KITRINOR
METALS INC.

(an exploration stage company)

Audited Financial Statements
(Expressed in Canadian dollars)

As at and for the years ended
December 31, 2014 and 2013

KITRINOR
METALS INC.
(an exploration stage company)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Kitrinor Metals Inc. (the "Company") are the responsibility of management and have been approved by the Board of Directors of the Company.

The financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with International Financial Reporting Standards as disclosed in the notes to the financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the Statement of Financial Position date. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards appropriate in the circumstances.

The Board of Directors is responsible for reviewing and approving the financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process. The Audit Committee meets with management to review the financial reporting process and the financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Pat Mohan"
President and Chief Executive Officer

"Harvey Johnson"
CFO

Independent Auditor's Report

To the Shareholders of
Kitrinor Metals Inc.

We have audited the accompanying financial statements of Kitrinor Metals Inc., which comprise the statements of financial position as at December 31, 2014 and 2013, and the statements of comprehensive loss, statements of changes in equity (deficiency in assets) and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the 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 financial statements present fairly, in all material respects, the financial position of Kitrinor Metals Inc. 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 Matters
Without qualifying our opinion, the accompanying financial statements have been prepared assuming the Company will continue as a going concern. As more fully described in the notes to these financial statements, the Company has not generated revenues to date. This condition raises substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of this uncertainty.

Parker Simone LLP.

April 29, 2015

KITRINOR
METALS INC.
(an exploration stage company)

Statements of Financial Position

(Expressed in Canadian Dollars)

Years Ended December 31,	**2014**	2013
	$	$
Assets		
Current Assets		
Cash and cash equivalents *(Note 6)*	**1,859**	111,594
Trade and other receivables *(Note 7)*	**8,653**	7,550
Prepaid expenses	**-**	15,880
	10,512	135,024
Liabilities		
Current Liabilities		
Trade and other payables *(Note 8)*	**325,834**	262,859
	325,834	262,859
Deficiency in Assets		
Capital Stock *(Note 11)*	**2,806,531**	2,799,531
Warrants Reserves *(Note 12)*	**-**	345,880
Share-based Payments Reserves *(Note 13)*	**1,459,792**	1,113,912
Deficit	**(4,581,645)**	(4,387,158)
	(315,322)	(127,835)
	10,512	135,024

Nature of Operations and Going Concern (Note 1)
Commitments (Note 16)
Subsequent Events (Note 17)

Approved on behalf of the Board on April 29, 2015:

Signed "Andrew Budning"
Director

Signed "Richard Kellam"
Director

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

KITRINOR
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(an exploration stage company)

Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

Years Ended December 31,	**2014**	2013
	$	$
Administrative Expenses		
Management and consulting fees *(Note 10)*	**97,500**	215,000
Professional fees	**16,615**	18,286
General and administrative	**37,945**	61,897
Shareholder information	**24,270**	42,285
Investor relations and travel	**238**	13,252
Exploration and evaluation expenditures *(Notes 10 and 14)*	**17,919**	358,305
Comprehensive loss before deferred income taxes	**(194,487)**	(709,025)
Deferred income tax recovery *(Note 15)*	**-**	42,468
Comprehensive loss	**(194,487)**	(666,557)
Loss per share - basic and diluted	**(0.008)**	(0.028)
Weighted average number of shares outstanding – basic -diluted	**24,216,959**	23,948,278

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

KITRINOR
METALS INC.
(an exploration stage company)

Statements of Changes in Equity (Deficiency in Assets)
(Expressed in Canadian Dollars)

	Capital Stock		Reserves			
	Number of shares	Amount	Share based payments	Warrants	Deficit	Total
Balance at January 1, 2013	**23,906,382**	**$ 2,787,806**	**$ 999,912**	**$ 459,880**	**$ (3,720,601)**	**$ 526,997**
Shares issued for property option payments	50,000	5,000	-	-	-	5,000
HST recovered on prior year's share issue costs	-	6,725	-	-	-	6,725
Expired warrants	-	-	114,000	(114,000)	-	-
Comprehensive loss	-	-	-	-	(666,557)	(666,557)
Balance at December 31, 2013	**23,956,382**	**$ 2,799,531**	**$ 1,113,912**	**$ 345,880**	**$ (4,387,158)**	**$ (127,835)**
Shares issued for property option payments	350,000	7,000	-	-	-	7,000
Expired warrants	-	-	345,880	(345,880)	-	-
Comprehensive loss	-	-	-	-	(194,487)	(194,487)
Balance at December 31, 2014	**24,306,382**	**$ 2,806,531**	**$ 1,459,792**	**$ -**	**$ (4,581,645)**	**$ (315,322)**

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

KITRINOR
METALS INC.
(an exploration stage company)

Statements of Cash Flows

(Expressed in Canadian Dollars)

Years Ended December 31,	**2014**	2013
Operating activities	**$**	$
Comprehensive loss	**(194,487)**	(666,557)
Adjustment to reconcile comprehensive loss to net cash used by operating activities:		
Deferred income tax recovery	**-**	(42,468)
Issuance of shares for property	**7,000**	5,000
	(187,487)	(704,025)
Net Change in non-cash working capital items:		
Prepaid expenses	**15,880**	2,858
Trade and other receivables	**(1,103)**	37,014
Trade and other payables	**62,975**	(49,334)
	(109,735)	(713,487)
Financing activities		
Share issuance costs recovery	**-**	6,725
	-	6,725
Decrease in cash	**(109,735)**	(706,762)
Cash and cash equivalents at beginning of year	**111,594**	818,356
Cash and cash equivalents at end of year	**$ 1,859**	$ 111,594

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Kitrinor Metals Inc. ("Kitrinor" or the "Company") is incorporated under the laws of the Province of Ontario. The Company is considered to be in the exploration stage. The principal business of the Company is the acquisition, exploration and development of mineral properties in Canada. The Company's registered head office is 401 Bay Street, Suite 2828, Toronto, Ontario, M5H 2Y4.

On November 14, 2012, the Company received approval of its application to list its common shares on the TSX Venture Exchange ("TSX-V"). Effective November 14, 2012, the Company's common shares began trading on the TSX-V under the trading symbol "KIT". The Company is a reporting issuer in the provinces of Ontario, Alberta and British Columbia.

As at December 31, 2014, the Company had a working capital deficiency of $315,322 (2013 – $127,835), had not yet achieved profitable operations, has accumulated losses of $ 4,581,645 (2013 - $4,387,158) and expects to incur future losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

Management plans to secure the necessary financing through a combination of the exercise of existing warrants for the purchase of common shares, the issue of new equity or debt instruments and the entering into joint venture arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

These financial statements were authorized for issuance by the Board of Directors of the Company on April 29, 2015.

2.2 Basis of presentation and functional and presentation currency

These audited financial statements have been prepared on a going concern basis, under the historical cost convention, except fair value through profit and loss assets which are carried at fair value, and have been prepared using the accrual basis of accounting except for cash flow information, as explained in the accounting policies set out in Note 3.

The financial statements are presented in Canadian Dollars, which is the functional currency of the Company.

2.3 Adoption of new and revised standards and interpretations

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Company has not early adopted these standards, amendments and interpretations. However, the Company is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.

- IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company has yet to evaluate the impact of the new standard.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Mineral properties

All exploration and evaluation costs, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop the property are first tested for impairment and then capitalized as a mining asset under development. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

Ownership in mineral properties involves certain risks due to the difficulties in determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many mining interests. The Company has investigated the ownership of its mineral properties and, to the best of its knowledge, ownership of its interests are in good standing.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Share-based payments

The Company's directors and senior executives, who provide services to Kitrinor under consulting contracts, receive a portion of their remuneration in the form of share-based payment transactions, whereby they render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in the share based-payments reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

3.3 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Taxation (continued)

Deferred income tax (continued)

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

3.4 Valuation of equity instruments

The Company has adopted the residual method with respect to the measurement of common shares and warrants issued as private placement units or initial public offering units. Warrants attached to units are valued based on the fair value of the warrants using the Black-Scholes option pricing model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

The proceeds from the issue of units are allocated between share capital and reserve for warrants. If and when the warrants are exercised, the applicable amounts of reserve for warrants are transferred to capital stock. Consideration paid on the exercise of the warrants is credited to capital stock.

3.5 Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share amounts are calculated by dividing net profit attributable to common shareholders by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential of warrants and options into common shares. During the years ended December 31, 2014 and 2013, shares issuable on exercise of all the outstanding stock options and warrants were not included in the computation of diluted loss per share as the effect would have been anti-dilutive.

3.6 Financial assets

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

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through the statement of comprehensive loss. The Company’s cash is classified as FVTPL.

Financial assets classified as loans-and-receivables are measured at amortized cost. The Company’s HST recoverable is classified as loans-and-receivables.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as either FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. The Company's trade and other payables and due to related party are classified as other-financial-liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive loss. At December 31, 2014 and December 31, 2013 the Company has not classified any financial liabilities as FVTPL.

3.8 Impairment of financial assets

The Company assesses, at each date of the statement of financial position, whether a financial asset is impaired.

3.9 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position is comprised of cash held at a Canadian chartered bank and in the prior year includes cashable GIC's.

3.10 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Kitrinor's officers and directors are considered related parties due to the significant influence they have over Kitrinor's operations. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.11 Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

Judgments made by management that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are discussed below: The most significant estimates relate to, but are not limited to, the following:

- determination of the flow-through share premium requires the use of estimates when calculating the premium associated with the issuance of flow-through shares compared with common shares;
- the calculation of the fair value of share-based payments and equity settled transactions requires the use of estimates of inputs in the Black-Scholes option pricing valuation model;
- assessment of the going concern presumption as detailed in Note 1 to the financial statements;

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Flow-through shares

From time to time, Kitrinor issues flow-through common shares to finance its exploration and evaluation expenditures. Proceeds received from the issuance of flow-through shares are restricted in their use in that they may only be used to pay for qualifying Canadian exploration and development expenditures, as defined in the Canadian Income Tax Act ("Tax Act"). Pursuant to the terms of the flow-through share subscription agreements, these shares transfer the tax deductibility of qualifying expenditures to investors. On issuance, the Company allocates a portion of the proceeds as a flow-through share premium equal to the estimated premium, if any, investors pay for the flow-through feature. This premium is recognized as a premium flow-through liability. As expenditures are incurred and applied against the Company's associated flow-through commitment, the premium liability is reduced pro rata and credited to comprehensive loss as a deferred income tax recovery.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look Back Rule as defined in the Tax Act. When applicable, this tax is accrued as a financing expense until paid.

4. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties and to ensure it continues as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management as this form of measure is irrelevant to the effective management of capital for an exploration stage company. Instead, the Board relies on the expertise of the Company's managements to sustain future development of the business.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; as such the Company is solely dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

There has been significant market turbulence worldwide due to the credit crisis and potential of a global recession. These market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company has historically relied on equity financing to raise capital and expects to be able to continue to do so, but its ability to do so may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions have impacted the Company's viability given its current capital structure and considers that until the outcome of future financing activities is known there is considerable uncertainty about the appropriateness of the use of the going concern basis of accounting.

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 December 31, 2014. The Company is not subject to externally imposed capital requirements.

5. FINANCIAL INSTRUMENTS

Fair value

The Company has, designated its cash and cash equivalents as fair value through profit and loss (“FVTPL”), which are measured at fair value. Trade and other payables are classified for accounting purposes as other financial liabilities, which are measured at amortized cost, which also equals fair value. Fair values of trade and other payables are determined from transaction values which were derived from observable market inputs.

As at December 31, 2014, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Credit risk
Credit risk is the risk of loss associated with a counter-party’s inability to fulfill its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value amount carried on the balance sheet.

- **Cash and cash equivalents**
  Cash and cash equivalents is held with major Canadian banks and therefore the risk of loss is minimal.

ii) Liquidity risk
The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at December 31, 2014, the Company had a working capital deficiency of $315,322 (2013 – $127,835). In order to meet its longer-term working capital and property exploration expenditures, the Company intends on securing further financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that Kitrinor will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of Kitrinor may change and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain adequate additional financing on a timely basis could cause the Company to forfeit some or all of its interests and reduce or terminate its operations therein.

iii) Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity prices and/or stock market movements (price risk).

- **Interest rate risk**
  The Company is not exposed to significant interest rate price risk due to the short-term nature of its monetary assets and liabilities. Cash not required in the short term, is invested in short-term guaranteed investment certificates, as appropriate.

6. CASH AND CASH EQUIVALENTS

The balance at December 31, 2014, consists of $1,859 (2013 - $111,594) on deposit with a major Canadian bank.

(Expressed in Canadian Dollars)

7. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables arise from two main sources: trade receivables due from customers for recovery of office expenses and harmonized services tax ("HST") receivable. These are broken down as follows:

	As at,	
	December 31, 2014	December 31, 2013
Trade receivables	**$ 6,551**	$ -
HST recoverable	**2,102**	7,550
Total Trade and Other Receivables	**$ 8,653**	$ 7,550

At December 31, 2014, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables.

8. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following comprises trade and other payables:

	As at,	
	December 31, 2014	December 31, 2013
Trade payables	**$ 20,834**	$ 40,359
Professional fees	**10,000**	12,500
Consulting fees	**295,000**	210,000
Total Trade and Other Payables	**$ 325,834**	$ 262,859

9. DUE TO RELATED PARTIES

As at December 31, 2014, the trade and other payables balances includes related-party amounts of $302,570 (December 31, 2013 - $216,536).

10. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

The financial statements include balances and transactions with directors and/or officers of the Company. The company defines its key management as its CEO, CFO, Vice President of Exploration and its board of directors.

These expenditures are summarized as follows:

For the period ending December 31,	**2014**	2013
Management and consulting fees	**$ 97,500**	$ 150,000
Property exploration expenditures	**8,118**	62,400
Property acquisition payments	**3,500**	17,500

(Expressed in Canadian Dollars)

11. CAPITAL STOCK

(a) Authorized

An unlimited number of common shares.

(b) Issued

	No. of Shares	$
Balance at December 31, 2012	23,906,382	2,787,806
Issued for property option payments	50,000	5,000
Share issuance costs recovery - cash	-	6,725
Balance at December 31, 2013	23,956,382	2,799,531
Issued for property option payments	350,000	7,000
Balance at December 31, 2014	**24,306,382**	**$ 2,806,531**

(c) Outstanding Issued Warrants

The outstanding issued warrants balance at December 31, 2014, is comprised of 50,000 non-broker warrants at an exercise price of $0.25 that expire on December 19, 2017.

(d) Stock Options

The Company established a stock option plan (the "Plan") as a method of providing incentives and as a form of remuneration to its officers, directors, employees and consultants. The Plan allows for the issuance of up to 10% of the issued and outstanding common shares. At December 31, 2014, total options available for issuance under this Plan amount to 2,430,638 common shares.

Stock option transactions and the number of stock options issued and outstanding are as follows:

	December 31, 2014		December 31, 2013	
	Weighted Average Exercise Price	**Number of Options**	Weighted Average Exercise Price	Number of Options
Outstanding and exercisable at beginning of year	**$ 0.25**	**2,135,000**	$ 0.25	2,135,000
Transactions during the year:				
Expired	**-**	**-**	-	-
Granted	**-**	**-**	-	-
Outstanding and exercisable at end of year	**$ 0.25**	**2,135,000**	$ 0.25	2,135,000

The remaining weighted average life remaining on the stock options is 2.97 years (December 31, 2013 – 3.97).

(Expressed in Canadian Dollars)

12. WARRANT RESERVES

A summary of the changes in the Company's reserves for warrants for the year ended December 31, 2014 and the year ended December 31, 2013 are set out below:

	December 31, 2014	December 31, 2013
	Amount	Amount
	$	$
Balance at beginning of year	**345,880**	459,880
Expired warrants	**(345,880)**	(114,000)
Balance at end of year	**-**	345,880

13. SHARE BASED PAYMENT RESERVES

A summary of the changes in the Company's reserves for share based payments for the year ended December 31, 2014 and the year ended December 31, 2013 are set out below:

	December 31, 2014	December 31, 2013
	Amount	Amount
	$	$
Balance at beginning of year	**1,113,912**	999,912
Expired warrants	**345,880**	114,000
Balance at end of year	**1,459,792**	1,113,912

14. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenses for the Company are broken down as follows:

	Year Ended		**Cumulative to date**
	December 31, 2014	December 31, 2013	
Bayview Property	**$ -**	$ -	**$ 11,143**
Caley Lake	**-**	-	**16,782**
Culroc Property	**2,000**	285,358	**466,154**
Feather River Property	**15,919**	72,432	**420,160**
Exploration and Evaluation Costs	**$ 17,919**	$ 358,305	**$ 914,239**

14. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Caley Lake Property

The Company staked mining claims that are located in the Patricia Mining Division south west of Pickle Lake, Ontario.

On July 15th, 2010, the Company optioned the Caley Lake Property to a third party providing them an undivided 80% right, title and interest in and to the claims in consideration for completion of certain Work Costs (as defined in the agreement) during the Option Period expiring on July 15th, 2015 such that the cumulative sum of all Work Costs totals $250,000 or the sum of all Work Costs and a direct cash payment made by the Optionee totals $250,000. Kitrinor retains a 2% net smelter return/royalty, which the optionee has the exclusive right and option to purchase one half of the Royalty (1%) at any time for $750,000.

As at December 31, 2014, the conditions, as above, necessary for title to pass to the Optionee had not been met and the Company maintains title.

Culroc Property

On September 27th, 2011 the Company entered into a Mining Claim Acquisition Agreement (the “Agreement”) whereby Kitrinor acquired 100 percent interest (“Sothman Property”) located in the Township of Sothman in the Porcupine mining division of Ontario.

Under the terms of the Agreement, Kitrinor paid $10,000 upon the execution of the Agreement.

Kitrinor shall pay to the Vendors a 3 percent (3%) Net Smelter Return (NSR) production royalty from the production or sale of gold or other minerals from the Culroc Property. Kitrinor will have the sole and exclusive right and option to purchase 1% of the Royalty (such that the remaining Royalty shall be reduced to 2% of Net Returns) for a price equal to the Reduction Price of $1,500,000.

On December 18, 2012 the Company entered into a Memorandum of Understanding (the “MOU”) with the Mattagami First Nation (“MFN”) in order to promote a cooperative ongoing discussion between the parties with regards to the exploration and development of the Company’s mining claims located in the traditional territory of the MFN (the “Project”).

The MOU establishes the general framework for these discussions by setting out, among other things, business, employment and training opportunities for members of the MFN to participate in the exploration and development in connection with the Project.

Pursuant to the terms of the MOU, the Company has agreed to: (i) pay 2% of all drilling and exploration costs incurred to date with respect to the exploration program on the Project; (ii) issue to the MFN 50,000 options to acquire common shares of the Company at an exercise price of $0.25; and (iii) issue 50,000 common shares in the capital of the Company.

The Company is also required to pay the MFN’s legal costs associated with negotiating the MOU of $2,500, and pay up to a maximum of $15,000 per year to the MFN’s Elders Committee. The Company is also required to enter into negotiations to come to terms on an Impact Benefit Agreement (“IBA”), which is to be negotiated before the completion of a feasibility study, covering such matters as education and training; employment opportunities; workplace conditions; business opportunities; financial participation and/or compensation; environmental protection, litigation, monitoring and reporting; and access to the project area. Under the MOU the Company is also required to pay the MFN’s reasonable costs of negotiating the IBA.

14. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Feather River Property

In March 2011 and amended on February 18, 2014, the Company entered into an Option Agreement (the "Agreement") whereby it was granted the sole, exclusive and irrevocable right and option to acquire up to an undivided 100 % interest in St. Germain Township, Sault Ste. Marie Mining Division, Province of Ontario ("Feather River Property") in the Mishibishu Lake area west of Wawa.

Under the terms of the Agreement, upon any recapitalization, such as a split or consolidation which transpired on June 1, 2011, the number of consideration shares issued shall be adjusted to preserve the economic equivalent. As such, Kitrinor may exercise its option and thereby earn its interest in the property upon fulfilling the commitment to pay the seller $150,000 and 750,000 shares of Kitrinor as follows:

a) $15,000 (paid) and 50,000 shares (issued) upon signing of the agreement;
b) an additional $25,000 (paid) and 50,000 shares on March 1st, 2012 (issued);
c) an additional $35,000 (paid) and 50,000 shares on March 1st, 2013 (issued);
d) an additional 350,000 shares on March 1st, 2014; (issued);
e) an additional $75,000 and 250,000 shares on March 1st, 2015 (note 17);.
f) by carrying out expenditures to keep the claims in good standing.

Kitrinor shall pay to the Vendors a Net Smelter Return (NSR) production royalty from the production or sale of gold or other minerals from the Feather River Property. The production royalty rate shall be 2 percent (2%). Kitrinor will have the sole and exclusive right and option to buy back the entirety of the royalty (2%) in increments of $500,000 per 0.5% each for a total of $2,000,000.

Bayview Property

This property has been staked by Kitrinor and is contiguous to Feather River.

Upon Kitrinor meeting the terms and conditions for the Feather River Property, there shall be an "Area of Interest" consisting of any mineral interest, any part of which falls within these adjoining claims. The whole of such interest to the seller of the Feather River Property shall be limited as above and Kitrinor shall pay to the Vendors a Net Smelter Return (NSR) production royalty from the production or sale of gold or other minerals from the Bayview Property. The production royalty rate shall be 2 percent (2%). Kitrinor will have the sole and exclusive right and option to buy back the entirety of the royalty (2%) in increments of $500,000 per 0.05% each for a total of $2,000,000.

(Expressed in Canadian Dollars)

15. INCOME TAXES

(a) Provision for Income Taxes

The Company's income tax provision differs from the amount resulting from the application of the Canadian statutory income tax rate. A reconciliation of the combined Canadian federal and provincial income tax rates with the Company's effective tax rate is as follows:

For the year ended December 31,	**2014**	2013
	$	$
Loss before income taxes	**(194,487)**	(666,557)
Combined statutory rate	**26.50%**	26.50%
	(51,500)	(177,000)
Exploration and evaluation expenditures capitalized for income tax purposes	**51,500**	185,800
Non-capital loss	**8,800**	-
Financing costs	**(8,800)**	(8,800)
Premium flow-through benefit	**-**	(42,468)
	-	(42,468)

The Canadian statutory income tax rate of 26.50% (2013 – 26.50%) is comprised of the federal income tax rate at approximately 15% (2013 – 15%) and the provincial income tax rate of approximately 11.50% (2013– 11.50%).

The unamortized balance, for income tax purposes, of the share issuance fees amounts to approximately $ 61,709 (2013 - $94,856) and will be deductible in Canada over the next several years.

As at December 31, 2014, the Company has $1,459,070 (2013 - $1,282,554) of unused Canadian Exploration Expenditures ("CEE") and Canadian Development Expenditures ("CDE") available to offset future taxable income. The tax benefits pertaining to these expenses are available to carry forward indefinitely.

(b) Tax Loss Carry-forwards

The Company has accumulated non-capital losses of $ 2,226,886, which may be deducted in the calculation of taxable income in future years. The losses expire as follows:

2027	6,800
2028	28,700
2029	523,800
2030	1,039,700
2031	520,745
2032	40,847
2033	33,147
2034	33,147
	$ 2,226,886

(Expressed in Canadian Dollars)

15. INCOME TAXES (continued)

(c) Deferred Tax Balances

The deferred income tax asset is compromised of the following temporary differences:

As at December 31,		2014		2013
Resource expenditures	$	392,000	$	253,000
Non-capital loss carry forwards		590,000		573,000
Unamortized financing costs		16,000		25,000
Valuation allowance		(998,000)		(851,000)
	$	-	$	-

16. COMMITMENTS

The Company has made a contractual commitment to the Mattagami First Nation with respect to the Culroc property (Note 13 above).

17. SUBSEQUENT EVENTS

On March 2, 2015 the Company executed a Promissory Note in the amount of $30,000 to a director, officer and shareholder of the Company (hereinafter called the “Holder”), bearing interest at a rate of 8% calculated monthly, not in advance, as well as after as before and after default. Funds were used towards general operating expenses. Under the terms of the Promissory Note the principal and any accrued and unpaid interest owing shall become due and be paid in full on demand, which demand may be made by the Holder at any time. In addition, at any time and from time to time, any portion of the principal may be repaid without any notice being given to the Holder and without any bonus or penalty being paid to the Holder.

The Company’s commitment to the Feather River Property Agreement with respect to the Feather River property (Note 14 above required payment of cash and shares on March 1, 2015. As of April 29, 2015 this payment has not been made and terms are currently being re-negotiated.

KITRINOR
METALS INC.

(an exploration stage company)

MANAGEMENT DISCUSSION AND ANALYSIS

December 31, 2014

Filed April 29, 2015

KITRINOR
METALS INC.
(an exploration stage company)

Management Discussion & Analysis

For the Years Ended December 31, 2014 and 2013

This management discussion and analysis ("MD&A") is prepared as at April 29, 2015 and should be read in conjunction with the December 31, 2014 and 2013 audited financial statements and related notes to the audited financial statements of Kitrinor Metals Inc. (the "Company"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board (``IASB``). All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to the Company's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward looking statements.

Description of Business and Overview

Kitrinor Metals Inc. ("Kitrinor" or the "Company") is incorporated under the laws of the Province of Ontario. The Company is considered to be in the exploration stage. The principal business of the Company is the acquisition, exploration and development of mineral properties in Canada. The Company's registered head office is 401 Bay Street, Suite 2828, Toronto, Ontario, M5H 2Y4.

On November 14, 2012, the Company received approval of its application to list its common shares on the TSX Venture Exchange ("TSX-V"). Effective November 14, 2012, the Company's common shares began trading on the TSX-V under the trading symbol "KIT". The Company is a reporting issuer in the provinces of Ontario, Alberta and British Columbia.

The principal business of the Company is the acquisition, evaluation, exploration and development of mineral properties in Canada. The carrying value of mineral properties represents acquisition, exploration and other costs incurred to date and do not reflect present or future values.

Outlook

Kitrinor's future profitability and long-term viability will depend largely on the market price of commodities. Market prices are volatile and are affected by numerous factors beyond the Company's control, the aggregate effect of which is impossible for Kitrinor to predict.

Due to market conditions, the Company is curtailing its direct exploration expenditures and pursuing discussions with third parties on its early stage prospects on the Culroc and Feather River properties.

Management is also actively assessing opportunities and joint venture partners in the mining sector that could be acquired which would provide near term revenue.

The Company has never had mineral producing properties. There is no assurance that commercial quantities of minerals will be discovered at any current property or other future properties or that the exploration programs thereon will yield positive results. Even if Kitrinor discovers mineralization on its properties, extraction may not be economically viable.

Kitrinor currently holds the permits it requires to carry out its current work programs, but the Company cannot assure that it will receive the necessary permits to carry out further exploration and to develop the property.

Certification of Disclosure in the Issuers' Annual and Interim Filings and other reports filed or submitted under Canadian laws certify that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, is appropriate to allow timely decisions regarding required disclosure.

Overall Performance

As at December 31, 2014, the Company had a working capital deficiency of $315,322 (2013 – $127,835). For the year ended December 31, 2014 the Company's cash and cash equivalent position decreased by $109,735 to $1,859 from $111,594 as at December 31, 2013.

For the year ended December 31, 2014, the Company's exploration and evaluation expenditures increased by $17,919 for a cumulative total of $914, 239 from a cumulative total of $896,320 at December 31, 2013.

The Company has historically relied on equity financing to raise capital and will continue its attempts to do so. Management has considered utilizing other debt facilities in order to cover working capital needs if it unable to secure equity financing. Management has considered how these conditions have impacted the Company`s viability given its current cash position and is considering its options. Until the outcome of the future activities is known, future exploration programs funded directly by the Company will be curtailed.

Results of Operations

Kitrinor is in the process of planning exploration on its mineral properties and, therefore, has not yet determined whether the properties contain economically recoverable reserves. The Company does not hold any interests in producing or commercial ore deposits and has no production revenue.

There is no operating history upon which investors may rely. The recovery of expenditures on mineral properties and the related deferred expenditures is dependent upon the existence of economically recoverable mineralization, the ability of Kitrinor to obtain financing necessary to complete the exploration and the development of the mineral properties, and upon future profitable production or alternatively, on the sufficiency of proceeds from disposition.

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include commodity prices, availability of capital, exploration risks, regulatory risks, environmental risks, competition, dependence on key personnel, potential risks relating to mineral titles and aboriginal land claims, currency risks and potential amendments to tax laws.

Review of Operations

Three Month Periods Ended December 31, 2014 and 2013
The Company incurred a net loss of $35,545 or $0.001 a share for the three month period ended December 31, 2014, compared to $91,559 or $0.004 a share for the same period ended December 31, 2013.

Legal and audit fees were $3,765 for the three months ended December 31, 2014, as compared to ($2,304) for the three month period ended December 31, 2013. These fees relate to routine professional services such as legal advice.

Shareholder Information expenses for the three months ended December 31, 2014 were $6,299 as compared to $14,459 for the comparable period. The decrease is related to filings fees associated with the filing of the listing documents.

General and administrative expenses for the three months ended December 31, 2014 were $8,481 as compared to $16,038 for the comparable period.

Management and consulting fees for the three months ended December 31, 2014 were $15,000 as compared to $52,500 for the comparable period.

Total exploration and evaluation costs increased in the three month period ended December 31, 2014 by $2,000 compared to $12,331 at December 31, 2013 to a cumulative total of $914,239 as at December 31, 2014. The decrease is attributed to the Company curtailing its exploration and evaluation of the Feather River and Culroc properties.

Year Ended December 31, 2014 and 2013
The Company incurred a net loss of $194,487 or $0.008 a share for the year ended December 31, 2014, compared to $666,557 or $0.028 a share for the same period ended December 31, 2013.

Legal and audit fees were $16,615 for the year ended December 31, 2014, as compared to $18,286 for the year ended December 31, 2013. The decrease is related the fees associated with the filing of the listing documents in the previous year. These fees relate to routine professional services such as legal advice in the preparation of listing documents.

Shareholder Information expenses for the year ended December 31, 2014 were $24,270 as compared to $42,285 for the comparable period. The decrease is related to filings fees associated with the filing of the listing documents.

General and administrative expenses for the year ended December 31, 2014 were $37,945 as compared to $61,897 for the comparable period.

Management and consulting fees for the year ended December 31, 2014 were $97,500 as compared to $215,000 for the comparable period.

Total exploration and evaluation costs increased in the year ended December 31, 2014 by $17,919 compared to $358,305 at December 31, 2013 to a cumulative total of $914,239as at December 31, 2014. The decrease is attributed to the Company curtailing its exploration and evaluation of the Feather River and Culroc properties.

Summary of Quarterly Results

The following table shows selected results by quarter for the last eight quarters.

	2014				2013			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Total expenses	35,545	19,757	106,578	32,607	91,559	106,472	108,228	360,298
Write-off of exploration expenditure	-	-	-	-	-	-	-	-
Recovery of exploration and evaluation expenses	-	-	-	-	-	-	-	-
Net earnings (loss)	(35,545)	(19,757)	(106,578)	(32,607)	(91,559)	(106,472)	(108,228)	(360,298)
Net earnings (loss) per share - Basic	(0.001)	(0.001)	(0.004)	(0.0020)	(0.004)	(0.004)	(0.005)	(0.015)

MINERAL PROPERTIES

The history of the properties explored by the Company are set out in the notes to the Financial Statements for the year ended December 31, 2014.

Exploration Activities and Outlook

The Company currently has interests in four properties; a summary of each property's activities is as follows:

Culroc Property

On September 27th, 2011 the Company entered into a Mining Claim Acquisition Agreement (the "Agreement") whereby Kitrinor acquired 100 percent interest in one unpatented mining claims totaling 2 units ("Culroc Property") located in the Township of Sothman in the Porcupine mining division of Ontario.

Under the terms of the Agreement, Kitrinor paid $10,000 upon the execution of the Agreement. Kitrinor shall pay to the Vendors a three percent (3%) Net Smelter Return (NSR) royalty from the production or sale of gold or other minerals from the Culroc Property. Kitrinor will have the sole and exclusive right and option to purchase 1% of the Royalty (such that the remaining Royalty shall be reduced to 2% of Net Returns) for a price equal to the Reduction Price of $1,500,000.

On December 18, 2012 the Company entered into a Memorandum of Understanding (the “MOU”) with the Mattagami First Nation (“MFN”) in order to promote a cooperative ongoing discussion between the parties with regards to the exploration and development of the Company’s mining claims located in the traditional territory of the MFN (the “Project”).

The MOU establishes the general framework for these discussions by setting out, among other things, business, employment and training opportunities for members of the MFN to participate in the exploration and development in connection with the Project.

Pursuant to the terms of the MOU, the Company has agreed to: (i) pay 2% of all drilling and exploration costs incurred to date with respect to the exploration program on the Project; (ii) issue to the MFN 50,000 options to acquire common shares of the Company at an exercise price of $0.25; and (iii) issue 50,000 common shares in the capital of the Company. All of the common shares and options issued pursuant to the MOU are subject

The Company is also required to pay the MFN’s legal costs associated with negotiating the MOU of $2,500, and pay up to a maximum of $15,000 per year to the MFN’s Elders Committee. The Company is also required to enter into negotiations to come to terms on an Impact Benefit Agreement (“IBA”), which is to be negotiated before the completion of a feasibility study, covering such matters as education and training; employment opportunities; workplace conditions; business opportunities; financial participation and/or compensation; environmental protection, litigation, monitoring and reporting; and access to the project area. Under the MOU the Company is also required to pay the MFN’s reasonable costs of negotiating the IBA.

On March 20, 2013 the Company announced the results of the preliminary drill program on the Company’s Culroc property of six holes totalling 2,229 metres that was completed during the period December 14, 2012 to January 22, 2013 as shown in the table below:

Hole	From (m)	To (m)	Core Length (m)	Gold (g/t)
C-12-01	184.78	281.91	97.13	0.3
Including	198.64	225.64	27.00	0.4
Including	198.64	211.64	13.00	0.6
Including	198.64	204.64	6.00	0.9
C-12-02	244.08	255.80	11.72	0.2
C-12-02	285.10	286.10	1.00	4.1
C-13-03	163.47	171.47	8.00	0.5
C-13-04	164.42	165.42	1.00	0.3
C-13-05	251.68	252.70	1.02	0.4
C-13-06	110.50	111.50	1.00	0.4

All of the holes intersected wide core lengths (285 to 375 metres) of deformed and altered metavolcanic and ultramafic rock containing scattered anomalous gold values. Interpretation of the collected data suggests that hole C-12-01 cut the interpreted down dip extension of the nearby Edelston Zone.

Compilation and interpretation of all of the geological and assay data from this preliminary drill program suggests the presence of a northward trending normal fault near the northeast corner of the claims that may have down dropped the westward extension of the mineralized section encountered in hole C-12-01. This data provides Kitrinor with valuable information regarding which holes could be deepened to further investigate the continuation of the Edelston Zone on the Culroc property.”

Caley Lake Property

The Company staked 7 unpatented mining claims totaling 99 claim units. The claims are located in the Patricia Mining Division south west of Pickle Lake, Ontario.

On July 15th, 2010, the Company optioned the Caley Lake Property to a third party providing them an undivided 80% right, title and interest in and to the claims in consideration for completion of certain Work Costs (as defined in the agreement) during the Option Period expiring on July 15th, 2015 such that the cumulative sum of all Work Costs totals $250,000 or the sum of all Work Costs and a direct cash payment made by the Optionee totals $250,000.

As at December 31, 2014, the conditions, as above, necessary for title to pass to the Optionee had not been met the Company maintains title.

Feather River Property

In March 2011 and amended on February 18, 2014, the Company entered into an Option Agreement (the "Agreement") whereby it was granted the sole, exclusive and irrevocable right and option to acquire up to an undivided 100 % interest in 3 unpatented mining claims in St. Germain Township, Sault Ste. Marie Mining Division, in the Province of Ontario. The property totals 33 units and covers 528 hectares ("Feather River Property") in the Mishibishu Lake area west of Wawa.

Under the terms of the Agreement, upon any recapitalization, such as a split or consolidation which transpired on June 1, 2011, the number of consideration shares issued shall be adjusted to preserve the economic equivalent. As such, Kitrinor may exercise its option and thereby earn its interest in the property upon fulfilling the commitment to pay the seller $150,000 and 750,000 shares of Kitrinor as follows:

a) $15,000 (paid) and 50,000 shares (issued) upon signing of the agreement;
b) an additional $25,000 (paid) and 50,000 shares (issued)on March 1st, 2012;
c) an additional $35,000 (paid) and 50,000 shares (issued) on March 1st, 2013;
d) an additional 350,000 shares on March 1st, 2014; (issued April 4, 2014);
e) an additional $75,000 and 250,000 shares on March 1st, 2015;
f) by carrying out expenditures to keep the claims in good standing.

Kitrinor shall pay to the Vendors a two percent (2%) Net Smelter Return (NSR) royalty from the production or sale of gold or other minerals from the Feather River Property. Kitrinor will have the sole and exclusive right and option to buy back the entirety of the royalty (2%) in increments of $500,000 per 0.5% each for a total of $2,000,000.

Bayview Property

This property has been staked by Kitrinor and is contiguous to Feather River. It comprises 43 units or 688 hectares.

Upon Kitrinor meeting the terms and conditions for the Feather River Property, there shall be an "Area of Interest" consisting of any mineral interest, any part of which falls within these adjoining claims. The whole of such interest to the seller of the Feather River Property shall be limited as above and Kitrinor shall pay to the Vendors a 2 percent (2%) Net Smelter Return (NSR) royalty from the production or sale of gold or other minerals from the Bayview Property. Kitrinor will have the sole and exclusive right and option to buy back the entirety of the royalty (2%) in increments of $500,000 per .05% each for a total of $2,000,000.

The Company is committed to pursuing flow-through equity financing to explore the potential of the current properties and once the necessary funding is in place will commence a planned drill and evaluation program.

Trends

There are no trends, commitments, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operations. The nature of the Company's business is demanding of capital for property acquisition costs, exploration commitments and holding costs. The Company intends to utilize cash on hand to meet these obligations and will continue to raise funds by equity financings as necessary to augment this cash position, as it does not have any operating cash flow.

Risks

There are certain risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's industry segment and other considerations.

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in discoveries of commercially viable bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Commodity Prices

The price of the Company's common shares, its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

There are risks of volatility in world commodity prices and other risks that the Company cannot control. Kitrinor does not have a hedging policy and has no present intention to establish one. Accordingly, Kitrinor has no protection from declines in mineral resource prices.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, in any, will not adversely affect the Company's operations.

Acquisition
The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities. The Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favorable terms, or that any acquisition completed will ultimately benefit the Company.

Competition
The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than it. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Land Title
The Company has sought formal title opinions on its mineral property interests in Canada. However, this should not be construed as a guarantee of title to any of the property interests. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.

Financing Risk
There can be no assurance that any funding required by the Company will become available, and, if so, that it will be offered on reasonable terms or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

Kitrinor's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the mining industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and Kitrinor's common shares should be considered speculative.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and to plan expenditures only when funds will be available. Currently, the Company`s only material source of funds is through sale of shares by way of private offerings.

Nature of Operations
Kitrinor Metals Inc. is an exploration and mining company. Its mineral properties are currently being explored and the Company has yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, as established in accordance with National Instrument No. 43-101, the ability of Kitrinor to obtain the necessary financing to complete exploration and development and upon future profitable production or proceeds from disposition of such properties.

The Company tries to maximize its exposure to promising exploration opportunities, to manage the risks inherent in exploration and to make appropriate use of financial resources.

Additional Funding Requirements
As discussed, the mineral properties of Kitrinor Resources Ltd. are in the exploration and development stage and, as a result, the Company has no source of operating cash flow. The Company intends to raise such additional funds to complete its projects. There is no assurance that Kitrinor will be able to raise additional funds on reasonable terms. The development of any ore deposits found on the exploration properties of Kitrinor depends on the ability of the Company to obtain financing through debt financing, equity financing or

other means. If the exploration programs of Kitrinor are successful, additional funds will be required to develop the properties and, if successful, to place them in commercial production. The only source of future funds presently available to Kitrinor are the exercise of outstanding stock options and warrants, the sale of equity capital of Kitrinor or the sale by Kitrinor of an interest in any of its properties in whole or in part. The ability of Kitrinor to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company.

There can be no assurance that Kitrinor will be successful in its efforts to arrange additional financing if needed on terms satisfactory to Kitrinor. If additional financing is raised by the issuance of shares from the treasury of the Corporation, control of Kitrinor may change and shareholders may suffer additional dilution. If adequate financing is not available, Kitrinor may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause Kitrinor to forfeit its interests in some or all of its properties and reduce or terminate its operations.

Resources, Reserves and Production

No assurance can be given that the anticipated level of recovery and/or grades of reserves or resources as previously disclosed by Kitrinor will be realized. Moreover, short-term operating factors relating to ore reserves and resources, such as the need for orderly development of an ore-body or the processing of new or different ore grades, may cause a mining operation to be unprofitable in any particular accounting period. The effect of these factors could have a material adverse effect on Kitrinor's business and could affect the Company’s ability to realize the carrying value of its resource assets.

Where estimates of future cash flows are available, a reduction in the carrying value is recorded to the extent that the carrying value exceeds the discounted amount of future cash flows. Where estimates of future cash flows are not available and the events or changes in circumstances suggest impairment, management assesses if the carrying value can be recovered and provides for impairment for any excess of carrying value over estimated fair value.

Financial Instruments and Other Instruments

Financial Instruments

The financial instruments of Kitrinor Metals Inc. consist of cash and cash equivalents, HST recoverable, trade and other payables. The carrying values of these financial instruments approximate their fair values due to the relatively short periods to maturity. Unless otherwise noted, it is management’s opinion that Kitrinor Metals Inc. is not exposed to significant currency or credit risks arising from these financial instruments.

Stock-Based Compensation

Kitrinor uses the fair value method in accounting for stock based compensation. Under this method stock based payments are measured at the fair value of the equity instruments issued, and are amortized over the vesting period. The offset to the recorded cost is contributed surplus.

Dividends

The Corporation has neither declared nor paid dividends on its Common Shares. The Corporation intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Liquidity and Capital Resources

The Company is in the development stage and, therefore, has no regular cash flow although the Company anticipates additional funds being raised from equity, debt or joint-venture financing and that it will have sufficient cash to fund its acquisition and exploration programs and operations. Historically, the Company has been successful in raising the necessary funds; however, there can be no assurance it can continue to do so in the future. The Company believes it has the ability to raise sufficient funds for its future exploration programs during of 2015.

Off-Balance Sheet Arrangements

The Company currently has no off-balance sheet arrangements or obligations other than mineral production royalties should the current property be taken into the production stage.

Related Party Transactions
As at December 31, 2014, the trade and other payables balances included related-party amounts of $302,570 (2013 - $216,536).

Proposed Transactions
The Company has no immediate intent to acquire any additional, or dispose of, any asset of the Company, however, from time to time, the Company may enter into, or dispose of, property assets as exploration results, opportunities, competitive nature of the business, venture-capital, and management may determine.

Commitments
The company has made a contractual commitment with the Mattagami First Nation with respect to the Culroc property as noted above.

Accounting Policies
The Company has established accounting policies, which are generally accepted in Canada and applicable to development stage exploration projects in the resource sector.

Critical Accounting Estimates
The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. Actual results could differ from those estimates.

Other Information
Additional Disclosure for Venture Companies without Significant Revenue

The Following is additional financial information regarding the Company for the period required by National Instrument 51-102 – Continuous Disclosure Obligations, for TSXV issuers.

	December 31, 2014	December 31, 2013
Exploration and evaluation expenditures	**$ 17,919**	$ 358,305
Administrative expenses	**$ 176,568**	$ 350,720
Total assets	**$ 10,512**	$ 135,024

	December 31, 2014	December 31, 2013
Mineral properties and evaluation expenditures	**Expensed**	Expensed
Acquisition costs	**$ 7,000**	$ 40,000
Assaying	**-**	66,884
Drilling	**-**	172,068
Consulting	**8,919**	62,400
Other	**2,000**	16,953
	$ 17,919	$ 358,305

Corporate Expenses	December 31, 2014	December 31, 2013
Management and consulting fees	**$ 97,500**	$ 215,000
Office and general	**37,945**	61,897
Professional fees	**16,615**	18,286
Investor relations and travel	**238**	13,252
Shareholders' information	**24,270**	42,285
	$ 176,568	$ 350,720

Outstanding share data	December 31, 2014	December 31, 2013
Issued and outstanding common shares	**24,306,382**	23,956,382

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the period covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Timely Disclosure, Confidentiality and Insider Trading Policy

Management has adopted the policy to ensure that Kitrinor Metals Inc. (the "**Company**") and all persons to whom this Policy applies meet their obligations under the provisions of security laws and stock exchange rules by establishing a process for the timely disclosure of all Material Information (as defined herein): (ii) all persons to whom this Policy applies understands their obligations to preserve the confidentiality of Undisclosed Material Information (as defined herein): (iii) all appropriate parties who have Undisclosed Material Information are prohibited from Insider Trading (as defined herein) and Tipping (as defined herein) under applicable law, stock exchange rules and this policy; and (iv) communications to the investing public about the company are timely, factual, accurate, complete and not misleading, and broadly disseminated in accordance with all applicable legal and regulatory requirements. This policy covers disclosures in documents filed with the securities regulators and written statements made in the Company's annual and quarterly reports, news releases, letters to shareholders, presentations by Directors, Officers, Employees or Contractors and information contained on the Company's website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls and any other public disclosures on behalf of the Company, the content of which would reasonable be expected to affect the market value or price of any security of the Company.

Management's Responsibility for Financial Reporting

The financial statements of the Company for the period ended December 31, 2014 have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") and have been approved by the Company's board of directors ("the Board"). The integrity and objectivity of these Financial Statements are the responsibility of management. In addition, management is responsible for ensuring that the information contained in this MD&A is consistent where appropriate, with the information contained in the Financial Statements

In support of this responsibility, the Company maintains a system of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Company's assets are properly accounted for and adequately safeguarded. When alternate accounting methods exist, management has chosen those methods it deems most appropriate in the circumstances. The Financial Statements may contain certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis to ensure that the Financial Statements are presented fairly in all material respects.

The board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The board carries out this responsibility principally through its audit committee. The audit committee is appointed by the board and has financial experts who are not involved in the Company's daily operations. The audit committee meets periodically with management and the external auditor to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy the committee that each party is properly discharging its responsibilities and to review the Financial Statements with the external auditors.

Disclosure of Outstanding Common Shares, Warrants and Options

As at December 31, 2014:

	Authorized	*Issued Number*
Voting or equity securities issued outstanding	Unlimited Common Shares	24,306,382

Stock Options

No. of Stock Options	*Weighted Average Years Remaining*	*Weighted Average Price*
2,135,000	2.97	$0.25

Subsequent Events

On March 2, 2015 the Company executed a Promissory Note in the amount of $30,000 to a director of the Company (hereinafter called the "Holder"), bearing interest at a rate of 8% calculated monthly, not in advance, as well as after as before and after default. Funds were used towards general operating expenses. Under the terms of the Promissory Note the principal and any accrued and unpaid interest owing shall become due and be paid in full on demand, which demand may be made by the Holder at any time. In addition, at any time and from time to time, any portion of the principal may be repaid without any notice being given to the Holder and without any bonus or penalty being paid to the Holder.

The Company's commitment to the Feather River Property Agreement with respect to the Feather River Property required a payment of cash and shares on March 1, 2015. As of April 29, 2015 this payment has not been made and terms are currently being re-negotiated.

At April 29, 2015, management has evaluated that there were no additional subsequent events occurring after December 31, 2014 that required disclosure in these financial statements.

Authorization

The contents and the dissemination of this Management Discussion and Analysis have been approved by the Board of Directors of the Company.

April 29, 2015

CAUTIONARY NOTE

This document contains or refers to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or assumptions in respect of future production, capital costs and future economic, market and other conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to: the grade and recovery of ore which is mined varying from estimates; exploration and development costs varying significantly from estimates; inflation; fluctuations in commodity prices; delays in the development of any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; termination or revision of any debt financing; failure to raise additional funds required to finance the completion of a project; and other factors. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.