors on September 25, 2014

/s/ Franz Kozich	/s/ Victoria Kuklina
Director	Chief Financial Officer

Accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Loss

(In Canadian dollars)

	Note	For the Twelve months ended May 31, 2014	May 31, 2013
Management fees	11	$248,854	$26,942
Professional fees		55,931	101,354
Regulatory fees		38,640	23,142
Administrative and general		22,862	25,418
Interest and Bank charges	11	7,347	5,473
Amortization expense		2,089	2,565
Write-down of mining claims		-	256,656
Fair Value Adjustment of marketable securities	6	(4,228)	(1,820)
		371,495	439,730
Gain on sale of financial instruments		(1,350)	(8,565)
Net loss before income tax		370,145	431,165
Deferred income tax		(1,322)	-
Net loss and comprehensive loss		$368,823	$431,165
Basic		($0.007)	($0.005)
Diluted		($0.007)	($0.005)
Shares outstanding			
Basic	3	54,513,568	79,817,732
Diluted	3	54,513,568	79,817,732

Accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

(In Canadian dollars)

	For the twelve months ended	
	May 31, 2014	May 31, 2013
Cash provided by (used in):		
Operating activities:		
Loss for the year	($368,823)	($431,165)
Add (deduct): Items not requiring an outlay of cash		
Depreciation	2,089	2,565
Adjustment of fair value of marketable securities	(4,228)	(1,820)
Write-down of mineral claims	-	256,656
Gain on sale of marketable securities	(1,350)	(8,565)
Changes in non - cash operating working capital:		
Deposits and prepaid expenses	(5,000)	-
Amounts receivable	(15,670)	(1,413)
Deferred tax liability	26,568	-
Accounts payable	209,629	80,979
	($156,785)	($102,763)
Investing activities:		
Purchase of marketable securities	($137,047)	($31,175)
Expenditures on mining properties	(31,058)	(13,430)
Quebec mining duty refund	67,390	-
Proceeds on sale of marketable securities	51,350	63,035
Proceeds on sale of mining claims	-	11,000
	($49,365)	$29,430
Financing activities:		
Loan payable, net	71,000	-
Cash held for future exploration	(88,561)	-
Issuance of capital stock	484,737	36,750
	$467,176	$36,750
Increase (decrease) in cash and cash equivalents	$261,026	($36,583)
Cash and cash equivalents, beginning of year	$1,459	$38,042
Cash and cash equivalents, end of year	$262,485	$1,459
Supplemental cash flow information:		
Non cash flow investing and financing activities:		
Marketable securities received on earn-in of mining claims	-	$1,000
Common shares issued for exploration properties	$15,000	-
Cash paid for:		
Income taxes	-	-
Interest	-	-

Accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statements of Shareholders' Equity

(In Canadian dollars)

	Number of Common Shares	Capital Stock: Common Shares	Capital Stock: Warrants	Contributed Surplus	Total Capital	Retained Earnings (Deficit)	Total
Balance, June 1, 2012	**79,059,239**	**$14,747,466**	**-**	**$610,660**	**$15,358,126**	**($14,842,581)**	**$515,545**
Net Income After Tax	-	-		-	-	($431,165)	($431,165)
Issuance for cash	2,450,000	36,750	-	-	36,750	-	36,750
Balance, May 31, 2013	**81,509,239**	**$14,784,216**	**-**	**$610,660**	**$15,394,876**	**($15,273,746)**	**$121,130**
Balance, June 1, 2013	**81,509,239**	**$14,784,216**	**-**	**$610,660**	**$15,394,876**	**($15,273,746)**	**$121,130**
Net Income After Tax	-	-	-	-	-	(368,823)	(368,823)
Issuance for cash	8,688,571	421600	74,600	-	496,200	-	496,200
Issuance for Mining property	250,000	15,000	-	-	15,000	-	15,000
Finder's fee	-	(11,463)	-	-	(11,463)	-	(11,463)
Reverse Split 4 to 1	(61,656,622)	-	-	-	-	-	-
Balance, May 31, 2014	**28,791,188**	**$15,209,353**	**$74,600**	**$610,660**	**$15,894,613**	**($15,642,569)**	**$252,044**

Accompanying notes form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. Nature of Operations and Going Concern

Richmond Minerals Inc. (the "Company") was incorporated under the laws of the Province of Ontario and is listed on the TSX Venture Exchange under symbol (RMD). The Company's head office and primary place of business is located at 133 Richmond Street West, Suite 403, Toronto, ON, CA, M5H 2L3.

These consolidated financial statements of the Company were authorized for issue in accordance with a resolution of the directors on September 25, 2014.

The Company is engaged in base and precious metal mining and related activities, including exploration and development in Northern Ontario and Quebec. The Company, directly and through joint ventures, is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, under which material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern must be disclosed. As at May 31, 2014, the Company has not achieved profitable operations and continues to be dependent upon its ability to obtain sufficient working capital from external financing to meet the Company's liabilities as they become payable. The Company has a working capital deficit at year end in the amount of $22,766 and has accumulated losses since inception in the amount of $15,642,569. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities is dependent on the discovery of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to fund its operations, and the future production or proceeds from developed properties. These consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in these consolidated financial statements. These adjustments could be material.

2. Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and effective as of May 31, 2014.

These consolidated financial statements have been prepared on a historical cost basis except for certain financial assets which are recorded at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

3. Significant Accounting Policies

The below-described accounting policies have been applied to all of the periods presented in these consolidated financial statements. These policies are the published IFRS accounting policies and the current issued and adopted interpretations applied to fiscal years beginning on or after January 1, 2013.

(i) Basis of Preparation

The consolidated financial statements are presented in accordance with IAS 1, *Presentation of Financial Statements.*

The Company has elected to present the 'Statement of Comprehensive Loss' as a single financial statement with its Statement of Income, titled 'Consolidated Statement of Comprehensive Loss'.

Notes to the Consolidated Financial Statements

Note 3 – Significant Accounting Policies Continued

(ii) Basis of Consolidation

The consolidated financial statements incorporate the Company's accounts and proportionally consolidated interest in the Fort Chimo joint venture. The Company does not have any subsidiaries.

(iii) Foreign Currency

The Company's presentation currency is the Canadian Dollar ("CAD"). The functional currency of the Company and the Fort Chimo Joint Venture is the Canadian Dollar.

Monetary assets and liabilities that are denominated in a currency other than the Company's functional currency are translated using the exchange rate in effect on the reporting date, whereas non-monetary items are translated using historical exchange rates. Expenses, if any, are translated at the exchange rate in effect on the transaction date. Exchange differences, if any, are recognized in profit or loss in the period in which they arise in other gains/losses.

(iv) Cash and Cash Equivalents

The cash and cash equivalents item includes cash on hand and short-term investments, if any, with maturities upon acquisition of generally three months or less or that are redeemable at any time at full value and for which the risk of a change in value is not significant.

(v) Interest Income

Interest income from financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on the basis of time that has passed, by reference to the principal outstanding and at the effective interest rate applicable.

(vi) Share-based Payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payment transactions are set out in Note 8(ii) below.

The fair value determined at the grant date of the equity-settled share-based payments is expensed to the Consolidated Statement of Comprehensive Loss over the vesting period, if any, which is the period during which the employee becomes unconditionally entitled to equity instruments. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest, if any.

Equity-settled share-based payment transactions with parties other than employees, if any, are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Share-based payments for goods and services are expensed to the consolidated Statement of Comprehensive Loss when they occur over the vesting period, if they do not vest immediately.

(vii) Income Taxes and Deferred Taxes

The income tax expense or benefit for the period consists of two components: current and deferred. Income tax expense or benefit is recognized in the consolidated Statement of Comprehensive Loss except to the extent it relates to a business combination or items recognized directly in equity.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the balance sheet date in each of the jurisdictions and includes any adjustments for taxes payable or recovery in respect of prior periods.

Notes to the Consolidated Financial Statements

Note 3 (vii) – Income Taxes and Deferred Taxes Continued

Taxable profit or loss differs from profit or loss as reported in the consolidated Statement of Comprehensive Loss because of items of income or expense that are taxable or deductible in other years, and items that are never taxable or deductible. The Company's liability or recovery for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. To the extent that the Company does not consider it to be probable that taxable profits will be available against which deductible temporary differences can be utilized, it provides a valuation allowance against the excess.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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.

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly into equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively.

(viii) Mineral Properties and Exploration and Evaluation ("E&E") Costs

Exploration and evaluation (E&E) costs are those costs required to find a mineral property and determine commercial viability. E&E costs include costs to establish an initial mineral resource and determine whether inferred mineral resources can be upgraded to measured and indicated mineral resources and whether measured and indicated mineral resources can be converted to proven and probable reserves.

Exploration and evaluation costs consist of:

- gathering exploration data through topographical and geological studies;
- exploratory drilling, trenching and sampling;
- determining the volume and grade of the resource;
- test work on geology, metallurgy, mining, geotechnical and environmental; and
- conducting engineering, marketing and financial studies.

Notes to the Consolidated Financial Statements

Note 3 (viii) – Mineral Properties and Exploration and Evaluation ("E&E") Costs Continued

Project costs in relation to these activities are capitalized as Exploration and Evaluation assets until such time as the Company expects that the decision is made to develop a mine to extract the mineral reserves within a reasonable period. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the income statement. Once the decision to develop the mine is made, and subject to an impairment analysis, capitalized exploration and evaluation costs are transferred to capitalized costs within
property, plant and equipment or intangible assets, as appropriate. The decision to develop a mine may be impacted by management's assessment of legal, environmental, social and governmental factors.

E&E assets are are recorded and measured at initial recognition at cost and are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount of the asset.

(ix) Property and Equipment

Property and equipment are recorded and measured at initial recognition at cost. Amortization is provided on items of property and equipment so as to write off their carrying value over their expected useful economic lives. Amortization is calculated at 20% declining balance.

(x) Impairment of Non-financial Assets Other than Goodwill

The carrying value of the Company's capitalized E&E assets is assessed for impairment when indicators of such impairment exist. Plant and equipment and intangible assets are assessed for impairment at the end of each reporting period. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated to determine the extent of the impairment loss, if any. The recoverable amount is determined as the higher of the fair value less costs to sell for the asset and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment is determined on an asset by asset basis, whenever possible. If it is not possible to determine impairment on an individual asset basis, then impairment can be considered on the basis of a cash generating unit ("CGU"). CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or Company's other group of assets. The Company has determined that it operates one CGU.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged immediately to the consolidated Statement of Comprehensive Loss so as to reduce the carrying amount to its recoverable amount. Impairment losses related to continuing operations are recognized in the Statement of Comprehensive Loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill and indefinite life intangibles, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the income statement. Impairment losses recognized in relation to goodwill or indefinite life intangibles are not reversed for subsequent increases in its recoverable amount.

Notes to the Consolidated Financial Statements

Note 3 (xi) – Financial Instruments Continued

(xi) Financial Instruments

Financial instruments are classified into one of the following four categories: loans and receivables; fair value through profit or loss; held-to-maturity; and available-for-sale. Financial assets are initially measured at fair value. Subsequent measurement and recognition of the changes in fair value of financial instruments depends upon their initial classifications, as follows:

- Financial assets and financial liabilities at fair value through profit and loss include financial assets and financial liabilities that are held for trading or designated upon initial recognition as at fair value through profit and loss. These financial instruments are measured at fair value with changes in fair values recognized in the consolidated Statement of Comprehensive Loss.

- Financial assets classified as available-for-sale are measured at fair value, with changes in fair values recognized as Other Comprehensive Income ("OCI") in the Statement of Comprehensive Loss, except when there is objective evidence that the asset is impaired, at which point the cumulative loss is recognized within the consolidated Statement of Comprehensive Loss.

- Financial assets classified as held-to-maturity and loans and receivables are measured subsequent to initial recognition at amortized cost using the effective interest method.

- Financial liabilities, other than financial liabilities classified as fair value through profit and loss, are measured in subsequent periods at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or where appropriate, a short period, to the net carrying amount on initial recognition.

The Company measures its financial assets and financial liabilities initially at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The Company has classified its financial instruments as follows:

Asset/ Liability	Classification	Measurement
Amounts receivable	Loans and receivables	Amortized cost
Cash and cash equivalents	Fair value through profit and loss	Fair value
Marketable securities	Fair value through profit or loss	Fair Value
Accounts payable and accrued liabilities	Other liabilities	Amortized cost
Loan Payable	Other liabilities	Amortized cost

The Company had no held-to-maturity or available-for-sale financial instruments as at May 31, 2014 and May 31, 2013.

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset is impaired. Impairments are measured as the excess of the carrying amount over the fair value and are recognized in the income statement.

The market values of investments are determined based on the closing prices reported on recognized securities exchanges and over-the-counter markets. Such individual market values do not necessarily represent the realizable value of the total holding of any security, which may be more or less than that indicated by market quotations.

Notes to the Consolidated Financial Statements

Note 3 (xi) – Financial Instruments

The fair values of the Company's cash and cash equivalents, amounts receivable and accounts payable approximate their carrying values because of the immediate or short-term to maturity of these financial instruments.

(xii) Fair Value Hierarchy

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to valuation technique used to measure fair value as per IFRS 7. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

(xiii) Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive, as a result of a past event, if it is probable that the Company will be required to settle the obligation, and if a reliable estimate of the obligation amount 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 related to the obligation. If the effect of the time value of money is material, the provisions are measured at their present value.

The Company does not have any provisions as of the date of this report.

(xiv) Loss per share

Basic earnings per share is calculated by dividing earnings attributable to common shares divided by the weighted average number of shares outstanding during the period.

Diluted earnings per share is calculated using the denominator of the basic calculation described above adjusted to include the potentially dilutive effect of outstanding stock options and warrants. The denominator is increased by the total number of additional common shares that would have been issued by the Company assuming exercise of all stock options and warrants with exercise prices below the average market price for the year.

Shares issuable on exercise of stock options and warrants totaling 9,225,321 on May 31, 2014 (4,350,000 in May 31, 2013) was not included in the computation of diluted loss per share because the effect would have been anti-dilutive.

(xv) Government grants

Government grants related to assets, including investment tax credits, are recognized in the consolidated statement of financial position as a deduction from the carrying amount of the related asset. They are then recognized in profit or loss over the useful life of the depreciable asset that the grants were used to acquire, as a deduction from the depreciation expense.

Other government grants are recognized in profit or loss as a deduction from the related expense.

Notes to the Consolidated Financial Statements

Note 3 – Significant Accounting Policies Continued

(xvi) Flow-through shares

The Company raises equity through the issuance of flow-through shares. Under this arrangement, shares are issued which transfer the tax deductibility of mineral property exploration expenditures to investors. The Corporation allocates the proceeds from the issuance of these shares between the offering of shares and the sale of tax benefits. The allocation is made based on the difference between the quoted price of the shares and the amount the investor pays for the shares. A deferred flow through premium liability is recognized for the difference. The liability is reversed pro-rata as expenditures are made and are recorded in the statement of loss and comprehensive loss. The spending also gives rise to a deferred tax timing difference between the carrying value and tax value of the qualifying expenditure.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a maximum period.

(xvii) Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are unlikely possible obligations or assets resulting from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets and contingent liabilities, if any, are disclosed in the notes under the “Commitments and Contingencies” heading.

(xviii) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for, as soon as the obligation to incur such costs arises.

Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit- of-production or the straight-line method as appropriate.

The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Corporation has no material restoration, rehabilitation and environmental costs as at May 31, 2014 and May 31, 2013 as the disturbance to date is minimal.

(xix) Accounting judgments and sources of estimation uncertainty

In preparing consolidated financial statements in accordance with IFRS, management must exercise judgment when applying accounting policies and relies on assumptions and estimates that affect the amounts of the assets, liabilities and expenses reported in these consolidated financial statements and on the contingent liability and contingent asset information provided. The actual results of items subject to assumptions and estimates may differ from these assumptions and estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

a) Fair Value of Financial Instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Notes to the Consolidated Financial Statements

Note 3 (xix) – Accounting judgements and sources of estimation uncertainty

b) Share-based payment transactions

The Company measures the cost of share-based payment transactions with employees by reference to the fair value of the equity instruments. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility and dividend yield of the share option. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 6.

c) Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

d) Mineral properties

The recoverability of amounts shown for exploration and evaluation assets is dependent on the discovery of economical reserves, the ability of the Company to obtain financing to complete development of the properties and on future production or proceeds of disposition.

The determination of when an exploration asset moves from the exploration stage to the development stage is also subject to management judgement.

e) Restoration rehabilitation and environmental obligations

Management's assumption of no material restoration, rehabilitation and environmental obligations is based on facts and circumstances, which may be open to interpretation that existed during the period.

4. Accounting Pronouncements

(i) Accounting standards adopted during the year

Effective June 1, 2013, the Company adopted the following new accounting standards and interpretations:

- IFRS 11 Joint Arrangements, which applies to accounting for interests in joint arrangements where there is joint control. There is no material impact to the Company from the adoption of this standard.
- IFRS 12 Disclosure of Interests in Other Entities, which includes disclosure requirements about subsidiaries, joint ventures and associates, as well as unconsolidated structured entities and replaces existing disclosure requirements. There is no material impact to the Company from the adoption of this standard.
- IFRS 13 Fair Value Measurement. Upon adoption, the Company utilizes a single framework for measuring fair value while requiring enhanced disclosures when fair value is applied. There is no material impact to the Company from the adoption of this standard.
- IAS 28 (2011) Investments in Associates. As a consequence of the issuance of IFRS 10 Consolidated Financial Statements, IFRS 11 and IFRS 12, IAS 28 has been amended and provides the accounting and sets out the requirements for the application of the equity method. This standard will be applied by the Company when there is joint control or significant influence over an investee. There is no material impact to the Company from the adoption of this standard.

Notes to the Consolidated Financial Statements

Note 4 – Accounting Pronouncements Continued

(ii) Accounting standards issued for adoption in future period

The following standards have been issued but are not yet effective The Company is assessing the impact of these new standards, but does not expect them to have a significant impact on the consolidated financial statements.

- IFRS 9 Financial Instruments. The IASB has postponed indefinitely the mandatory adoption of IFRS 9 Financial Instruments, which addresses classification and measurement of financial instruments and replaces the multiple category and measurement models in IAS 39 Financial Instruments - Recognition and Measurement for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss (FVTPL). IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at FVTPL or at fair value through other comprehensive income. The Company has not assessed the impact of the standard or determined whether it will adopt the standard early.

- IAS 32 - Financial Instruments: Presentation. IAS 32 provides clarification on the application of offsetting rules. These amendments are effective for annual periods beginning on or after January 1, 2014.

- IAS 36 - Impairment of Assets. IAS 36 requiring disclosure of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment loss is subsequently reversed. These amendments are effective for annual periods beginning on or after January 1, 2014. The Corporation does not expect the amendments to have impact on its consolidated financial statements.

5. Cash held for future exploration

During the year ended May 31, 2014, the Company completed flow-through financings totaling $115,000. Of this amount the Company had spent a total of $26,439 on Canadian Exploration Expenditures ("CEE") in the current fiscal year leaving a balance of $88,561 to be spent on CEE.

6. Marketable securities

At May 31, 2014 the Company had an investment in the following public company marketable securities which have been classified as Fair Value through Profit and Loss ("FVTPL").

Company	# of shares	$ Value
Mag Copper	20,000	800
Barrick Gold Corp	5,000	88,000
Vendome Resources	5,000	200
Surrey Capital	115,000	4,600
		93,600

During the current year a gain in the amount of $4,228 was recognized on the adjustment of FVTPL financial instruments to market.

Notes to the Consolidated Financial Statements

7. Mineral Properties

The following is a summary of the Company's exploration and evaluation properties:

	May 31, 2014	May 31, 2013
Opening balance	$286,967	$541,193
Current period deferred expenditures	31,059	13,430
Shares issued for mining claims	15,000	-
Mineral duty tax recovery	(67,390)	-
Earn-in proceeds	-	(11,000)
Write-down of mining claims	-	(256,656)
Balance end of period	$265,636	$286,967

	May 31, 2014	May 31, 2013
Swayze Area, Porcupine Mining (a)	$35,418	$5,281
Lac Colombet, Quebec (b)	105,649	104,998
Fort Chimo, net of recoveries (c)	416,133	400,862
Triple Lake	1	1
Mining duty tax recovery	(291,565)	(224,175)
	$265,636	$286,967

(a) The Corporation holds a 100% interest in a group of 139 contiguous unpatented mining claims and a 50% interest in 35 claims located in the Swayze Area, Porcupine Mining Division, Ontario

On October 29, 2012 the Corporation staked claims (44 units) in Raney Township in northern Ontario. These 44 units are contiguous with the west boundary of the Company's Swayze Property. Richmond management believes these claims to be prospective for gold mineralization.

On January 21, 2013, litigation began pertaining to the Certificates of Pending Proceeding in which Richmond is a defendant. The Plaintiff's action is a tracing claim alleging the diversion of the Plaintiff's funds from an unrelated exploration program to fund work on the Swayze Property. The plaintiff seeks title to the Swayze Property and financial compensation from Richmond. The litigation concluded at the end of June 2013.

On February 3, 2014 a judgement was reached with the Swayze litigation. The Ontario Superior Court dismissed the plaintiff's claim of an alleged interest in the Swayze Mining Claims. Accordingly, the Certificates of Pending Proceedings and Certificates of Interest registered by the plaintiff against title to the Swayze Mining Claims were vacated and discharged from title to those Mining claims.

On February 28, 2014 the Plaintiff in the Swayze Property litigation filed an appeal asking that the Judgement announced in favour of the Company on February 3, 2014 be set aside and a new Judgement be granted in favour of the Plaintiffs. The appeal is pending.

(b) The Corporation has a 100% interest, subject to a 2% net smelter return royalty, in 86 mining claims (the "Lac Colombet" property) located in the north eastern portion of the Province of Quebec, near the Labrador border.

Notes to the Consolidated Financial Statements

Note 7 (b) – Mineral Properties Continued

On January 15, 2013 the Corporation has entered into an agreement with ARC EXPLORATION INC. to sell 100% interest of this property for $5,000 and 2,000,000 of common shares of the seller. The Corporation has the right to terminate the agreement if the Stock Exchange fails to accept the proposed arrangement as the qualifying transaction. If such an event occurs, the agreement may be terminated and the Company will return the common shares of purchaser, and the purchaser will forfeit the deposit of $5,000.

In August 2013 the agreement was amended to revise the expiry date of the agreement to September 1, 2014 with all other terms and conditions remaining the same. The deposit received is recorded in accounts payable and accrued liabilities. The company has verbally agreed to extend the ARC agreement until September 30, 2014.

(c) On February 12, 2010 the Corporation announced the execution of a letter agreement with Mag Copper Inc. (formerly Fort Chimo Minerals Inc. ("MagCopper") whereby, pursuant to an Option Agreement dated May 6, 2006 as amended by letter agreement dated October 3, 2008, the Corporation has earned a 50% undivided right, title and interest in the Grenville Project properties consisting of three separate properties in the Grenville geological region of the Province of Quebec (the "Agreement"). The Agreement was reached as a result of Richmond's completion of a $2,000,000 exploration expenditure requirement and the issue of 1,000,000 common shares to MagCopper. At May 31, 2014 112 claims were in good standing.

On February 23, 2010, the Corporation received 40,000 common shares of MagCopper (after a 5 to 1 consolidation) in settlement of certain shared expenses in excess of the $2,000,000 exploration expenditure requirement to earn the 50% interest in the joint venture. One of the directors and officers of the Corporation was also a director of MagCopper Inc. until September 9, 2011.

On November 14, 2012 the Company announced that it had signed a letter of intent (LOI) with Surrey Capital Corporation. Under the terms of the LOI, Richmond and its joint venture partner Mag Copper Inc. have optioned a 51% interest in the Halle Property to Surrey for a cash payment of $20,000 and 200,000 common shares as well as investing $200,000 on the property via an exploration program and on an additional payment to the joint venture partners of 400,000 common shares of the Corporation on or before the first anniversary of the agreement.

On November 14, 2012 the Corporation and Mag Copper Ltd. collectively announced that they have entered into a Letter of Intent ("LOI") effective October 18, 2012 with Surrey Capital Corp. Under the terms of the LOI, the Corporation and Mag Copper Ltd. have optioned to the Lessee a 51% interest in the Halle Property for a cash payment of $20,000 and 200,000 common shares, both of which are to be made upon the issuance by the TSX Venture Exchange (the "Exchange") of the Final Exchange Bulletin ("FEB") as well as investing $200,000 on the property via an exploration program and on additional payment of 400,000 common shares on or before the first anniversary of the FEB (the "Transaction").

On February 25, 2014 the Company and Mag Copper Inc. announced the acquisition of seven mining claims in Halle Township, Quebec. Pursuant to the terms of agreement Richmond and Mag will each acquire 50% interest in the claims by issuing 250,000 of their common shares each to the seller. The seller retains the right to back-in anytime for a 33 1/3 interest in the claims by reimbursing twice the exploration funds invested in these claims by Richmond/Mag.

Notes to the Consolidated Financial Statements

8. Shareholders' Equity

(i) Share capital and contributed surplus

Issued and outstanding common shares and warrants consist of the following:

	May 31, 2014	May 31, 2013
Shares issued and fully paid:		
Beginning of the year	81,509,239	79,059,239
Share issue –pre consolidation	700,000	2,450,000
Reverse Split 4 to 1	(61,656,622)	-
Share issue-post consolidation	8,238,571	-
Shares issued and fully paid	28,791,188	81,509,239

For each class of share capital:	
The number of shares authorized	Unlimited
The number of shares issued and fully paid	28,791,188
The number of shares issued but not fully paid	-
Par value per share, or that the shares have no par value	no par value

During the current year the Company completed the following shares issuances:

1) 700,000 preconsolidation units at $0.015 per unit for gross proceeds of $10,500. Each unit consisting of one common share and one common share purchase warrant to purchase a further share at $0.05 ($0.20 post consolidation) expiring April 25, 2015.
2) 2,100,000 units at $0.05 per unit for gross proceeds of $105,000. Each unit consisting of one flow-through common share and one common share purchase warrant to purchase a further share at $0.10 expiring July 22, 2015. In addition, 70,000 finder's fee warrants were issued with the same terms as the warrants issued as part of the unit offering.
3) 5,788,571 units at $0.07 per units for gross proceeds of $405,200. Each unit consisting of one common share and one common share purchase warrant to purchase a further share at $0.10 expiring April 2, 2019. In addition, 104,250 finder's fee warrants were issued with the same terms as the warrants issued as part of the unit offering. The warrants issued at part of this offering have been valued at $74,600.
4) 100,000 units at $0.10 per unit for gross proceeds of $10,000. Each unit consisting of one flow-through common share and one common share purchase warrant to purchase a further share at $0.15 expiring April 2, 2016.
5) 250,000 common shares issued for $15,000 for a mineral property interest.

(ii) Stock Options

The Company's Stock Option Plan ("the "Plan") provides for the issuance of a maximum of 10% of the issued and outstanding common shares at an exercise price equal or greater than the market price of the Company's common shares on the date of the grant to directors, officers, employees and consultants to the Company. The option period for options granted under the Plan is for a maximum period of 5 years. Options granted may vest over certain time periods within the option period, which will limit the number of options that may be exercised.

Each stock option is exercisable into one common share of the Company at the price specified in the terms of the option.

Notes to the Consolidated Financial Statements

Note 8 – Shareholder's Equity Continued

The following table summarizes information about the stock options outstanding and exercisable:

	May 31, 2014		May 31, 2013	
	Number of units	**Weighted average exercise price**	**Number of units**	**Weighted average exercise price**
Balance at beginning of period	1,900,000	$0.10	2,790,000	$0.10
Expired during the period	(800,000)	0.10	(890,000)	0.10
Reverse option split 4 to 1	(825,000)	0.10	-	-
Balance at end of period	**275,000**	**$0.40**	**1,900,000**	**$0.10**
Units exercisable at the end of the period	**275,000**	**$0.40**	**1,900,000**	**$0.10**

There were no stock options granted as at May 31, 2014 and May 31, 2013.

The following table summarizes share units outstanding at the end of period:

Exercise Price	Number of Options	Expiry Date	Weighted Average Remaining Life
$0.40	100,000	14-Jun-14	0.04
$0.40	175,000	13-Jan-15	0.62

The Company has not recognized any expense for share based payment in May 31, 2014 and May 31, 2013 Consolidated Statements of Comprehensive Income.

(iii) Warrants

The following table summarizes information about the warrants outstanding and exercisable:

	May 31, 2014		May 31, 2013	
	Number of units	**Weighted average exercise price**	**Number of units**	**Weighted average exercise price**
Balance at beginning of period	2,450,000	$0.05	-	-
Issued	700,000	0.05	2,450,000	0.05
Reverse warrant split 4 to 1	(2,362,500)	0.20	-	-
Issued	8,058,571	0.10	-	-
Balance at end of period	**8,846,071**	**$0.12**	**2,450,000**	**$0.05**

Notes to the Consolidated Financial Statements

Note 8 – Shareholders' Equity Continued

Exercise Price	Number of Warrants	Expiry Date	Weighted Average Remaining Life
$0.40	612,500	7-Feb-15	0.69
$0.20	175,000	24-Apr-15	0.90
$0.10	2,170,000	22-Jul-15	1.14
$0.10	5,788,571	2-Apr-19	4.84
$0.15	100,000	2-Apr-16	1.84

The company also has the following finder's fee units outstanding at May 31, 2014:

Exercise Price	Number of Warrants	Expiry Date	Weighted Average Remaining Life
$0.07	104,250	2-Apr-16	1.84

Each finder's fee unit is exercisable at $0.07 per unit into one common share and one common share purchase warrant with each warrant exercisable at a price of $0.10 expiring April 2, 2019.

Effective December 9, 2013, pursuant to a special resolution passed by shareholders on June 7, 2013, the Company has consolidated its capital on a (4) four old for (1) one new basis.

Notes to the Consolidated Financial Statements

9. Financial Instruments

Financial Instruments details can be summarized as follows:

	Balance as at May 31, 2014	Balance as at May 31, 2013
Financial assets		
Loans and receivables		
Interest and sundry receivables	$37,996	$22,326
	$37,996	$22,326
Fair Value Through Profit or Loss		
Cash and cash equivalents	$262,485	$1,459
Cash held for future exploration	88,561	-
Marketable Securities	93,600	2,325
	$444,646	$3,784
Financial liabilities		
Financial liabilities measured at amortized cost		
Accounts payable and accrued liabilities	$412,840	$203,211
Loan Payable	71,000	-
Deferred tax liability	26,568	-
	$510,408	$203,211

Cash and cash equivalents are comprised of bank deposits.

The Company's interest income on short-term investment carried at amortized cost is presented on the Statement of Comprehensive Loss in the Interest Income line.

The Company's marketable securities consist of the following financial instruments at May 31, 2014:

	# shares	Fair Value
Fort Chimo Mining/Mag Copper	40,000	$800
Barrick Gold Corp	5,000	88,000
Vendome Resources	5,000	200
Surrey Capital	115,000	4,600
		$93,600

10. Financial Instruments Risk Management

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, market risk and interest rate risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company is not exposed to credit risk due to the nature of the collectible accounts.

On May 31, 2014 and May 31, 2013, the Company does not have any allowance for doubtful accounts.

Notes to the Consolidated Financial Statements

Note 10 – Financial Instruments Risk Management Continued

Interest rate sensitivity

Management actively monitors the Company's exposure to credit risk under its financial instruments, including with respect to amounts receivable. The Company considers the risk of loss for its amounts receivable to be remote and significantly mitigated due to the financial strength of the party from whom the receivables are due - the Canadian government for harmonized sales tax ("HST") refunds receivable.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The primary source of liquidity is net operating income, which is used to finance working capital and capital expenditure requirements, and to meet the Company's financial obligations associated with financial liabilities. Given the Company's present financial situation liquidity risk at the Company is considered high.

Additional sources of liquidity are debt and equity financing, which is used to fund additional operating and other expenses and retire debt obligations at their maturity.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient cash to meet liabilities when due. All of the Company's financial liabilities have contractual maturities of less than one year and are subject to normal trade terms. The Company's ability to continue operations and fund its business is dependent on management's ability to secure additional debt or equity financing. It is anticipated that the Company will continue to rely on debt or equity financing to meet its ongoing working capital requirements.

Market risk

The Company's marketable securities are classified as fair value through profit or loss, and are subject to changes in the market prices. They are recorded at fair value in the Company's financial statements, based on the closing market value at the end of the period for each security included. The Company's exposure to market risk is not considered to be material.

The Company has no significant exposure at May 31, 2014 and May 31, 2013 to interest rate risk through its financial instruments as there are no significant balances payable, which accrue interest.

11. Related Party Transactions

The Company's related parties include its subsidiaries, joint venture, key management and their close family members, and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The Company had the following balances with its related parties:

	May 31, 2014		**May 31, 2013**	
	Key Management Personnel	JV and other	Key Management Personnel	JV and other
<u>Transactions</u>				
Administrative fees (i)	$8,354	$0	$0	$0
Management fees and termination benefits	171,000	-	26,942	-
Loan and interest payable	76,600			
Rent expense (ii)	-	2,624	-	19,483
<u>Balances</u>				
Payable/ (Receivable)	177,624	(4,974)	17,530	19,809
Payable to a former director or officer	-	-	13,900	-

Notes to the Consolidated Financial Statements

Note 11 – Related Party Transactions Continued

Amounts due from and to the related parties, are a result of transactions with entities controlled by shareholders, officers or directors of the Company and joint ventures. These amounts are non-interest bearing, unsecured and not subject to specific terms of repayment unless stated.

The loan payable of $71,000 at year end is due to a member of key management personnel and is included in the payable line above. The loan is short-term and is interest-bearing at 12% per annum and is unsecured. Included in the or the current year's interest expense is $5,600 related to this loan and is included in interest and bank charges on the Statement of Comprehensive Loss.

(i) For the year ended May 31, 2014 the Company expensed $8,354 (2013 - $Nil) to IFRS Support Canada for secretarial, administrative and bookkeeping services. The CFO of the Company, Victoria Kuklina, CPA is a principal of IFRS Support Canada.

(ii) Rent expense and amounts due from the related parties, are a result of transactions with entities controlled by shareholders, officers or directors of the Company.

The remuneration of directors and other members of key management personnel were as follows:

	May 31, 2014	May 31, 2013
Management fees	$171,000	$26,942
Termination benefits	8,750	-
	$171,750	**$26,942**

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

12. Capital Management

The Company considers its capital structure to consist of share capital, contributed surplus, options and warrants. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended May 31, 2014. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

Notes to the Consolidated Financial Statements

Note 12 – Capital Management Continued

The Company's capital for the reporting periods is summarized as follows:

	May 31, 2014	May 31, 2013
Cash	$262,485	$1,459
Cash held for future exploration	88,561	-
Marketable Securities	93,600	2,325
Common Shares	15,283,953	14,784,216
Contributed surplus	610,660	610,660
Deficit	(15,642,569)	(15,273,746)
	$696,690	**$124,914**

13. Income Taxes

The Corporation's effective income tax rate differs from the amount that would be computed by applying the combined federal and provincial statutory rate of 25% (2013 – 25%) to the net loss for the year. The reason for the difference is as follows:

	2014	2013
Loss before income taxes	($368,823)	($431,165)
Recovery of income taxes based on statutory rate	(92,205)	(107,541)
Net adjustment for:		
Depreciation	522	641
Expiration of warrants	-	-
Marketable securities	1,431	(2,596)
Write down of mineral properties	-	64,164
Non-deductible items for tax purposes	-	-
Share issuance costs	(2,866)	(5,399)
Taxes	(93,118)	(50,731)
Losses recognized	-	-
Valuation allowance	93,118	50,731
Income taxes provision	$0	$0

The Corporation's deferred income tax asset, computed by applying a future federal and provincial statutory rate of 25%, comprises the following:

Fiscal	2014	2013
Net operating losses carried forward	$294,000	$306,000
Resource properties, deferred costs and equipment	1,094,000	1,064,000
Net deferred tax assets	1,388,000	1,370,000
Valuation allowance	(1,388,000)	(1,370,000)
Deferred income tax asset	$ -	$ -

Notes to the Consolidated Financial Statements

Note 13 – Income Taxes Continued

At May 31, 2014, the Corporation has a non-capital loss of approximately $1,151,000 (2013 - $1,195,000) available for carry-forward which has not been recognized in these financial statements. These losses expire, if unused, as follows:

Year	Amount
2015	$169,000
2026	264,000
2027	262,000
2030	31,000
2031	40,000
2032	39,000
2033	21,000
2034	325,000
	$1,151,000

In addition, the Corporation has approximately $4,148,000 in Canadian Exploration Expenditures (“CEE”) and $526,000 in Canadian Development Expenditures (“**CDE**”), which may be applied against certain profit realized on its mining properties. The potential benefit of these tax pools have not been recognized within these financial statements.

14. Contingent liability

On January 21, 2013, litigation began pertaining to the Certificates of Pending Proceeding in which Richmond is a defendant. The Plaintiff’s action is a tracing claim alleging the diversion of the Plaintiff’s funds from an unrelated exploration program to fund work on the Swayze Property. The plaintiff seeks title to the Swayze Property and financial compensation from Richmond. On February 3, 2014 a Judgement has been reached. The Ontario Superior Court has dismissed the plaintiff’s claim of an alleged interest in the Swayze Mining Claims. Accordingly, the Certificates of Pending Proceedings and Certificates of Interest registered by the plaintiff against title to the Swayze Mining Claims are vacated and discharged from title to those Mining claims. On February 28, 2014 the Plaintiff in the Swayze Property litigation filed an appeal asking that the Judgement announced in favour of the Company be set aside and a new Judgement be granted in favour of the Plaintiffs.

Management is of the opinion that the grounds for the appeal are without merit and will vigorously contest them. The Company plans on moving forward with its exploration plans.

15. Post-reporting date events

i) On July 31, 2014, the Company eentered into debt settlement agreements to settle owed to certain of its directors, officers and arm's length consultants, as well as an arm's length lender, in the aggregate amount of $198,650 through the issuance of an aggregate of 2,837,856 common shares of Richmond to such persons at a deemed value of $0.07 per Share.

   The Settlements primarily represent payments for consulting fees but also settle various other liabilities including directors' fees, a severance payment, and loan interest. Completion of the Settlements will allow Richmond to preserve its existing cash balances.

Notes to the Consolidated Financial Statements

Note 15(i) – Post-Reporting date events continued

All Shares issued pursuant to the Settlements are subject to a statutory four-month hold period from the date hereof.

ii) On September 8th, 2014 Richmond Minerals Inc. announced that it has granted 2,812,500 stock options to purchase common shares of Richmond to directors, officers and arm's length consultants pursuant to the stock option plan approved by the shareholders of the Company on May 30, 2014. The options are exercisable at $0.10 per share, vest immediately, and expire in five years.