NAMASTE TECHNOLOGIES INC.
(formerly Next Gen Metals Inc).

CSE FORM 2A

LISTING STATEMENT

February 26, 2016

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

1. GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Listing Statement. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"**Board**" means the Board of Directors of Namaste Technologies Inc. (formerly Next Gen Metals Inc.)

"**Closing**" means the completion of the Transaction as contemplated in the Business Combination Agreement dated October 30, 2015, as amended on December 15, 2015, and attached as Appendix "A" and Appendix "B" to this Listing Statement.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**COO**" means Chief Operating Officer.

"**CSE**" means the Canadian Securities Exchange.

"**Exchange**" means the Canadian Securities Exchange.

"**NEO**" means each of a CEO, a CFO, the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 – *Statement of Executive Compensation*, for that financial year, and each individual who would be an NEO under paragraph but for the fact that the individual was neither an executive officer of the Issuer, nor acting in a similar capacity, at the end of that financial year.

"**Pre-Consolidated Next Gen Shares**" means any shares of Next Gen Metals Inc. issued prior to the Share Consolidation (as defined below).

"**Share Consolidation**" means the consolidation of the common shares of Next Gen Metals Inc. on a 3:1 basis meaning that for every three pre-consolidation shares held shareholders will be issued one post-consolidation share which has been effected on February 12, 2016.

"**Target**" means Dollinger Enterprises Ltd., incorporated September 3, 2014, under the laws of Florida, and Dollinger Canada Ltd., or such other named company, being the newly incorporated federal Canadian company established to hold the shares of Dollinger Enterprises Ltd.

"**Transaction**" means the business arrangement contemplated in the Business Combination Agreement dated October 30, 2015, as amended on December 15, 2015 and attached as Appendix "A" and Appendix "B" to this Listing Statement.

"**we**", "**us**", "**our**", or "**the Issuer**" means Namaste Technologies Inc. (formerly Next Gen Metals Inc.), and any of its subsidiaries.

FORWARD-LOOKING INFORMATION

This Listing Statement contains forward-looking information based on current expectations. Statements about the closing of the Transaction, expected terms of the Transaction, the number of securities of the Issuer that may be issued in connection with the Transaction, the ownership ratio of the Issuer post-Closing, the requirement to obtain shareholder and director approval and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although the terms of the Transaction described herein are binding pursuant to the Business Combination Agreement dated October 30, 2015, as amended on December 15, 2015 between Next Gen Metals Inc., GreenRush Analytical Laboratories Inc, Dollinger Enterprises Ltd., and Dollinger Enterprises USA Inc , there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described herein. The Issuer assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Although the Issuer believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Issuer can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this Listing Statement. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors discussed in the Issuer's disclosure documents which can be found under the Issuer's profile on www.sedar.com.

2. CORPORATE STRUCTURE

2.1 Corporate Name

The full corporate name of the Issuer is Namaste Technologies Inc. (formerly Next Gen Metals Inc.) The principal and registered office of the Issuer is Suite 101, 2148 West 38th Avenue, Vancouver, British Columbia, Canada, V6M 1R9. The head off address is 1600 – 100 King Street West, Toronto, ON, M5X 1G5.

2.2 Incorporation

The Issuer was incorporated on March 3, 2005, under the *Business Corporations Act* (British Columbia) under the name “Copper Belt Resources Ltd.”. Effective August 8, 2008, the Issuer’s name was changed to “CB Resources Ltd.”, on August 14, 2009, the Issuer changed its name from CB Resources Ltd. to “Next Gen Metals Inc.” and on February 12, 2016, the Issuer changed its name to “Namaste Technologies Inc”. The Issuer is a reporting issuer in British Columbia, Alberta and Ontario.

In conjunction with the Issuer’s change of name to “Next Gen Metals Inc.”, its share capital was consolidated effective August 20, 2009, on the basis of 7.5:1 ratio.

Effective June 30, 2010, the Issuer’s share capital was consolidated on the basis of 2:1 ratio. The Issuer’s name did not change with this consolidation.

Effective February 25, 2014, the Issuer’s share capital was consolidated on the basis of 1.5:1 ratio.

Effective February 12, 2015, the Issuer’s share capital was consolidated on the basis of a 3:1 ratio.

2.3 Intercorporate Relationships

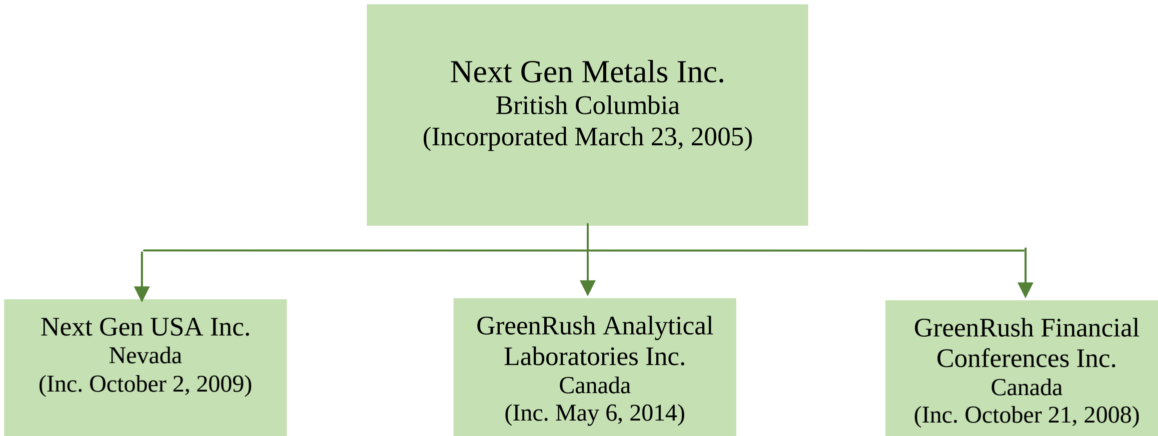
The Issuer has three subsidiaries and their authorized share structure is as follow:

Next Gen USA Inc. (Nevada) is authorized to issue 75,000,000 shares of common stock with no par value. There are 38,250,000 shares issued to Next Gen Metals Inc.

GreenRush Financial Conferences Inc. is authorized to issue an unlimited number of common shares. There is 1 common share issued to Next Gen Metals Inc. at a price of $1.00 per share.

GreenRush Analytical Laboratories Inc. (“**GreenRush Analytical Laboratories**”) is authorized to issue an unlimited number of common shares. There are 1,000,000 shares issued to Next Gen Metals Inc. at a price of $0.0001 per share.

The structure of the Corporation before the Transaction is as follows:



2.4 Fundamental Change

The Issuer is presently listed on the CSE and, as the Transaction constitutes a fundamental change according to the policies of the CSE, a new issuer will effectively result requiring qualification for listing of the securities of the new issuer resulting from the Transaction.

Pursuant to the terms of the Transaction, the Issuer will acquire 100% of the issued and outstanding shares of a newly incorporated federal Canadian company ("**Dollinger Canada**") from Dollinger Enterprises Ltd. ("**Dollinger Enterprises**"). Dollinger Enterprises also presently holds 100% of Dollinger Enterprises USA Inc. ("**Dollinger USA**") and 100% of Dollinger Enterprises Bahamas Ltd. ("**Dollinger Bahamas**", and collectively Dollinger Canada, Dollinger USA and Dollinger Bahamas, "**Dollinger**") and, prior to the Issuer's acquisition of Dollinger Canada, Dollinger Enterprises will transfer all of the shares it holds in Dollinger USA and Dollinger Bahamas to Dollinger Canada, resulting in Dollinger USA and Dollinger Bahamas becoming a wholly-owned subsidiary of Dollinger Canada.

Dollinger Canada is to be incorporated under the Canada Business Corporations Act. Dollinger Canada has never been a reporting issuer and its shares have never traded or been quoted on a stock exchange or quotation system.

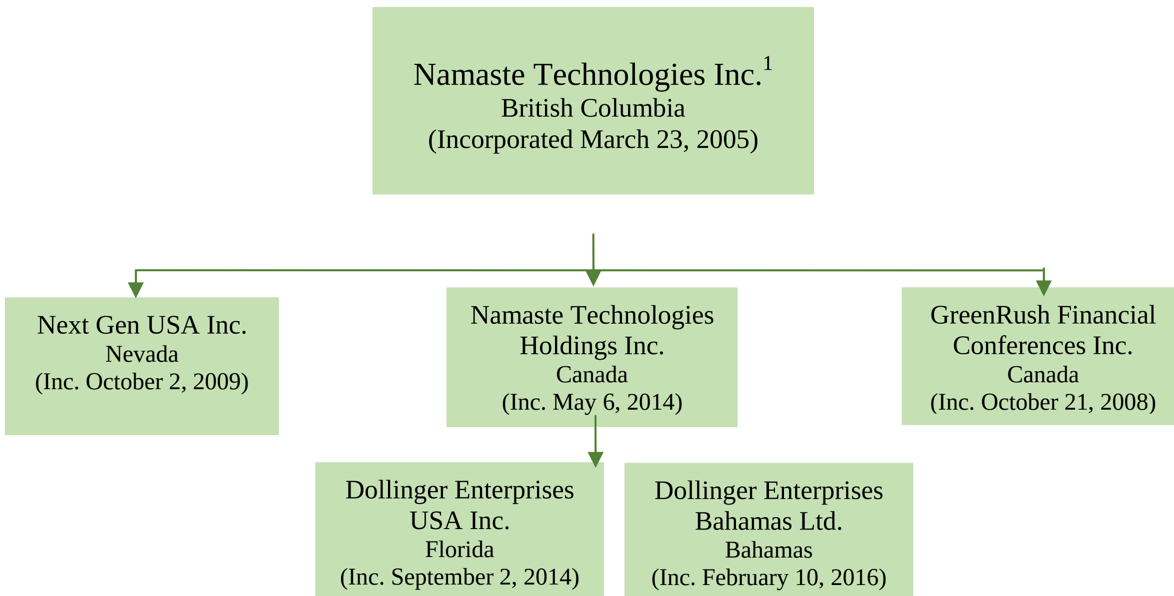
Dollinger USA was incorporated on September 3, 2014, under the laws of Florida and has its head office at Suite 21, 601 Heritage Drive, Florida, USA, 33458. Dollinger USA is a market leader in the distribution and manufacturing of products including vaporizers, accessories and herbs and has a presence in 20 countries.

The acquisition of Dollinger Canada, and its subsidiaries, will be achieved through a three-cornered amalgamation whereby Dollinger Canada will amalgamate with the Issuer's subsidiary, GreenRush Analytical Laboratories (the "**Amalgamation**") and the shareholders of Dollinger Canada will receive post-consolidated shares of the Issuer in exchange for their shares of Dollinger Canada. Upon Amalgamation, GreenRush Analytical Laboratories and Dollinger Canada shall continue as one corporation under the provisions of the Canada Business Corporations Act and will apply for a change of name to "Namaste Technologies Holdings Inc."

with a registered office address of Suite 101, 2148 West 38th Avenue, Vancouver, BC Canada V6M 1R9.

In connection with the Transaction, the Issuer will change its name to "Namaste Technologies Inc." or such other name as is acceptable to the parties to the Transaction.

Upon closing of the Transaction, the Issuer will have five wholly-owned subsidiaries, three of which will be directly held and two indirectly held, as shown below:



3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Business of the Issuer

From inception, the Issuer was primarily an exploration stage company engaged in the acquisition, exploration and, if warranted, development of mineral resource properties of merit in North America. In February of 2014, the Issuer announced its diversification into the medicinal marijuana business and actively started seeking and reviewing new business plans in the industry.

On March 24, 2014, the Issuer established GreenRush Financial Conferences Ltd., a wholly-owned subsidiary incorporated under the laws of Canada. GreenRush Financial Conferences Ltd. was established to host conferences. GreenRush Financial Conferences Ltd. held two successful conferences on May 7, 2014, in Vancouver, British Columbia, and June 26, 2014, in Toronto, Ontario.

On May 6, 2014, the Issuer established GreenRush Analytical Laboratories Inc., also a wholly-owned subsidiary incorporated under the laws of Canada.

3.2 Proposed Acquisition

Pursuant to the terms of the Transaction, the Issuer will acquire 100% of the issued and outstanding shares of Dollinger Canada by way of an amalgamation of GreenRush Analytical Laboratories, one of the Issuer's subsidiaries, with Dollinger Canada.

Dollinger operates under the trademark name of NamasteVapes™ and is a global leader in vaporizer product distribution and manufacturing. NamasteVapes™ has over 30 e-commerce retail stores in 25 countries and aims to provide the best in class and most professional customer experience possible. NamasteVapes™ also owns and operates a separate retail site called GreenVapes.co.uk which is presently expanding internationally. NamasteVapes™ retail sites offer the largest range of brand name vaporizer products on the market, and includes distribution partnerships with over 30 manufacturers providing some of the latest and most innovative products in this fast-growing industry.

In addition to its e-commerce distribution business, NamasteVapes™ is actively manufacturing and launching multiple unique proprietary products for retail and wholesale distribution, including vaporizers, accessories and herbs.

Recognized as a source of information and reviews on aromatherapy products, NamasteVapes™ has a unique market perspective and ability to design and engineer products that align with the current direction of the market and customer needs. This business segment will be branded under the tradename GrizzlyOriginals™ and will include the upcoming launch of the Guru™, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herbs from a single portable unit.

The assets of Dollinger include:

- all current and future sales contracts for wholesale, retail and distribution;
- all intellectual property including trademarks, know-how, product designs and materials related to NamasteVapes™ branded products, as such Grizzly Originals, Guru brands and glass units;
- existing relationships with Chinese manufacturing companies;
- contacts and relationship with a development team in India;
- inventory (valued as at Closing);
- logistical infrastructure including access to all software applications;
- exclusive rights to Nimbin Vaporizer online globally;
- vendor, supplier, and manufacturer contracts; and
- websites, including all content, data, customer and order databases.

In exchange for the acquisition, the shareholders of Dollinger Canada will receive post-consolidated shares of the Issuer as consideration at a deemed price of $0.06 per share.

Pursuant to the Share Consolidation and the Transaction, and prior to giving effect to the Post-Consolidation Private Placement (hereinafter defined), the shareholders of Dollinger Canada will receive in the aggregate 108,654,605 Next Gen Pre-Consolidation Shares, issued on a post Share Consolidation basis. Given a 3-for-1 consolidation, the shareholders of Dollinger Canada will receive a total of 36,218,202 Post-Consolidation Next Gen Shares (the "**Acquisition Shares**"). The Pre-Consolidated Next Gen Shares are deemed to have a value equal to $0.02 for the purposes of this Transaction for a total value of $2,173,092.

All principal Dollinger Canada shareholder's shares issued will be held in escrow (the "**Principal Escrow Shares**"). All Principal Escrow Shares will be subject to the terms of an escrow agreement, in the form prescribed by the CSE (the "**Escrow Agreement**"), to be executed by the Issuer, the holders of Principal Escrow Shares, and Computershare Investor Services Inc., as escrow agent. See Item 11 – Escrowed Securities.

In connection with the Transaction, an additional 8,692,368 Post-Consolidated Next Gen Shares will be reserved to be issued to the post-Transaction management of Namaste Technologies over a period of three-years, subject to the attainment of certain performance milestones (the "**Earn-out shares**"). In all cases, the allocation of Earn-out shares will be managed by the Compensation Committee of Namaste Technologies, and any shares issued will be subject to the approval of the Compensation Committee and will be subject to statutory hold periods as well as any hold period imposed by the CSE. The Earn-out shares shall be issued equally over the timeline. The following table sets forth the criteria and weighting of each category.

Criteria	**Weighting**	**Factors**
Revenue and Profitability	50%	**Year 1:** 0% of annual total earn-out for revenue less than $3.0 million and 100% for revenue equal to or greater than $5.0 million **Year 2:** 0% of annual total earn-out for revenue less than $5.0 million and 100% for revenue equal to or greater than $7.0 million **Year 3:** 0% of annual total earn-out for revenue less than $7.0 million and 100% for revenue equal to or greater than $9.0 million In all years, gross margin (defined as total revenue less the cost of manufacturing or purchasing each product) to be maintained above 30% If half of above is achieved, half of the shares will be issued for the period. For example, if revenue for the first year equals $4.5 million, than 50% of the weighted (60% of total) shares for sales and profitability available for the period will be allocated

Criteria	Weighting	Factors
Share Price Performance and Capital Raised	35%	Maintain sufficient capital balances to fund the proposed capital budgets of management for the period to be presented and approved by the board of directors for each of the 3-years Strong share price performance and liquidity in relation to the peer group of the corporation. Management presentation to be made to the Compensation Committee of the Corporation at the end of each period
Administrative Management	15%	Accurate books and records for all reporting periods Compliance with all rules, regulations and best practises for the jurisdictions in which the Corporation does business Regular management updates on financial performance and position, and capital budgets Efficient and professional processing of any and all corporate financial transactions, including mergers and acquisitions, and equity and debt raises, and strategic partnerships

The proposed acquisition has been mutually agreed upon by the Issuer, GreenRush Analytical Laboratories, Dollinger Enterprises, and Dollinger. A copy of the Business Combination Agreement between the aforementioned parties dated October 30, 2015, as amended on December 15, 2015, is attached hereto as Appendix "A" and Appendix "B". The parties to the transaction are not Related Entities nor Related Persons, as such terms are defined in CSE Policy 1, *Interpretation and General Provisions*.

In connection with the Transaction, material obligations and conditions to Closing include:

- receipt of all director, shareholder and requisite regulatory approvals relating to the Transaction, including, without limitation, CSE approval;
- preparation and filing of a Listing Statement outlining the definitive terms of the Transaction in accordance with the policies of the CSE;
- incorporation and organization of Namaste Technologies Holdings Inc. and completion of the share transfer of the Dollinger USA and Dollinger Bahamas shares from Dollinger Enterprises to Namaste Technologies Holdings Inc.;

- execution of consulting agreements for certain members of the post-Transaction management team;

- completion of one or more financings for minimum gross proceeds of $500,000;

- change of corporate name to Namaste Technologies Inc.;

- amendment of the Issuer's current stock option plan to a 10% rolling plan;

- execution of lock-up agreements for certain material shareholders of the Issuer; and

With respect to the aforementioned completion of one or more financings for minimum gross proceeds of $500,000 and in connection with the proposed Transaction, the Issuer announced on January 6, 2016, that it had completed on a post Share Consolidation basis, two concurrent non-brokered private placement financings for gross proceeds of $1,213,975 through the issuance of subscription receipts ("**Subscription Receipts**") pursuant to subscription receipt agreements dated December 18, 2015 between the Issuer and Computershare Trust Company of Canada, as Subscription Receipt Agent (the "**Post-Consolidation Private Placement**").

In connection with the Private Placements, the Issuer issued 3,600,000 Subscription Receipts at a price of $0.10 per Subscription Receipt for gross proceeds of up to $360,000. Each Subscription Receipt will be automatically convertible, for no additional consideration, into one unit of the Issuer (a "**Unit**") upon satisfaction of certain conditions relating to the Issuer's completion of the Transaction. Each Unit will consist of one common share and one-half of one common share purchase warrant (a "**Warrant**"), each whole Warrant entitling the holder thereof to purchase one additional common share of the Issuer at a price of $0.15 for a period of 24 months.

In addition to the Unit offering, the Issuer also completed a concurrent offering by issuing 11,386,330 Subscription Receipts at a price of $0.075 per Subscription Receipt for a total of $853,975. Each Subscription Receipt will automatically convert, for no additional consideration, into 11,386,330 post-consolidated Common Shares of the Issuer, upon satisfaction of certain conditions relating to the Company's completion of the Transaction. Should the Transaction not close by February 15, 2016, the Subscription Receipts shall be cancelled and the subscription funds shall be distributed to the holders of Subscription Receipts, without interest.

Upon closing of the Transaction and the conversion of the Subscription Receipts, the proceeds from the Post-Consolidation Private Placement will be used to fund inventory expansion, commercialization of new products, entering new markets, and for general corporate purposes. The common shares issued under the Post-Consolidated Private Placement will be subject to a hold period of four months and one day from the date of closing of the Post Consolidated Private Placement. Finder's fees comprised of 7% cash and 7% warrants may be paid in connection with the Post Consolidation Private Placement. Any finders' fees will be payable in accordance with the policies of the CSE.

It is proposed the closing date of the Transaction shall be on or about February 26, 2016, or such other date as is mutually acceptable to the Issuer and the Target.

The object of the Transaction is to transition the Issuer into an operating business with a solid base of revenue and considerable growth prospects.

The Transaction will also result in changes to the Issuer's Board of Directors and management team as discussed further in Section 13, Directors and Officers.

3.3 Trends, Commitments, Events or Uncertainties

The Issuer is presently a mineral exploration enterprise, which had been diversifying into the medical marijuana business sector; consequently, there is no production, sales or inventory. Pursuant to the Transaction, the Issuer's business model will change to focus on the operations of the Target, largely the manufacturing of, among other items, vaporizers and the retail and wholesale distribution thereof. There are no current trends in the business of the Issuer nor the Target that are likely to impact the Issuer's performance.

Please refer to discussions set out in Section 4, *Narrative Description of the Business, Section 6, Management's Discussion and Analysis, and Section 17, Risk Factors*.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General

(1) Business of the Resulting Issuer

(a) Business Objectives

<u>Description of NamasteVapes™'s Business</u>

NamasteVapes™ is a global leader in vaporizer and accessory product distribution. NamasteVapes™ has over 30 e-commerce retail stores in 20 countries and aims to provide the best in class and most professional customer experience possible. NamasteVapes™'s retail sites offers one of the largest ranges of brand name vaporizers products on the market, which includes relationships with over 30 manufacturers and wholesalers providing some of the latest and most innovative products. NamasteVapes™ reports all of its operations under a single operating segment.

In addition to its e-commerce distribution business, NamasteVapes™ is actively developing and commercializing unique proprietary products for retail and wholesale distribution, including vaporizers, accessories and herbs. Recognized as a source of information and reviews on aromatherapy products, NamasteVapes™ has a unique market perspective and ability to design and engineer products that align with the current direction of the market. These activities will be branded under the tradename GrizzlyOriginals™ and will include the upcoming launch of the Guru™, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herbs from a single portable unit.

Operational Highlights

- Generated e-commerce revenue of $3,447,235 and net income of $268,058 for the period from the commencement of operations on September 3, 2014 to August 31, 2015. Gross profit for the period was $1,511,489, a gross profit margin of 43.8%;

- Generated e-commerce revenue of $878,361 and net income of -$54,507 for the first quarter ended November 30, 2015. Gross profit for the period was $236,079, a gross profit margin of 26.9%. Compared to the first quarter ended November 30, 2014, gross profit margin increased from 18.0% to 26.9%

- Developed and launched over 30 e-commerce sites in over 20 countries, including customer support and service hubs with technical and language skills;

- Established fulfillment and logistics centers in key markets, including the United States, United Kingdom, and Australia;

- Established commercial relationships with over 30 manufactures and wholesale distributors of the leading vaporizer products globally;

- Designed and developed the Guru, a proprietary vaporizer unlike existing products currently on the market. The Guru is unique in that it functions with dry-herbs, waxes and concentrates and liquids; and

- Gained a reputation as a leading source of information and reviews on vaporizer products. Established a collection of Youtube videos and other social media blogs outlining the positives and negatives of the world's top vaporizers.

12-Month Operational Objectives

- Increase revenue and gross margin by continuing to enter and expand market presence. Expand relationships with wholesalers and manufactures, which will result in the ability to more competitively price products while maintaining a gross margin of over 40%.

- Enter into multiple supply agreements and geographical exclusivity arrangements with wholesalers and manufactures. Increasingly leverage operational competency and expertise in European markets to become the recognized e-commerce retail solution of choice for distribution, customer service, and warranty and repair functions.

- Commercialize the Guru vaporizer and enter into distribution agreements for the US market with leading wholesale organizations. Establish product sales and brand recognition with end-users.

- Design and develop additional propriety and differentiated products for commercialization. This includes new vaporizers and accessories for retail and wholesale distribution.

- Further enhance systems integration to seamlessly manage all operating activities and continue to create competitive advantages through best in class fulfillment and customer service.

(b) Significant Events or Milestones

Operational Milestones

The following sets forth the operational milestones relating to the achievement of NamasteVapes™'s objectives:

- Expand inventory within the next 3-month period.
- Negotiate and enter into exclusive contractual agreements with wholesalers and manufactures within the next 3-month period. Market products that have not been launched in specific jurisdictions (predominately the UK and Germany).
- Secure customs licencing for select markets within the next 6-month period.
- Purchase or licence additional reporting and operational management systems within the next 3-month period.
- Hire additional sales, customer service and financial support staff within the next 6-month period.
- Designing and engineering new products within the next 8-month period.

Estimated Costs of Obtaining Milestones

Description	**Amount CA$**
Inventory expansion	$300,000
Marketing and promotion	200,000
Customs licencing for select markets	100,000
Initial 1,000 units of Guru	50,000
Research and development	50,000
Legal and accounting fees	50,000
G&A, Salaries, Contingency	250,000
Total	1,000,000

(c) Total Funds Available

Financial Resources

On January 6, 2016, the Issuer announced it completed two concurrent non-brokered private placements for total gross proceeds of CA$1,213,975 through the issuance of subscription receipts as set forth in Section 3.2.

As at November 30, 2015, NamasteVapes™ also has cash available of US$115,633 (US$128,536 as at August 31, 2015) as a result of profitable operations and shareholder loans. Working capital consists of current assets less current liabilities. As at August 31, 2015, NamasteVapes™ has sufficient capital resources to satisfy its near term financial obligations.

The table below sets forth the cash and working capital position of the Division as at November 30, 2015.

	As at November 30, 2015
	US$
Cash	115,633
Working capital	115,633

(2) Principal Products and Services

Principal Products

The development and testing of the Guru has been completed and NamasteVapes™ is currently working with wholesalers to commercialize the product. In addition to wholesale agreements, NamasteVapes™ will also market the product through its e-commerce websites in select markets including the UK. NamasteVapes™ has allocated CA$250,000 for marketing and the initial purchase of 1,000 units of the Guru. The marketing expenditures will include online promotional activities on platforms such as Youtube, Google, Instagram, Twitter and Facebook, trade shows and direct marketing efforts. To date, NamasteVapes™ has not recognized any sales amount relating to commercialization of the Guru and no additional costs will be incurred to research and develop the product.

NamasteVapes™ utilized its in-house engineering expertise to design and develop many aspects of the Guru and initial versions of the product were fine-tuned using 3D printing services. NamasteVapes™ also worked with a Chinese manufacturer to establish a manufacturing process for the Guru, which resulted in a cost per unit landed in the US, of approximately US$55.00. External consultants were also retained to provide input on the design and development of the Guru. In total, NamasteVapes™ expensed US$54,595 of costs associated with the Guru for the period from the commencement of operations on September 3, 2014 to August 31, 2015.

Research and development of other propriety products have not been fully defined.

Product Distribution

NamasteVapes™ is a global leader in vaporizer and accessory product distribution. NamasteVapes™ has over 30 e-commerce retail stores in 20 countries and aims to provide the best in class and most professional customer experience possible. NamasteVapes™'s retail sites offers one of the largest ranges of brand name vaporizers products on the market, which includes relationships with over 30 manufacturers and wholesalers providing some of the latest and most innovative products. Products are sourced as available for sale and NamasteVapes™ does not carry any unfinished goods.

Due to the emerging nature of the industry and e-commerce nature of sales, NamasteVapes™ does not receive trade terms from suppliers or provide them to customers. All purchases and sales are paid for at the time of order. Revenue is recognized upon delivery to the customer.

NamasteVapes™ utilizes its in-house expertise to identify source products for distribution and secures the products from wholesalers and manufactures providing the most competitive pricing for the specific unit. Due to the extensive number of relationships NamasteVapes™ has established, NamasteVapes™ does not have contractual or operational dependence on any one specific manufacture or wholesaler. NamasteVapes™ targets a 100% mark-up on each product in which it distributes and includes delivery costs associated the purchase. This translates into a gross margin target for NamasteVapes™ of 40%.

NamasteVapes™ has four employees located in Jupiter, Florida. Employees support the operations of NamasteVapes™ including the management of sales and distribution, product reviews and testing, and financial and operational reporting. In total, salaries for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were US$141,488

NamasteVapes™ markets its products globally. Sales are attributed to countries based on the location of customers. The table below summarizes NamasteVapes™'s sales by country:

	From commencement of operations on September 3, 2014 to August 31, 2015	**Country Percentage of Total Revenue**
Revenue from external customers		
UK	$1,499,497	43.50%
Germany	407,590	11.82%
Australia	290,403	8.42%
Brazil	226,696	6.58%
New Zealand	157,991	4.58%
France	143,847	4.17%
Italy	142,195	4.12%
Netherlands	127,570	3.70%
Sweden	106,069	3.08%
Spain	70,234	2.04%
Ireland	62,442	1.81%

Austria	58,361	1.69%
Denmark	34,656	1.01%
US	32,753	0.95%
South Africa	26,846	0.78%
Israel	26,089	0.76%
Other	33,996	0.99%
Total	**$3,447,235**	100.00%

As set forth, the majority of NamasteVapes™'s sales are from the UK and German markets, which accounted for 55.3% of sales for the period from the commencement of operations on September 3, 2014, to August 31, 2015. Exposure to foreign markets create additional risks and uncertainties associated with the operations of NamasteVapes™. A full statement of these risks and uncertainties are set forth in Section 17, *"risks and uncertainties"*.

Product Market

The market for vaporizers and accessories has been gaining international attention, with media drawing a spotlight to what is best characterized as a scientific and cultural revolution. Key drivers of growth in the market include the following:

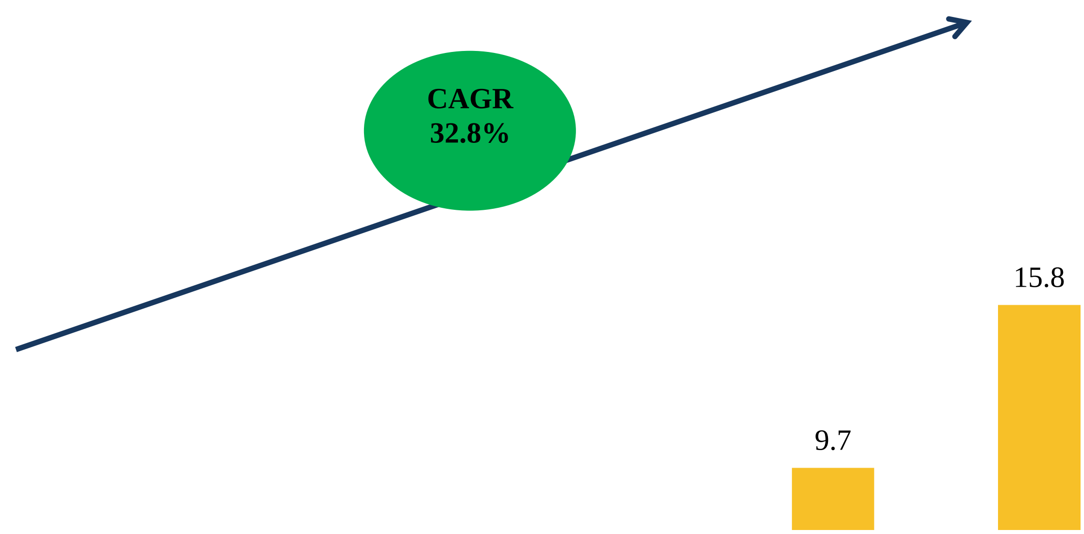
- **Health considerations:** Much less release of carcinogens than combustible methods of inhalation.

- **Technologic advances:** Improved operating performance and portability of vaporizer units.

- **Regulation:** Decriminalization of previously controlled substances for medical and recreational use.

- **Social acceptance:** Leading media and entertainment personalities utilizing and indorsing products, making vaporizers and accessories more mainstream.

Based on these drivers, the market for vaporizers and accessories is estimated to expand from US$2.0 billion in 2014 to US$22.5 billion in 2022. The table below sets forth the estimated growth by year for the global market as well as the associated compound annual growth rate:



SOURCE: Wells Fargo Research

(3) Production and Sales

See (2) above.

(4) Competitive Conditions and Position

Please refer to Section 17, *Risk Factors – Risks Relating to NamasteVapes™*.

(5) Lending Operations

As neither the Issuer nor NamasteVapes™ is in the business of lending, this section is not applicable to the Issuer or NamasteVapes™.

(6) Bankruptcy and Receivership

Within the three most recently completed financial years and the current financial year, there have been no bankruptcy, or any receivership or similar proceedings against the Issuer or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or NamasteVapes™ or any of their subsidiaries.

(7) Material Restructuring

The following material restructuring transactions of the Issuer and NamasteVapes™ occurred within the three most recently completed financial years, completed during the current financial year, or are proposed for the current financial year:

- the Issuer consolidated its capital on the basis of 1.5 old shares to 1 new share on February 25, 2014; and
- the Issuer proposes, in connection with the Transaction, to consolidate its capital on the basis of 3 old shares to 1 new share.

(8) Social or Environmental Policies

As neither the Issuer nor NamasteVapes™ is presently a mineral-producing mining company, it has not implemented social or environmental policies that are fundamental to its operations. Thus, this section is not applicable to the Issuer or NamasteVapes™.

4.2 Asset Backed Securities

The Issuer and NamasteVapes™ do not have asset backed securities.

4.3 Companies with Mineral Projects

The Issuer and NamasteVapes™ do not have any mineral projects.

4.4 Companies with Oil and Gas Operations

The Issuer and NamasteVapes™ do not have oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 (a) Annual Information of Issuer

The following table summarizes financial information of the Issuer for the last three completed financial years ended March 31, 2015, 2014 and 2013, and for the subsequent first quarter ended June 30, 2015, and second quarter ended September 30, 2015, of the current financial year. This summary financial information should only be read in conjunction with the Issuer financial statements, including the notes thereto, included elsewhere in this document.

	For the Year Ended March 31,			For the 1st Quarter Ended	For the 2nd Quarter Ended
Operating Data:	**2015**	**2014**	**2013**	**June 30, 2015**	**September 30, 2015**
Total revenues	$217,609	$ Nil	$ Nil	$ Nil	$ Nil
Total G&A expenses	677,569	350,177	427,530	48,421	27,666
Net loss for the period	1,251,349	314,815	478,389	48,622	25,016
Basic and diluted loss per share[1]	(.062)	(.018)	(.02)	(.002)	(.001)
Dividends	Nil	Nil	Nil	Nil	Nil
Balance Sheet Data:					
Total assets	65,369	749,268	1,019,272	36,711	16,045
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil

1 Basic and diluted loss per share has been calculated using the weighted average number of shares outstanding.

5.1 (b) Annual Information of Target

The following table provides a brief summary of the Target's NamasteVapes™ Division (the "**Division**") carve-out financial statements for the period from commencement of operations on September 3, 2014 to August 31, 2015. See Appendix "M" for a complete set of the Division's audited financial statements.

	From commencement of operations on September 3, 2014 to August 31, 2015 $
Revenue	3,447,235
Cost of goods sold	1,935,746
Gross profit	1,511,489
Operating expenses	1,067,127
Net income	268,058
Total assets	686,088
Non-current liabilities	-
Current liabilities	315,238
Net investment	370,850

The Division generated revenues of US$3,447,235 for the period from commencement of operations on September 3, 2014 to August 31, 2015. The Division's revenue was generated through the sale of vaporizers and accessories through e-commerce platforms.

The Division's cost of sales for the period from the commencement of operations on September 3, 2014 to August 31, 2015 was US$1,935,746, which resulted in a gross margin of US$1,511,489. The gross margin generated by the Division is due to the mark-up of products sold to retail consumers compared to the cost of securing the products from wholesale distributors and manufactures.

The net profit was US$268,058 for the period from commencement of operations on September 3, 2014 to August 31, 2015. The majority of operating expenses were related to establishment of e-commerce networks by utilizing advertising and social media services and amounts expended on salaries and consulting services to manage the operations of the Division.

5.2 Quarterly Information

The summary of quarterly results for each of the eight most recently completed quarters of the Issuer ending at the end of the most recently completed financial year has been prepared in accordance with IFRS:

Quarter Ended	Revenues	Net Income (Loss)	Income (Loss) per share[1]
March 31, 2015	Nil	(589,505)	(0.033)
December 31, 2014	Nil	(130,286)	(0.005)
September 30, 2014	Nil	(259,627)	(0.013)
June 30, 2014	Nil	(204,820)	(0.012)
March 31, 2014	Nil	(116,571)	(0.008)
December 31, 2013	Nil	(29,875)	(0.002)

September 30, 2013	Nil	(68,369)	(0.004)
June 30, 2013	Nil	(64,727)	(0.004)

1 Income (Loss) per share has been calculated using the weighted average number of shares outstanding.

The following is a summary of the quarterly results for the three month period ended November 30, 2015 for the Target. See Appendix "O" for the Targets interim financial statements for the three month period ended November 30, 2015:

	For the Three Month Period ended November 30, 2015 $
Revenue	878,361
Cost of goods sold	642,282
Gross profit	236,079
Operating expenses	327,227
Net income	-54,507
Total assets	616,367
Non-current liabilities	-
Current liabilities	261,281
Net investment	355,086

The Division generated revenues of US$878,361 for the three month period ended November 30, 2015. The Division's revenue was generated through the sale of vaporizers and accessories through e-commerce platforms.

The Division's cost of sales for the three month period ended November 30, 2015 was US$642,282, which resulted in a gross margin of US$236,079. The gross margin generated by the Division is due to the mark-up of products sold to retail consumers compared to the cost of securing the products from wholesale distributors and manufactures.

The net profit was US$-54,507 for the three month period ended November 30, 2015. The majority of operating expenses were related to establishment of e-commerce networks by utilizing advertising and social media services and amounts expended on salaries and consulting services to manage the operations of the Division.

5.3 Dividends

Subject to the Securities Act (British Columbia) (the "**Act**"), the directors may in their discretion from time to time declare and pay dividends wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Issuer, or a combination of these.

The Issuer paid no dividends during its three previously completed financial years. The Issuer intends to retain any earnings to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

5.4 Foreign GAAP

The Issuer is not presenting consolidated financial information on the basis of foreign GAAP.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Issuer's annual Management's Discussion and Analysis ("MD&A") for its two most recent fiscal years ended March 31, 2015, and 2014, and its interim MD&A for the three month period ended June 30, 2015, and six month period ended September 30, 2015, are attached to this Listing Statement as Appendices "C", "E", "I" and "K", respectively.

MD&As should be read in conjunction with the financial statements for the corresponding time periods, together with the notes thereto.

7. MARKET FOR SECURITIES

The common shares of the Issuer are listed and posted for trading on the CSE under symbol "N".

The Issuer is a reporting issuer in the provinces of British Columbia, Alberta, and Ontario and its securities are currently listed and posted for trading on the CSE under the symbol "N". Listing commenced on the CSE on February 25, 2014.

The Issuer's common shares are also quoted on the OTC Grey Market in the United States under the symbol NXTTF and on the Frankfurt Stock Exchange under the symbol M5BN.

8. CONSOLIDATED CAPITALIZATION

There has been no material change in the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in this Listing Statement.

The following table sets forth the capitalization of the Issuer on closing of the Transaction:

Designation of Security	Amount Authorized	Post-Consolidated Amount Outstanding On Closing of Transaction
Common Shares	Unlimited	59,514,833
Warrants	2,961,250	2,961,250
Earn-out Shares (reserved)	8,692,368	8,692,368
Stock Options	5,951,483	3,500,000

9. OPTIONS TO PURCHASE SECURITIES

On closing of the transaction, the Company plans to grant 3,500,000 stock options at an exercise price of $0.15 per share for a period of five years from closing to directors, officers and consultants of the Company pursuant to its Stock Option Plan.

Description of the 2016 Stock Option Plan

The purpose of the 2016 Stock Option Plan (the "**Plan**") is to provide directors, executive officers, employees, consultants, and certain other persons ("**Eligible Persons**") who provide services to the Issuer and its subsidiaries, the opportunity to acquire an interest in the Issuer, to encourage them to work for the Issuer and to advance the interests and development of the Issuer through the purchase of its common shares. The Plan is also in place to help attract new directors, officers and employees.

The following is a summary of the substantive terms of the Plan.

The maximum number of common shares reserved for issuance under the Plan and all of the Issuer's other security based compensation arrangements at any given time is 10% of the issued and outstanding share capital of the Company.

The Issuer's Board of Directors or, if applicable, a committee appointed by the Board, administers the Plan, subject to the rules of the Exchange, and except as provided for in the Plan, the Board has the full authority to:

(a) grant options to purchase common shares to Eligible Persons;

(b) determine the time or times, when, and the manner in which, each option will be exercisable and the duration of the exercise period;

(c) set the option price, provided the pricing is congruent with the Plan; and

(d) interpret the Plan and to make such rules and regulations relating to the Plan and establish such procedures as it may from time to time deem appropriate.

Pursuant to the Plan, the Board establishes the option price at the time of granting an option, provided that the option price is not less than the market price, being the closing market price on the Exchange one trading day, or the last closing market price on the Exchange, prior to option grant date. Options may be granted for a maximum term of 10 years from the date of grant. Any option that is cancelled, terminated, surrendered or expires unexercised will be considered to be part of the pool of common shares available for options under the Plan and may be granted.

The Board may impose, at the time of granting an option under the Plan vesting terms as to the maximum number of options that may be exercised by an option holder in each year or other period during the term of the option.

All options granted under the Plan are non-transferable and non-assignable.

The Board shall, from time to time and in its sole discretion, determine which of the Eligible Persons, if any, shall be awarded options. However, the following restrictions shall also apply to an option award:

(a) the number of options issued to any one individual under the Plan, within any 12 month period, will not exceed 5% of the Outstanding Issue (as defined in the Plan);

(b) the number of options which can be granted to insiders, in any 12 month period, will not exceed 10% of the Outstanding Issue;

(c) the number of options issuable to any one consultant under the Plan in a 12 month period will not exceed 2% of the Outstanding Issue; and

(d) the aggregate number of options granted to persons employed to provide investor relations services will not exceed 2% of the Outstanding Issue in any 12 month period and must vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period; and

(e) for options granted to the employees, consultants or management company employees of the Issuer, the Issuer will represent that the Optionee is a *bona fide* employee, consultant or management company employee of the Issuer, as the case may be.

All rights to exercise options will terminate upon the earliest of:

(a) the expiration date of the option;

(b) at any time up to and including, but not after, 5:00 p.m. (Vancouver time) on the 90th day (or such later day as the Board in its sole discretion may determine as long as such period of time does not exceed one year) following the effective date of resignation, removal or termination of employment or service, after the option holder ceases to be an Eligible Person for any reason other than death, disability or cause;

(c) the date on which the option holder ceases to be an Eligible Person by reason or termination of the option holder as an employee or consultant of the Issuer for cause (which, in the case of a consultant, includes any breach of an agreement between the Issuer and the consultant);

(d) the first anniversary of the date on which the option holder ceases to be an Eligible Person by reason of termination of the option holder as an employee or consultant on account of disability; or

(e) the first anniversary of the date of death of the option holder.

Upon Closing of the Transaction, the Issuer intends to grant a total of 3,500,000 to various Eligible Persons, in accordance with the terms and conditions of the Issuer's Plan.

10. DESCRIPTION OF THE SECURITIES

10.1 General

There are no special rights or restrictions attached to the Issuer's common shares. The holders of the common shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Issuer and each common share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the common shares, subject to the prior rights, if any, of any other class of shares of the Issuer, are entitled to receive such dividends in any financial year as the board of directors of the Issuer may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, the holders of the common shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Issuer, the remaining property and assets of the Issuer.

10.2 – 10.6 Debt Securities, Other Securities, Modification of Terms and Other Attributes

None of the matters set out in sections 10.2 to 10.6 of CSE - Form 2A are applicable to the Issuer.

10.7 Prior Sales

For the 12-month period prior to the date of this Listing Statement, 3,200,000 Units (each Unit consisting of one common share and one-half of one common share purchase warrant) of the Issuer were sold by the Issuer at a price of $0.025 per Unit, pursuant to a private placement that closed on November 18, 2015.

10.8 Stock Exchange Price

The common shares of the Issuer have been listed and posted for trading on the CSE (formerly the Canadian National Stock Exchange) ("CNSX") since February 25, 2014.

As mentioned in Section 2.2, *Incorporation*, of this Listing Statement, the Issuer was incorporated on March 3, 2005, under the name "Copper Belt Resources Ltd.". On September 22, 2005, Copper Belt Resources Ltd.'s common shares were listed for trading under the symbol "CBRL", on the Canadian National Quotation System ("CNQ"), which subsequently became the CNSX. Effective September 26, 2008, the Issuer's common shares began trading under its new symbol "ICD" after a name change to "CB Resources Ltd." effective August 8, 2008. Effective August 18, 2009, the Issuer's common shares commenced trading under new symbol, "N", after a name change to "Next Gen Metals Inc." and consolidation on a 7.5 old shares for one new share basis.

Prior to the listing on the Canadian Securities Exchange, the Issuer's shares were listed for trading on the TSX Venture Exchange under the symbol "N".

The following table sets out the price ranges and volume traded on the CSE for the two months immediately preceding the date of this Listing Statement, and the seven quarters, on a quarterly basis, prior thereto:

Month Ended	High	Low	Volume
November 2015[1]	n/a	n/a	n/a
October 2015[1]	n/a	n/a	n/a
Quarter Ended			
September 2015[1]	0.06	0.015	391,307
June 2015	0.04	0.02	1,003,850
March 2015	0.04	0.02	763,523
December 2014	0.06	0.03	1,043,750
September 2014	0.14	0.055	1,742,291
June 2014	0.57	0.10	5,153,245
March 2014	0.73	0.105	10,217,556

[1] The Issuer's shares have been halted from trading effective September 23, 2015, until Closing.

11. ESCROWED SECURITIES

11.1 Escrowed of Principal Securities

On closing of the Transaction, the following security holders will be subject to an escrow agreement (post-consolidated):

Security Holder	Common Shares Held in Escrow
Sean Dollinger	14,552,441
Kory Zelickson	8,547,066
Sefi Dollinger	1,091,721
Peter Simeon	250,000

The Issuer is classified as an emerging issuer pursuant to NP 46-201, and as such the securities listed above will be released from escrow in stages over a 36 month period from the date of Closing of the Transaction, with 10% having been released and an additional 15% of such escrowed shares to be released on the 6, 12, 18, 24, 30 and 36 month anniversaries of the Closing.

12. PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Issuer, as of on closing of the Transaction, no shareholder will beneficially own or exercise control or direction over Common Shares carrying more than 10% of the votes attached to common shares, except for the following:

Shareholder Name	*Number of Common Shares Held*	Percentage of Issued Shares[1]
Sean Dollinger	14,552,441	24.45%
Kory Zelickson	8,547,066	14.36%

1 Issued and outstanding shares on closing of the Transaction equals 59,514,833. Fully diluted equals 74,668,451.[2]

13. DIRECTORS AND OFFICERS

13.1 The following table sets forth the names of all directors and officers of the Issuer on Closing of the Transaction, their municipalities, provinces and countries of residence, their current positions with the Issuer, their principal occupations during the past five years, and the number and percentage of common shares owned, directly or indirectly, or over which control or direction is exercised, of voting securities of the Issuer, as of the date hereof:

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Position with Issuer Held Since	Common Shares Beneficially Owned or Controlled (post consolidated)	Percentage of Issued and Outstanding Common Shares[1]
Harry Barr[4] British Columbia Canada ***Chairman & Director***	CEO, Chairman and Director of Pacific North West Capital Corp.; Chairman, CEO & Director of El Nino Ventures Inc.; Chairman, CEO & Director of Nevada Energy Metals Inc. ;Director of Copper Reef Mining Corp.	September 23, 2009	1,700,648	2.80%
Sean Dollinger[2,] Manitoba, Canada ***President, CEO & Director***	Entrepreneur, Co-founder of Namaste Vapes™	On closing of Transaction	14,619,107	24.56%
Gary Moore[2, 3] British Columbia Canada ***Director***	Director of El Nino Ventures Inc.; Director of Freegold Ventures Limited; Director of Goldcliff Resource Corporation; previously Director of HTI Ventures Corp.; VP and Branch Manager of Pacific International Securities Inc.	August 5, 2014	0	0.00%
Peter Simeon[3] Ontario, Canada ***Director***	Corporate and Securities lawyer (Partner) Gowling Lafleur Henderson LLP	On closing of Transaction	610,000	1.02%
Sefi Dollinger[2, 3] Quebec, Canada ***Director***	Entrepreneur, Principal of DZD Hardwood Export Inc.	On closing of Transaction	1,091,721	1.83%

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Position with Issuer Held Since	Common Shares Beneficially Owned or Controlled (post consolidated)	Percentage of Issued and Outstanding Common Shares[1]
Kory Zelickson Florida, USA ***COO***	Engineer, Co-founder of Namaste Vapes™	On closing of Transaction	8,547,066	14.36%
Robert Guanzon British Columbia Canada ***CFO***	CFO of Pacific North West Capital Corp.; CFO of El Nino Ventures Inc.	June 1, 2013	10,666	0.13%
Tina Whyte British Columbia, Canada ***Corporate Secretary***	Corporate Secretary of Next Gen Metals Inc., Pacific Northwest Capital Corp., and El Nino Ventures Inc.; previously Corporate Secretary and Director of St. Elias Mines Ltd. and Intigold Mines Ltd.	March 24, 2014	0	0.00%

1 Issued and outstanding shares as of the closing of the transaction 59,514,837
2 Member of the Audit Committee
3 Member of the Compensation Committee
4 Mr. Barr is also a director Pacific North West Capital Corp., which holds 1,289,315 common shares of the Issuer. Mr. Barr has control and direction over these shares
5 These common shares are held both directly and indirectly, including by private companies wholly-owned by Mr. Barr.

13.2 The Articles of the Issuer provide that the number of directors should not be fewer than three directors. Each director holds office until the close of the next annual general meeting of the Issuer, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated. The Issuer's Board currently consists of four directors, two of whom can be defined as "unrelated directors" or directors who are independent of management and are free from any interests and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the directors' ability to act with a view to the best interests of the Issuer, other than interests and relationships arising from shareholders, and do not have interests in or relationships with the Issuer.

13.3 As of the closing of the Transaction, the directors and executive officers of the Issuer beneficially own, directly or indirectly, as a group, 27,868,523 common shares of the Issuer representing approximately 46.83% of all outstanding voting securities of the Issuer.

13.4 Board Committees

On closing, the following are the members of the Audit Committee:

Sean Dollinger	Non-Independent Member
Sefi Dollinger	Independent Member
Gary Moore	Independent Member

On closing, the following are the members of the Compensation Committee:

Peter Simeon	Independent Member
Sefi Dollinger	Independent Member
Gary Moore	Independent Member

13.5 Other Reporting Issuer Experience

In addition to their positions on the Board, the following directors and officers also serve as directors and officers of the following reporting issuers or reporting issuer equivalents:

Name of Director or Officer	Reporting Issuer(s) or Equivalent(s)	Positions
Harry Barr	Pacific North West Capital Corp. (TSXV) El Niño Ventures Inc. (TSXV) Nevada Energy Metals Inc. (TSXV) Copper Reef Mining Corporation (CNSX) Wildcat Exploration Ltd. (TSXV)	Chairman, CEO & Director Chairman, CEO & Director Chairman, CEO & Director
Gary Moore	Goldcliff Resources Corporation (TSXV) Freegold Ventures Limited (TSXV) El Niño Ventures Ltd. (TSXV)	Director Director Director
Peter Simeon	Tolima Gold Inc. (TSXV) Cluny Capital Corp. (TSXV)	Director Director
Robert Guanzon	El Nino Ventures Inc. (TSXV) Pacific North West Capital Corp. (TSXV)	CFO CFO
Tina Whyte	El Nino Ventures Inc. (TSXV) Pacific North West Capital Corp. (TSXV)	Corporate Secretary Corporate Secretary

13.6 Cease Trade Orders or Bankruptcies

Except as set out below, to the knowledge of the Issuer, no director nor officer of the Issuer, or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of this Listing Statement, has been, a director or officer of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Penalties &

13.8 Sanctions

To the knowledge of the Issuer, no director nor officer of the Issuer, or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of this Listing Statement, has been, a director or officer of any other issuer that, while that person was acting in that capacity, has:

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.9 Personal Bankruptcies

No director nor officer of the issuer, nor a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons, has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

13.10 Conflicts of Interest

Certain of the directors and officers of the Issuer are also directors and officers of other issuers. The directors of the Issuer are bound by the provisions of the *Business*

Corporations Act (British Columbia) to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interests, which they may have in any project or opportunity of the Issuer. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Issuer's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Issuer, its promoters, directors and officers or other members of management of the Issuer or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and, therefore, it is possible that a conflict may arise between their duties to the Issuer and their duties as a director or officer of such other companies.

13.11 Management & Directors of Resulting Issuer

Harry Barr, Chairman & Director

Mr. Barr has over 30 years of public/private company experience in the mining, technology and real estate industries with a focus on acquisition, finance and development of projects on an international scale. During this time, he founded Freegold Ventures Limited (FVL:TSX/OTCPink) for which he served as a director from 1985 to 2007 and as Chairman from 1999 to 2007, and CanAlaska Uranium Ltd. (CVV:TSXV/OTCQB) for which he served as President from 1985 to 2005 and Chairman from 2005 to 2007. In addition, he has held the positions of Chairman, CEO and a director of Pacific North West Capital Corp. (PFN:TSXV/OTCPink) since April 1996. Mr. Barr is also director of Wildcat Exploration Ltd. since June, 2015. With Fire River Gold Corp. (FAU:NEX), he served as a director and President from September 1997 until February 2011, and as CEO from November 2007 to February 2011.

Over the last 15 years, Mr. Barr has also acted in various capacities (current Chairman, CEO and Director since September 2009, a director from August 1999 to October 2007, CEO from June 2003 to June 2007, and Chairman from May 2006 to June 2007) to restructure El Nino Ventures Inc., and Next Gen Metals Inc. (N:TSXV/Frankfurt) for which he has served as President, CEO, Chairman and Director since September 2009. Since June 2011, Mr. Barr has also serves as Chairman, CEO and a director of Nevada Energy Metals Inc. (BFF:TSXV) and as a director of Copper Reef Mining Corporation (CZC:CSE).

He has guided management teams to complete over 300 option joint venture agreements with major, mid-tier, and junior companies. Mr. Barr has raised over $250 million to advance projects in nine countries.

Mr. Barr is a contractor and is responsible for the overall direction and business development of the Issuer. He also leads in negotiations and project acquisition discussions. Mr. Barr holds a diploma in agriculture from the University of Guelph and devotes approximately 40% of his time to the affairs of the Issuer. He has not entered into a non-competition or a non-disclosure agreement with the Issuer.

Sean Dollinger, President, Chief Executive Officer and Director

Mr. Sean Dollinger is an experienced entrepreneur having successfully founded, developed and monetized multiple business ventures. As co-founder of NamasteVapes™, Mr. Dollinger is the visionary responsible for the strategic direction of a start-up company that achieved over US$3.4 million of sales in the first twelve months of operations. His core areas of expertise include concept and market creation through international e-commerce marketing channels and the formation of strategic supply and distribution partnerships to secure and develop products, open logistics channels, and improve customer service. As an expert in vaporizers, accessories and aromatherapy, he has done business with companies and customers on nearly every continent. Mr. Dollinger previously played baseball with one of the top 10 NJCAA Division One baseball programs in the United States.

Gary Moore, Independent Director

Mr. Moore has an extensive background in finance and accounting. His core areas of expertise include corporate governance and regulatory compliance, risk management and internal control management, and corporate transactions including, but not limited to, the raising of debt and equity capital, joint ventures and mergers and acquisitions. He has held junior and senior executive positions with various companies, including Trionics Technology Ltd., Trivest Management Inc., Global Securities Corporation, Pacific International Securities Inc., and HTI Ventures Corp. He is a graduate from the University of British Columbia from the Faculty of Commerce and from the Masters of Business Administration program.

Peter Simeon, Independent Director

Mr. Peter Simeon is an experienced corporate commercial and securities lawyer. As a partner in Gowlings' Toronto office, he focuses his practice on corporate finance, mergers and acquisitions, and structured products. Working closely with issuers, underwriters, and other corporate clients, Mr. Simeon delivers practical, effective advice to help businesses move their transactions forward. He has acted for clients across a range of industries, such as mining, energy and technology. His expertise includes public offerings, including initial public offerings (IPOs), private placements, reverse takeovers and qualifying transactions, bought deal financings, secondary offerings and share and asset purchase transactions.

In addition to his work in private practice, Mr. Simeon is also an experienced in-house lawyer. He spent several years as corporate counsel at a multinational technology company, and completed a secondment at the Ontario Securities Commission in its Market Regulation Group.

Mr. Simeon is on the board of directors of Tolima Gold Inc. (TSXV:TOM) and Cluny Capital Corp. (TSXV:CLN.P).

He holds an LLB from Osgoode Hall Law School at York University and a BA from Queen's University.

Sefi Dollinger, Independent Director

Mr. Sefi Dollinger is an experienced entrepreneur and business development professional with a track record of building profitable and sustainable business ventures. His core areas of expertise include sales management, new business development, contract negotiation, and product procurement. Mr. Dollinger is currently one of the principals of DZD Hardwood Export Inc., a successful family-owned business located in Montreal, Canada, that specializes in hardwood lumber handling, drying and remanufacturing. He is a graduate of Concordia University.

Kory Zelickson, Chief Operating Officer

Mr. Kory Zelickson is an experienced engineer focused on designing, developing, manufacturing and distributing new products and concepts internationally. As co-founder of NamasteVapes™, Mr. Zelickson has been responsible for execution of the business plan by developing a market for the company products in more than 25 countries, bringing to market multiple vaporizers and accessories, providing industry recognized reviews to consumers, and engineering fresh new product ideas, such as the Guru, a dry-herb vaporizer that adapts to work with resins and liquids. Mr. Zelickson is also highly experienced in online marketing and e-commerce and has been involved in developing multiple companies from scratch. He holds a Bachelor of Engineering in electrical and electronics from University of Manitoba. While representing the University of Manitoba, Mr. Zelickson and his team won an international engineering competition hosted by the Massachusetts Institute of Technology (MIT).

Darren Collins, Executive Vice President, Corporate Development

Mr. Darren Collins is a financial professional focused on developing growth companies globally and has over eight years of experience as an advisor and executive of public companies. Mr. Collins was previously professionally engaged by a number of advisory and investment firms, including Alegro Capital, LP in London, England, and Dalvay Capital Inc., Scotia Capital Inc. and Quest Capital Corp. (currently Sprott Resource Lending Corp.) in Toronto, Canada. While engaged by these companies, Mr. Collins was involved in upwards of a billion dollars of transactions, spanning mergers and acquisitions, debt and equity financings, and joint venture partnerships. Mr. Collins holds a Bachelor of Commerce in Finance from Dalhousie University.

Robert Guanzon, Chief Financial Officer

Mr. Guanzon is also current Chief Financial Officer of El Nino Ventures Inc. (2012 to present) and Pacific North West Capital Corp. (2008-present). From 1999 to 2007, he was the Accountant of RG Properties Ltd. Mr. Guanzon is a Chartered Professional Accountant and Certified Management Accountant.

Mr. Guanzon is a contractor, who spends approximately 25% of his time on the affairs of the Issuer. He is responsible for the financial affairs of the Issuer and has extensive experience in dealing with financial matters and corporate strategy. He has not entered into a non-competition or a non-disclosure agreement with the Issuer.

Tina Whyte, Corporate Secretary

Ms. Whyte is an experienced corporate secretary with over 15 years of experience in the corporate and securities industry. Her duties include managing all board and committee procedures and meetings, supporting and directing governance processes, preparing all securities and corporate related documentation and filings, and managing all aspects of annual general and special meetings. She is an independent contractor and approximately 35% of her time is spent devoted to the Issuer. Since March 2014, she has served as Corporate Secretary of Pacific North West Capital Corp. and El Nino Ventures Inc. Previously Ms. Whyte was director and Corporate Secretary of St. Elias Mines Ltd. and Intigold Mines Ltd. from November 2010 to December 2013. Previously Ms. Whyte served as a Senior Corporate and Securities Paralegal. Her expertise spans to areas of corporate governance, continuous disclosure, financing transactions and regulatory filings. She has not entered into a non-competition or a non-disclosure agreement with the Issuer.

14. CAPITALIZATION

14.1 Issued Capital

As at October 31, 2015	**Number of Securities (non-diluted)**	**Number of Securities (fully-diluted)**	**% of Issued (non-diluted)**	**% of Issued (fully diluted)**
Public Float				
Total outstanding (A)	59,514,833[1]	74,668,451[2]	100.00%	100.00%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer(or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	27,868,523	38,585,891	46.83%	51.67%
Total Public Float (A-B)	31,646,310	36,082,560	53.17%	48.32%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	40,494,224[3]	51,519,925[4]	68.04%	69.00%
Total Tradeable Float (A-C)	19,020,609	23,148,526	31.96%	31.00%

[1] Includes current 3:1 consolidated issued and outstanding shares 8,310,301, 36,218,202 Transactions shares and 14,986,330 concurrent private placement shares

[2] Includes 3:1 consolidated previously granted warrants totalling 1,161,250, 8,692,368 earn-out shares reserved for issuance, 1,800,000 concurrent private placement warrants and 3,500,000 stock options

[3] Includes 24,441,228 principal shares held in escrow, 1,066,666 3:1 consolidated private placement shares and 14,986,330 concurrent private placement shares

[4] Includes 3:1 consolidated previously granted private placement warrants totalling 533,333, 8,692,368 earn-out shares reserved for issuance and 1,800,000 concurrent private placement warrants

Public Securityholders (Registered)

For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. The table below is as current as of the date hereof, and only registered holders are listed.

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 - 99 securities	130	1,929
100 – 499 securities	68	23,688
500 – 999 securities	4	3,167
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	2	5,185
3,000 – 3,999 securities	2	6,978
4,000 – 4,999 securities	0	0
5,000 or more securities	53	27,180,415
Total	**259**	**27,221,362**

Public Securityholders (Beneficial)

For the purposes of this report, "public securityholders (beneficial)" include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary. The table below does not include "non-public securityholders" being those persons enumerated in section (B) of the issued capital chart and is current as of the date hereof.

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 - 99 securities	130	1,929
100 – 499 securities	68	23,688
500 – 999 securities	4	3,167
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	2	5,185
3,000 – 3,999 securities	2	6,978
4,000 – 4,999 securities	0	0
5,000 or more securities	53	27,180,415
Unable to confirm	Unable to confirm[1]	4,424,954

Total	Unable to confirm[1]	**31,646,316**

1 Shares are held by an unknown number of participants (intermediaries) through CDS & Co., the Canadian depository for securities

Non-Public Securityholders (Registered)

For the purposes of this table, "non-public securityholders" are persons enumerated in Section (B) of the Issued Capital table above.

Class of Security **Size of Holding**	**Number of holders**	**Total number of securities**
1 - 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	5	27,868,523
Total	**5**	**27,868,523**

14.2 Convertible/Exchangeable Securities

The following table details any securities convertible or exchangeable into Common Shares of the Issuer as at the date hereof:

Description of Security	Date of Expiry	Exercise Price $	Number of convertible/ exchangeable securities outstanding	Number of listed securities issuable upon conversion/ exercise
Warrants	August 15, 2016 September 30, 2016 December 15, 2017 December 15, 2017	0.60 0.60 0.15 $0.15	531,250 91,666 533,333 1,800,000	531,250 91,666 533,333 1,800,000
Stock Options	February 15, 2021	$0.15	3,500,000	3,500,000

14.3 Other Listed Securities

There are no other listed securities reserved for issuance that are not included in section 14.2.

15. EXECUTIVE COMPENSATION

15.1 The following table sets out the proposed annual compensation to be paid for the 12 month period following the completion of the Transaction.

NEO Name and Principal Position	Year Ended	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All Other Compensation ($)(5)	Total Compensation ($)
					Annual Incentive Plans	Long-term Incentive Plans			
Sean Dollinger CEO & Director	2016	$60,000	$200,000	$40,000	Nil	Nil	Nil	Nil	$300,000
Kory Zelickson COO	2016	$60,000	$100,000	$40,000	Nil	Nil	Nil	Nil	$200,000
Robert Guanzon CFO	2016	$60,000	Nil	$20,000	Nil	Nil	Nil	Nil	$80,000

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

16.1 Aggregate Indebtedness

No existing or proposed director, executive officer or senior officer of the Issuer or any associate of any of them, was indebted to the Issuer as at the financial year ended March 31, 2015, or is currently indebted to the Issuer.

16.2 Indebtedness under Securities Purchase and Other Programs

Not applicable.

17. RISK FACTORS

17.1 Risk Factors Relating to the Issuer

The Issuer is a diversified public company focused on the evaluation of acquisition opportunities across a diverse array of industries and was previously focused on alternative medicine and mineral exploration and development.

The common shares of the Issuer should be considered highly speculative due to the nature of the Issuer's business and the present stage of its development. In evaluating the Issuer and an investment in its common shares, investors should carefully consider, in addition to the other information contained in this listing statement, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Issuer or in connection with the Issuer's operations.

Risk of Loss

Investment in the common shares of the Issuer is highly speculative given the nature of the Issuer's business and its present stage of development. The common shares of the Issuer are only suitable to investors who are prepared to rely entirely on the Issuer's directors and management and can afford to risk the loss of their entire investment. Those investors who are not prepared to rely on the directors and management of the Issuer or cannot afford the risk of losing their entire investment should not invest in the common shares of the Issuer.

Market Risk for Securities

There can be no assurance that an active and liquid trading market for the common shares of the Issuer will be established and sustained and, consequently, an investor may find it difficult to resell common shares of the Issuer. Factors such as government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Issuer’s common shares. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Share Price and Volume Volatility

The common shares of the Issuer may be affected by limited or sporadic trading volumes, which may affect shareholders' ability to sell the common shares. The Issuer’s share price may be volatile and could be subject to wide fluctuations due to a number of factors including the risk factors described in this listing statement. In addition, broad fluctuations in the financial markets as well as economic conditions may adversely affect the market price of the common shares of the Issuer. A decline in the price of the common shares of the Issuer could result in a reduction in the liquidity of its common shares and a reduction in the Issuer’s ability to raise additional capital for operations. A reduction in the Issuer’s ability to raise equity capital in the future could have a material adverse effect upon its business plan and operations, including its ability to continue operations. If the Issuer’s share price declines, it may not be able to raise additional capital or generate funds from operations sufficient to meet its obligations.

Restrictions on Trading

Trading in the common shares may be halted at various times for various reasons, including for failure by the Issuer to submit documents to the CSE within the time periods required.

Financing Requirements

In the short term, the continued operation of the Issuer will be dependent upon its ability to procure additional financing. Current financial conditions, revenues, taxes, capital expenditures and operating expenses are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Issuer may be required to undertake additional equity financing, which would be dilutive to holders of its common shares. Debt financing, if available, may also involve restrictions on financing and operating activities. There can be no assurance that the

Issuer can raise the required capital it needs to build and expand upon its business. Without this additional financing, the Issuer may be unable to advance its business model, and the Issuer will likely fail.

Lack of Cash Flow and Non-Availability of Additional Funds

The Issuer has no source of operating cash flow. The Issuer has limited financial resources and there is no assurance that if additional funding were needed, that it would be available to the Issuer on terms and conditions acceptable to it. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and the possible, partial or total loss of the Issuer's interest in current properties.

Dilution

Future sales or issuances of equity securities could decrease the value of the common shares of the Issuer, dilute shareholders' voting power and reduce future potential earnings per common share. The Issuer may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into common shares) and may issue additional equity securities to finance operations, development, acquisitions or other projects. The size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the common shares of the Issuer cannot be predicted. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the common shares of the Issuer. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in earnings per common share.

Limited Operating History

While the Issuer was incorporated and began carrying on business in 2005, it is yet to generate any significant or material revenue. The Issuer is, therefore, subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

History of Losses

From inception to date, the Issuer has incurred losses from operations, earned minimal revenues and has experienced negative cash flows from operating activities. A large portion of the Issuer's expenses, including expenses related to facilities, equipment, contractual commitments and personnel, are fixed and the Issuer may not be able to achieve or maintain profitability and may continue to incur significant losses for the foreseeable future. If the Issuer is able to achieve profitability, the level of such profitability cannot be predicted. If the Issuer sustains losses over an extended period of time, it may be unable to continue its business.

Competition

There is potential that the Issuer will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and experience than the Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Issuer. To be competitive, the Company will require a continued high level of investment and may not have sufficient resources to be competitive, which could materially and adversely affect the business, financial condition and results of operations of the Issuer.

Regulatory Approvals, Permits and Licenses

The operations of the Issuer may require regulatory approvals, permits and licenses from various governmental or jurisdictional authorities. There can be no assurance that the Issuer will be able to obtain all necessary approvals, permits and licenses that may be required to carry out its operations. Further, any material delay or failure to receive these items would delay and/or inhibit the Issuer's ability to conduct its business and would adversely affect its business, financial condition and results of operations.

Dividends

The Issuer has not paid any dividends on its common shares to date and does not anticipate the payment of any dividends on its common shares in the foreseeable future. The Issuer intends to retain earnings, if any, to finance the growth and development of its business. The payment of future cash dividends, if any, will be reviewed periodically by the board of directors and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Litigation Risks

The Issuer may be subject to claims or legal proceedings covering a wide range of matters that arise from time to time in the ordinary course of business activities. While the Issuer believes it is unlikely that the final outcome of any such proceedings will have a material adverse effect on the Issuer's financial position or results of operation, defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal matter will not have a material adverse effect on the Issuer's future cash flow, results of operations or financial condition.

Conflicts of Interest

Certain of the directors and officers of the Issuer are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Issuer may become subject to conflicts of interest. The directors of the Issuer are bound by the provisions of the *Business Corporations Act* (British Columbia) to act honestly and in good faith with a view to the best interests of the Issuer. Further, the *Business Corporations Act* (British Columbia) provides that if a director has a material interest in a contract or proposed contract or agreement that is material to the Issuer, the director must disclose his interest in such contract or agreement and refrain from voting on any matter in respect of such contract or agreement. The Issuer is not aware of the existence of any conflict of interest as described herein.

Internal Controls

Effective internal controls are necessary for the Issuer to provide reliable financial reports and to help prevent fraud. Although the Issuer undertakes a number of procedures and implements a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Issuer under Canadian securities law, the Issuer cannot be certain that such measures will ensure that the Issuer will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Issuer's results of operations or cause it to fail to meet its reporting obligations. If the Issuer or its auditor discovers a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Issuer's consolidated financial statements and materially adversely affect the trading price of the common shares of the Issuer.

Investment Speculative

The above list of risk factors should not be taken as exhaustive of the risks faced by the Issuer or by investors in the Issuer. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Issuer and the value of its securities. Potential investors should consider that an investment in the Issuer is speculative and should consult their professional advisers before deciding whether to invest in the Issuer.

17.2 Risk Factors Relating to NamasteVapes™

Investing in NamasteVapes™ our common shares involves a high degree of risk. Current investors and potential investors should consider carefully the risks and uncertainties described below together with all other information contained in this Listing Statement before making investment decisions with respect to our common shares. The business, financial condition and operating results of NamasteVapes™ can be affected by a number of factors, whether currently known or unknown, including but not limited to those described below, any one or more of which could, directly or indirectly, cause the

NamasteVapes™ actual results of operations and financial condition to vary materially from past, or from anticipated future, results of operations and financial condition. If any of the following risks actually occur, our business, financial condition, results of operations and our future growth prospects would be materially and adversely affected. Under these circumstances, the trading price and value of our common shares could decline, resulting in a loss of all or part of your investment. The risks and uncertainties described in this Listing Statement are not the only ones facing us. Additional risks and uncertainties of which we are not presently aware, or that we currently consider immaterial, may also affect our business operations.

Past financial performance should not be considered to be a reliable indicator of future performance, and current and potential investors should not use historical trends to anticipate results or trends in future periods.

Risks Related to Our Business

(i) The success of our new and existing products and services is uncertain.

We have committed, and expect to continue to commit, significant resources and capital to develop and market existing product and service enhancements and new products and services. These products and services are relatively untested, and we cannot assure you that we will achieve market acceptance for these products and services, or other new products and services that we may offer in the future. Moreover, these and other new products and services may be subject to significant competition with offerings by new and existing competitors in the business of manufacturing and distributing vaporizers and accessories. In addition, new products, services and enhancements may pose a variety of technical challenges and require us to attract additional qualified employees. The failure to successfully develop and market these new products, services or enhancements or to hire qualified employees could seriously harm our business, financial condition and results of operations.

(ii) Our business is dependent upon continued market acceptance by consumers.

We are substantially dependent on continued market acceptance of our vaporizer products by consumers. Although we believe that the use of vaporizers is gaining international acceptance, we cannot predict the future growth rate and size of this market.

(iii) Generating foreign sales will result in additional costs and expenses and may expose us to a variety of risks.

We sell our products in a significant number of markets that require us to incur additional costs and expenses. Furthermore, our entry into foreign jurisdictions may expose us to various risks, which differ in each jurisdiction, and any of such risks may have a material adverse effect on our business, financial condition and results of operations. Such risks include the degree of competition, fluctuations in currency exchange rates, difficulty and costs relating to compliance with different commercial, legal, regulatory and tax regimes and political and economic instability.

(iv) We may not be able to establish sustainable relationships with large wholesalers or manufacturers.

We believe the best way to develop brand and product recognition and increase sales volume is to establish relationships with large retailers and manufacturers. We currently have established relationships with several large wholesalers and manufacturers and in connection therewith we have agreed to carry and offer their products for sale. We may not be able to sustain these relationships or establish other relationships with wholesalers or manufacturers or, even if we do so, sustain such other relationships. Our inability to develop and sustain relationships with large wholesalers or manufacturers will impede our ability to develop brand and product recognition and increase sales volume, which will have a material adverse effect on our business, results of operations and financial condition.

(v) We may not be able to adapt to trends in our industry.

We may not be able to adapt as the vaporizer industry and customer demand evolves, whether attributable to regulatory constraints or requirements, a lack of financial resources or our failure to respond in a timely and/or effective manner to new technologies, customer preferences, changing market conditions or new developments in our industry. Any of the failures to adapt for the reasons cited herein or otherwise could make our products obsolete and would have a material adverse effect on our business, financial condition and results of operations.

(vi) We rely on Chinese manufacturers to produce our products.

Our manufacturers are based in China. Certain Chinese factories and the products they export have recently been the source of safety concerns and recalls, which is generally attributed to lax regulatory, quality control and safety standards. Should Chinese factories continue to draw public criticism for exporting unsafe products, whether those products relate to our products or not we may be adversely affected by the stigma associated with Chinese production, which could have a material adverse effect on our business, results of operations and financial condition.

(vii) We may be unable to promote and maintain our brands.

We believe that establishing and maintaining the brand identities of our products is a critical aspect of attracting and expanding a large customer base. Promotion and enhancement of our brands will depend largely on our success in continuing to provide high quality products. If our customers and end users do not perceive our products to be of high quality, or if we introduce new products or enter into new business ventures that are not favorably received by our customers and end users, we will risk diluting our brand identities and decreasing their attractiveness to existing and potential customers.

Moreover, in order to attract and retain customers and to promote and maintain our brand equity in response to competitive pressures, we may have to increase substantially our financial commitment to creating and maintaining a distinct brand loyalty among our customers. If we incur significant expenses in an attempt to promote and maintain our brands, our business, results of operations and financial condition could be adversely affected.

(viii) We expect that new products and/or brands we develop will expose us to risks that may be difficult to identify until such products and/or brands are commercially available.

We are currently developing, and in the future will continue to develop, new products and brands, the risks of which will be difficult to ascertain until these products and/or brands are commercially available. For example, we are developing new formulations, packaging and distribution channels. Any negative events or results that may arise as we develop new products or brands may adversely affect our business, financial condition and results of operations.

(ix) Internet security poses a risk to our e-commerce sales.

At present we generate a portion of our sales through e-commerce sales on our websites. We manage our websites and e-commerce platform internally and as a result any compromise of our security or misappropriation of proprietary information could have a material adverse effect on our business, financial condition and results of operations. We rely on encryption and authentication technology licensed from third parties to provide the security and authentication necessary to effect secure Internet transmission of confidential information, such as credit and other proprietary information. Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the technology used by us to protect client transaction data. Anyone who is able to circumvent our security measures could misappropriate proprietary information or cause material interruptions in our operations. We may be required to expend significant capital and other resources to protect against security breaches or to minimize problems caused by security breaches. To the extent that our activities or the activities of others involve the storage and transmission of proprietary information, security breaches could damage our reputation and expose us to a risk of loss and/or litigation. Our security measures may not prevent security breaches. Our failure to prevent these security breaches may result in consumer distrust and may adversely affect our business, results of operations and financial condition.

(x) Our results of operations could be adversely affected by currency exchange rates and currency devaluations.

Our functional currency is the U.S. dollar; substantially all of our purchases and sales are currently generated in U.S. dollars. However, our manufacturers and suppliers are located in China. The Chinese currency, the renminbi, has appreciated significantly against the U.S. dollar in recent years. Fluctuations in exchange rates between our respective currencies could result in higher production and supply costs to us which would have a material adverse effect on our results of operations if we are not willing or able to pass those costs on to our customers.

(xi) If we are able to expand our operations, we may be unable to successfully manage our future growth.

If we are able to expand our operations in the United States and in other countries where we believe our products will be successful, as planned, we may experience periods of rapid growth, which will require additional resources. Any such growth could place increased strain on our management, operational, financial and other resources, and we will need to train, motivate, and manage employees, as well as attract management, sales, finance and accounting, international, technical, and other professionals. In addition, we will need to expand the scope of our infrastructure and our physical resources. Any failure to expand these areas and implement appropriate procedures and controls in an efficient manner and at a pace consistent with our business objectives could have a material adverse effect on our business and results of operations.

(xii) If we experience product recalls, we may incur significant and unexpected costs and our business reputation could be adversely affected.

We may be exposed to product recalls and adverse public relations if our products are alleged to cause illness or injury, or if we are alleged to have violated governmental regulations. A product recall could result in substantial and unexpected expenditures and harm to our reputation, which could have a material adverse effect on our business, results of operations and financial condition. In addition, a product recall may require significant management time and attention and may adversely impact on the value of our brands. Product recalls may lead to greater scrutiny by federal or state regulatory agencies and increased litigation, which could have a material adverse effect on our business, results of operations and financial condition.

(xiii) Product exchanges, returns and warranty claims may adversely affect our business.

If we are unable to maintain an acceptable degree of quality control of our products we will incur costs associated with the exchange and return of our products as well as servicing our customers for warranty claims. Any of the foregoing on a significant scale may have a material adverse effect on our business, results of operations and financial condition.

(xiv) Our business may expose us to product liability claims for damages resulting from the design or manufacture of our products. Product liability claims, whether or not we are ultimately held liable for them, could have a material adverse effect on our business and results of operations.

We may be subject to product liability claims if any of our products are alleged to be defective or cause harmful effects. Product liability claims or other claims related to our products, regardless of their outcome, could require us to spend significant time and money in litigation, divert management time and attention, require us to pay significant damages, harm our reputation or hinder acceptance of our products. Any successful product liability claim may prevent us from obtaining adequate product liability insurance in the future on commercially desirable or reasonable terms.

(xv) We may be unable to adequately protect or enforce our patents and proprietary rights.

Our continuing success depends, in part, on our ability to protect our intellectual property and maintain the proprietary nature of our technology through a combination of patents, licenses and other intellectual property arrangements, without infringing the proprietary rights of third parties. We cannot assure you that any rights will be held valid if challenged, or that other parties will not claim rights in or ownership of products or services. We also cannot assure you that any patents rights will be issued.

(xvi) We depend upon key personnel, the loss of which could seriously harm our business.

Our operating performance is substantially dependent on the continued services of our executive officers and key employees, in particular, Sean Dollinger, our Chief Executive Officer, and Kory Zelickson, our Chief Operating Officer. The unexpected loss of the services of Mr. Dollinger, or Mr. Zelickson could have a material adverse effect on our business, operations, financial condition and operating results, as well as the value of our common shares.

(xvii) We will require additional capital to finance our operations in the future, but that capital may not be available when it is needed and could be dilutive to existing shareholders.

We will require additional capital for future operations. We plan to finance anticipated ongoing expenses and capital requirements with funds generated from the following sources:

- cash provided by operating activities;
- available cash and cash investments; and
- capital raised through debt and equity offerings.

Current conditions in the capital markets are such that traditional sources of capital may not be available to us when needed or may be available only on unfavorable terms. Our ability to raise additional capital will depend on conditions in the capital markets, economic conditions and a number of other factors, many of which are outside our control, and on our financial performance. Accordingly, we cannot assure you that we will be able to successfully raise additional capital at all or on terms that are acceptable to us. If we cannot raise additional capital when needed, it may have a material adverse effect on our liquidity, financial condition, results of operations and prospects. Furthermore, if we raise capital by issuing shares, the holdings of our existing shareholders will be diluted and the market price of our common shares could decline.

If we raise capital by issuing debt securities, such debt securities would rank senior to our common share upon our bankruptcy or liquidation. If we raise capital by issuing equity securities, they may be senior to our common shares for the purposes of dividend and liquidating distributions, which may adversely affect the market price of our common shares. Finally, upon dissolution or liquidation, holders of our debt securities and preferred shares and lenders with respect to other borrowings will receive a distribution of our available assets prior to the holders of our common shares.

Risks Related to Government Regulation

(i) Changes in laws, regulations and other requirements could adversely affect our business, results of operations or financial condition.

Our business, results of operations or financial condition could be adversely affected by new or future legal requirements imposed by legislative or regulatory initiatives, including, but not limited to, those relating to health care, public health and welfare and environmental matters. At present, it is not clear if vaporizers, which omit no smoke or noxious odors, are subject to such restrictions. If vaporizers are subject to restrictions on smoking in public and other places, our business, operating results and financial condition could be materially and adversely affected. New legislation or regulations may result in increased costs directly for our compliance or indirectly to the extent such requirements increase the prices of goods and services because of increased costs or reduced availability. We cannot predict whether such legislative or regulatory initiatives will result in significant changes to existing laws and regulations and/or whether any changes in such laws or regulations will have a material adverse effect on our business, results of operations or financial condition.

Risks Related to the Company's Common Shares

The market price of our common shares could be very extremely volatile and could be subject to further significant fluctuations due to changes in sentiment in the market regarding our operations or business prospects, among other factors.

Among the factors that could affect our share price are:

- actual or anticipated fluctuations in our quarterly financial and operating results and operating results that vary from the expectations of our management or of securities analysts and investors;

- our failure to meet the expectations of the investment community and changes in investment community;

- recommendations or estimates of our future operating results;

- announcements of strategic developments, acquisitions, dispositions, financings, product developments and other materials events by us or our competitors;

- regulatory and legislative developments;

- litigation;
- general market conditions;
- other domestic and international macroeconomic factors unrelated to our performance; and
- additions or departures of key personnel.

(i) Sales by our shareholders of a substantial number of common shares in the public market could adversely affect the market price of our common shares.

A substantial portion of our total outstanding common shares may be sold into the market. Such sales could cause the market price of our common shares to drop, even if our business is doing well. Such sales may include sales by officers and directors of the NamasteVapes™. Furthermore, the market price of our common shares could decline as a result of the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and price that we deem appropriate.

(ii) Beneficial ownership of our common shares is highly concentrated.

Prior to the Transaction, our officers, directors and principal shareholders (those holding 5% or more of outstanding shares) beneficially own approximately 90% of our outstanding common shares. As a result, management and our principal shareholders have the ability to control substantially all matters submitted to our shareholders for approval including:

(a) election of our Board of Directors;

(b) removal of any of our directors;

(c) amendment of our Articles of Incorporation or bylaws; and

(d) adoption of measures that could delay or prevent a change in control or impede a merger, takeover or other business combination involving us.

In addition, prior to the Transaction, the concentration of our share ownership may discourage a potential acquirer from making a takeover bid or otherwise attempting to obtain control of us, which in turn could reduce our share price or prevent our shareholders from realizing a premium over our share price.

(iii) We do not expect to pay any cash dividends in the foreseeable future.

We intend to retain our future earnings, if any, in order to reinvest in the development and growth of our business and, therefore, do not intend to pay cash dividends on our common shares for the foreseeable future. Any future determination to pay dividends will be at the discretion of our Board of Directors and will depend on our financial condition, results of operations, capital requirements, and such other factors as our Board of Directors deems relevant. Accordingly, investors may need to sell their shares to realize a return on their investment, and they may not be able to sell such shares at or above the price paid for them.

(iv) We can sell additional common shares without consulting shareholders and without offering common shares to existing shareholders, which would result in dilution of existing shareholders' interests and could depress our price.

i) Our Articles of Incorporation authorize an unlimited number of common shares. Although our Board of Directors intends to utilize its reasonable business judgment to fulfill its fiduciary obligations to our then existing shareholders in connection with any future issuance of our common shares, the future issuance of additional common shares or preferred shares convertible into common shares would cause immediate, and potentially substantial, dilution to our existing shareholders, which could also have a material effect on the market value of the common shares.

18. PROMOTERS

18.1 Promoters

On closing of the Transaction the following will be the promoters of the Company: (a) Name and (b) Percentage of Securities

Name of Promoter	Number of Common Shares	Percentage of Issued and Outstanding
Harry Barr [1]	2,989,963[1]	5.02%
Sean Dollinger	14,619,107	24.43%

[1] Mr. Barr's direct and indirect holdings of 1,700,648 shares combined with the holdings of Pacific North West Capital Corp., a company for Mr. Barr has indirect control of 1,289,315 shares.

(b) There is nothing of value, including money, property, contracts, options or rights of any kind received or to be received, or to be received, by the promotor directly or indirectly from the Issuer or from a subsidiary of the Issuer, nor any assets, services or other consideration received or to be received by the Issuer or a subsidiary of the Issuer in return.

(c) No asset has been acquired, within the two years before the date of this Listing Agreement, or is to be acquired by the Issuer or by a subsidiary of the Issuer, from a promoter.

18.2 Orders, Bankruptcies and Sanctions

(1) No promoter referred to in Section 18.1 is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer, or chief financial officer of any person or company that:

(i) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer.

(2) For the purposes of Section 18.2 (1), "order" means:

(i) a cease trade order;

(ii) an order similar to a cease trade order; or

(iii) an order that denied the relevant person or company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

(3) No promoter referred to in Section 18.1:

(i) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter.

(4) No promoter referred to in Section 18.1 has been subject to:

(i) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement agreement with a provincial and territorial securities regulatory authority; or

(ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

19. LEGAL PROCEEDINGS

19.1 Legal Proceedings

The Issuer is not a party to any legal proceedings and is not aware of any such proceedings known to be contemplated.

19.2 Regulatory Actions

Not applicable.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

20.1 Interest of Management and Others in Material Transactions

No director or executive officer of the Issuer or any person or company that is the director or indirect beneficial owners of, or who exercises control or direction over, more than 10 percent of any class of the Issuer's outstanding voting securities, or an associate or affiliate of any persons or companies referred to in this paragraph, has any material interest, direct or indirect, in any transaction within the three years before the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

The Issuer's auditor is James Stafford Chartered Accountants, Suite 350 - 1111 Melville Street. Vancouver, British Columbia. Canada V6E 3V6.

The Issuer's transfer agent and registrar is Computershare Trust Issuer of Canada, 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, Canada V6C 3B9.

22. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the material contracts entered into by the Issuer within two years prior to the date hereof and which are currently in effect:

Contract	Details	Date
Business Combination Agreement	Please refer to Appendix "A" for the full text of the Business Combination Agreement between Next Gen Metals Inc., GreenRush Analytical Laboratories Inc, Dollinger Enterprises Ltd., and Dollinger Enterprises USA Inc.	October 30, 2015
Amending Agreement	Please refer to Appendix "B" for the full text of the Amending Agreement to the Business Combination Agreement between Next Gen Metals Inc., GreenRush	December 15, 2015

	Analytical Laboratories Inc, Dollinger Enterprises Ltd., and Dollinger Enterprises USA Inc.	
Second Amending Agreement	Please refer to Appendix "B1" for the full text of the Second Amending Agreement to the Business Combination Agreement between Next Gen Metals Inc., GreenRush Analytical Laboratories Inc, Dollinger Enterprises Ltd., and Dollinger Enterprises USA Inc.	February 11, 2016

23. INTEREST OF EXPERTS

No person or company named in this document as having prepared or certified a part of the document or a report described in this document holds any beneficial interest, direct or indirect, in any securities or property of the Issuer or of an associate or affiliate of the Issuer.

24. OTHER MATERIAL FACTS

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Issuer.

25. FINANCIAL STATEMENTS

25.1 Financial Statements of Issuer

The following financial statements have been posted on the Issuer's disclosure page on the CSE website and are available under the Issuer's profile on SEDAR at **www.sedar.com** and on the Issuer's website at **www.nextgenmetalsinc.com**, and are attached as Appendices to this Listing Statement:

(i) Audited annual consolidated financial statements of the Issuer including the auditor's report from James Stafford, Chartered Accountants, for the financial year ended March 31, 2015 (Appendix "C");

(ii) Audited annual consolidated financial statements of the Issuer including the auditor's report from James Stafford, Chartered Accountants, for the financial year ended March 31, 2014 (Appendix "E");

(iii) Audited annual consolidated financial statements of the Issuer including the auditor's report from James Stafford, Chartered Accountants, for the financial year ended March 31, 2013 (Appendix "G");

(iv) Unaudited interim financial statements of the Issuer for its first quarter ended June 30, 2015 (prepared by management) (Appendix "I"); and

(v) Unaudited interim financial statements of the Issuer for its second quarter ended September 30, 2015 (prepared by management) (Appendix "K").

25.2 Selected Consolidated Financial Information of Target

The following financial statements are attached as Appendices to this Listing Statement:

(i) Appendix "M" contains the audited financial statements for the Target for the period from the commencement of operation on September 3, 2014 to August 31, 2015; and

(ii) Appendix "N" contains the unaudited management discuss and analysis for the Target for the period from the commencement of operation on September 3, 2014 to August 31, 2015.

(iii) Appendix "O" contains the interim financial statements of the Target for three month period ended November 30, 2015; and

(iv) Appendix "P" contains the management discussion and analysis of the Target for the three month period ended November 30, 2015.

25.3 Pro-Forma Consolidated Financial Statements

Appendix "Q" contains the unaudited pro forma consolidated statement of financial position of the Issuer and Target as at August 31, 2015.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, **NAMASTE TECHNOLOGIES INC. (formerly Next Gen Metals Inc.)**, hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to **NAMASTE TECHNOLOGIES INC.** It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 26th day of February, 2016.

"Harry Barr"	*"Robert Guanzon"*
Harry Barr Chief Executive Officer	Robert Guanzon Chief Financial Officer
"Harry Barr"	*"Michael Neumann"*
Harry Barr Promoter	Michael Neumann Director
	"Gary Moore"
	Gary Moore Director

CERTIFICATE OF THE TARGET

The foregoing contains full, true and plain disclosure of all material information relating to Dollinger Enterprises Ltd.. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, British Columbia this 26th day of February, 2016.

"Sean Dollinger"	*"Kory Zelickson"*
Sean Dollinger Chief Executive Officer	Kory Zelickson Chief Operating Officer
"Sean Dollinger"	*"Kory Zelickson"*
Sean Dollinger Director	Kory Zelickson Director

EXECUTION COPY

BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT is made effective as of the 30th day of October, 2015

AMONG:

NEXT GEN METALS INC., a company incorporated under the laws of British Columbia and having its head office at 101 – 2148 West 38th Avenue, Vancouver, BC, Canada, V6M 1R9

("**Next Gen**" or the "**Corporation**")

AND:

GREENRUSH ANALYTICAL LABORATORIES INC., a company incorporated under the laws of Canada and having its head office at 101 – 2148 West 38th Avenue, Vancouver, BC, Canada, V6M 1R9

("**Next Gen Sub**")

AND:

Dollinger Enterprises Ltd., a company incorporated under the laws of British Columbia and having its registered office at 700-401 West Georgia Street, Vancouver BC V6B 5A1,

("**Dollinger Enterprises**")

AND:

Dollinger Enterprises USA Inc., a Company Incorporated under the laws of Florida and having an address at 212 - 601 Heritage Drive, Florida, US, 33458

("**Dollinger USA**")

(collectively hereinafter referred to as, the "**Parties**")

RECITALS:

A. Next Gen is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario and is in material compliance with all applicable Securities Laws or equivalent in such Provinces. The Next Gen common shares are listed and posted for trading on the Canadian Securities Exchange (the "**CSE**") and Next Gen is in material compliance with the rules of the CSE.

HB

B. Dollinger USA is a wholly owned subsidiary of Dollinger Enterprises. Prior to Closing (as defined herein) Dollinger Enterprises will transfer all of the shares it holds in Dollinger USA to a newly incorporated federal Canadian company ("**Dollinger Canada**").

C. Dollinger USA is a market leader in the distribution and manufacturing of products including vaporizers, accessories and herbs with a presence in 25 countries.

D. Next Gen wishes to acquire all of the issued and outstanding shares of Dollinger Canada through a three-cornered amalgamation whereby Dollinger Canada and Next Gen Sub will amalgamate upon the Closing (as defined herein) and the shareholders of Dollinger Canada will receive post-consolidated shares of Next Gen in exchange for their shares of Dollinger Canada, upon and subject to the terms and conditions set forth in this Agreement (the "**Transaction**").

E. The Transaction is intended to constitute a "**Fundamental Change**" of Next Gen pursuant to the policies of the CSE.

The Board of Directors of each of Next Gen and Dollinger Enterprises have determined that the Transaction is in the best interests of Next Gen and Dollinger Enterprises, respectively.

Upon the Amalgamation (as defined herein) becoming effective, Next Gen Sub and Dollinger Canada shall continue as one corporation under the provisions of the CBCA (as defined herein) on the terms and conditions contained in this Agreement.

The parties hereto covenant and agree each with the other as follows:

1. **INTERPRETATION**

1.1 **Defined Terms** - The following terms have the following meanings in this Agreement:

(a) "**1933 Act**" means the United States *Securities Act of 1933*, as amended;

(b) "**1940 Act**" means the *United States Investment Company Act of 1940*, as amended;

(c) "**Amalco Shares**" means the common shares in the capital of Amalco;

(d) "**Amalco**" means the corporation that will result from the Amalgamation and which will be a wholly-owned subsidiary of the Resulting Issuer after giving effect to the Amalgamation;

(e) "**Amalgamation**" means the amalgamation of Next Gen Sub and Dollinger Canada pursuant to the provisions of the CBCA and whereby Next Gen acquires all of the issued and outstanding Vapes Shares from the holders thereof in exchange for the issuance by Next Gen of Post-Consolidated Next Gen Shares, all on the terms and conditions set forth herein;

(f) "**Applicable Laws**" means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any governmental authority, regulatory body or stock exchange having jurisdiction over the transactions contemplated hereby;

(g) "**Business Day**" means any day except Saturday, Sunday or a statutory holiday in Vancouver, British Columbia or Toronto, Ontario;

(h) "**CBCA**" means the *Canada Business Corporations Act*, as amended from time to time;

(i) **"Certificate of Amalgamation"** means the certificate of amalgamation to be issued by the Director under the CBCA giving effect to the Amalgamation.

(j) **"Change of Control"** means the occurrence of a transaction or series of transactions involving, directly or indirectly, the merger, take-over, amalgamation or any other similar transaction of the Company or its principal business with one or more other entities other than any affiliate of the Company, or, the sale of all or substantially all of the assets of the Company to any entity other than any affiliate of the Company;

(k) **"Closing"** means the completion of the Transaction as contemplated in this Agreement;

(l) **"Closing Date"** means December 15, 2015, or such other date as is mutually agreed upon between Next Gen and Vapes in writing;

(m) **"Corporation"** means Next Gen Metals Inc.;

(n) **"CRA"** means the Canada Revenue Agency;

(o) **"CSE"** has the meaning ascribed thereto in Recital A;

(p) **"Earn-out Shares"** means the milestone shares to be issued to the post-Transaction Management over three years, as set out in Section 2.5, and managed and approved by the Compensation Committee of the Resulting Issuer, as set out in Section 6.1;

(q) **"Effective Date"** means the date of this Agreement;

(r) **"Encumbrances"** means mortgages, charges, pledges, security interests, liens, encumbrances, actions, claims, demands and equities of any nature, including without limitation, any liability for accrued but unpaid taxes;

(s) **"Escrow Agreement"** has the meaning ascribed thereto in Section 2.4;

(t) **"Escrow Shares"** has the meaning ascribed thereto in Section 2.4;

(u) **"Exemptions"** has the meaning ascribed thereto in subsection 2.13(a);

(v) **"Financings"** means the Pre-consolidation Financing and the Post-Consolidation Financing, collectively.

(w) **"Financing Warrants"** means each of the Warrants issued pursuant to the Financings;

(x) **"ITA"** means the Income *Tax Act* (Canada);

(y) **"Listing Statement"** means the disclosure document providing comprehensive disclosure respecting the Transaction, Next Gen and Vapes on Form 2A as required by the CSE;

(z) **"Mineral Agreement"** means the Mineral Property Acquisition Agreement dated the 5th day of November, 2009 between Anglo Alaska Gold Corporation, Next Gen Metals Inc. and Next Gen USA Inc.;

HB

(aa) **"Next Gen Financial Statements"** means the audited balance sheets as at March 31, 2015, March 31, 2014 and March 31, 2013 and the statements of operations and deficit and cash flows for the financial year ended March 31, 2015, and the interim financial statements as at June 30, 2015 as contemplated in Section 5 — Selected Consolidated Financial Information and Section 6 – Management's Discussion and Analysis of Form 2A – Listing Statement of the CSE policies and in accordance with the requirements of National Instrument 41-101;

(bb) "**Next Gen Options**" means stock options exercisable to purchase Next Gen Shares;

(cc) "**Next Gen Shares**" means common shares in the capital of Next Gen;

(dd) "**Next Gen Sub Shares**" means common shares in the capital of Next Gen Sub.

(ee) "**Next Gen Warrants**" means share purchase warrants exercisable to purchase Next Gen Shares;

(ff) "**Pre-Consolidated Financing**" means a non-brokered private placement offering of up to 3,200,000 units of the Corporation at a price of $0.025 per unit ("**Units**"), each Unit consisting of one common share of the Corporation prior to the Share Consolidation (a "**Share**"), and one half of one common share purchase warrant (a "**Warrant**") of the Corporation. Each whole Warrant will entitle the purchaser to purchase one Share of the Corporation for a period of 24 months from closing an exercise price of $0.05 per Share;

(gg) "**Pre-Consolidated Next Gen Shares**" means any Next Gen shares issued prior to the Share Consolidation;

(hh) "**Pre-Consolidated Next Gen Warrants**" means any Next Gen warrants exercisable to purchase Pre- Consolidated Next Gen Shares prior to the Share Consolidation;

(ii) "**Post-Consolidated Concurrent Financing**" means a non-brokered private placement offering of up to 10,000,000 units of the Corporation at a price of $0.10 per unit ("**Units**"), each Unit consisting of one common share of the Corporation post the Share Consolidation (a "**Share**"), and one half of one common share purchase warrant (a "**Warrant**") of the Corporation. Each whole Warrant will entitle the purchaser to purchase one Share of the Corporation for a period of 24 months from closing an exercise price of $0.15 per Share;

(jj) "**Post-Consolidated Next Gen Options**" means the Next Gen Options exercisable to purchase Post-Consolidated Next Gen Shares following the Share Consolidation;

(kk) "**Post-Consolidated Next Gen Shares**" means the common shares in the capital of Next Gen after giving effect to the Transaction, including, the Amalgamation, Share Consolidation, Stock Option Plan Amendment and Name Change;

(ll) "**Post-Consolidated Next Gen Warrants**" means the Next Gen Warrants exercisable to purchase Post-Consolidated Next Gen Shares following the Share Consolidation;

(mm) "**Pro Forma Financial Statements**" means the pro forma financial statements of Vapes and the Resulting Issuer giving effect to the Transaction; HB

(nn) "**Regulatory Approvals**" means all third party approvals required in order for all of the transactions contemplated hereby to be carried out, including without limitation, all required approvals of the CSE;

(oo) "**Resulting Issuer**" means Next Gen after giving effect to the Transaction, including, the Amalgamation, Share Consolidation, Stock Option Plan Amendment and Name Change;

(pp) "**Securities Laws**" means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;

(qq) "**Share Consolidation**" has the meaning attributed thereto in Section 3.1;

(rr) "**Stock Option Plan Amendment**" means an amendment to the current stock option plan of Next Gen from a fixed 20% plan to a rolling 10% plan, in a form to be agreed upon by the Parties, acting reasonably.

(ss) "**Time of Closing**" means 10:00 a.m. (PST) on the Closing Date;

"**Transaction**" has the meaning attributed thereto in Recital D;

(tt) "**Vapes**" means Dollinger USA, Dollinger Enterprises and/or Dollinger Canada, as the context requires;

(uu) "**Vapes Assets**" has the meaning ascribed in Schedule "C";

(vv) "**Vapes Financial Statements**" means the audited financial statement of Vapes for the financial year ended September 3, 3015, as set out in Section 5 and 25.2 of Form 2A – Listing Statement of the CSE's policies and in accordance with the requirements of National Instrument 41-101;

(ww) "**Vapes Shares**" means common shares in the capital of Dollinger Canada; and

(xx) "**Vapes Shareholders**" means the holders of common shares in the capital of Dollinger Canada, effective as of the Closing Time, as set out on Schedule "C" attached hereto.

1.2 **Schedules** – The following schedules attached hereto constitute an integral part of this Agreement:

Schedule "A" – Authorized and Issued Shares of Vapes
Schedule "B" – Authorized and Issued Shares of Next Gen
Schedule "C" – Vapes Shareholders
Schedule "D" – Material Contracts of Next Gen
Schedule "E" – Description of Business and Assets of Vapes
Schedule "F" – Material Contracts of Vapes
Schedule "G" – Vapes Indebtedness
Schedule "H" – Next Gen Indebtedness
Schedule "I" – Form of Lock-up Agreement

LB

1.3 **Headings** – The headings in this Agreement are for reference only and do not constitute terms of the Agreement.

1.4 **Interpretation** – Whenever the singular or masculine is used in this Agreement the same shall be deemed to include the plural or the feminine or the body corporate as the context may require and vice versa.

1.5 **Currency** – Unless otherwise stated, all references to money in this Agreement shall be deemed to be references to the currency of Canada.

1.6 **Number and Gender** - Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders.

1.7 **Date for Any Action** - In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.8 **Meanings** - Unless otherwise specifically indicated or the context otherwise requires, "include", "includes" and "including" shall be deemed to be followed by the words "without limitation".

1.9 **Knowledge** - Where any matter is stated to be "to the knowledge" or "to the best of the knowledge" of a Party or words to like effect in this Agreement, such shall mean the actual knowledge of the Party after due inquiry.

2. **BUSINESS COMBINATION**

2.1 **Business Combination** - Upon and subject to the terms and conditions of this Agreement and pursuant to the terms of the binding Letter of Intent dated September 23, 2015 between Next Gen and Vapes, Next Gen shall acquire all of the issued and outstanding shares of Dollinger Canada through a three-cornered amalgamation whereby Dollinger Canada and Next Gen Sub will amalgamate upon the Closing (as defined herein) and the shareholders of Dollinger Canada will receive post-consolidated shares of Next Gen in exchange for their shares of Dollinger Canada as set out in Schedule "C" and as set out in Paragraph 2.2 below at a deemed price of $0.06 per Post-Consolidated Next Gen Share, upon and subject to the terms and conditions set forth in this Agreement.

2.2 **Purchase Price and Allocation** – Pursuant to the Share Consolidation as defined herein and pursuant to the Transaction, the Vapes Shareholders (prior to giving effect to the Next Gen Private Placements described herein) will receive in the aggregate, 108,654,605 Next Gen Pre-Consolidation Shares (as defined herein), issued on a post Share Consolidation basis. Given a 3 for 1 consolidation, the Vapes Shareholder will receive a total of 36,218,202 Post-Consolidation Next Gen Shares as set out in Schedule "C". The Pre-Consolidated Next Gen Shares are deemed to have a value equal to $0.02 for the purposes of this Transaction or total value of $2,173,092. All principal Vapes Shareholder's shares issued will be held in escrowed as set out in this Agreement.

2.3 **Earn-out Shares** - Pursuant to the Transaction, in addition to the 36,218,202 Next Gen Post-Consolidation Shares being issued, 8,692,368 Next Gen Post-Consolidation Shares will be issued and held in an escrow account for distribution to the post-Transaction management of Next Gen over a period of 3-years, subject to the attainment of certain performance milestones as set out in Section 3 (the "**Earn-out**"). Any shares issued as a result of the Earn-out will be subject to the approval of the Compensation Committee of Next Gen that shall consist of three (3) independent directors.

2.4 **Escrow** - Any Post-Consolidation Next Gen Shares received by "**Principals**" pursuant to the Transaction, as defined in NP 46-201 and the CSE policies ("**Principal Escrow Shares**") will be subject to escrow conditions prescribed by the CSE pursuant to the terms of an agreement (the "**Escrow Agreement**") to be entered into among Next Gen, the holders of Principal Escrow Shares and Computershare Investor Services Inc., as escrow agent. Such agreement will be in the form prescribed by the CSE.

HB

2.5 **Earn-out Escrow** - Any Post-Consolidation Next Gen Shares received by holders of the Earn-out Shares, pursuant to the Transaction, as defined in NP 46-201 and the CSE policies ("**Earn-Out Escrow Shares**") and together with the Principal Escrow Shares, the "**Escrow Shares**") will be subject to escrow conditions prescribed by the CSE pursuant to the terms of the Escrow Agreement.

2.6 **Tax Liability** – Next Gen does not assume and shall not be liable for any taxes under the ITA or any other taxes whatsoever which may be or become payable by Vapes including, without limiting the generality of the foregoing, any taxes resulting from or arising as a consequence of the sale by Vapes to Next Gen of the Vapes Shares herein contemplated, and Vapes shall indemnify and save harmless Next Gen from and against all such taxes. Prior to Closing Vapes shall provide Next Gen with a confirmation that all State and Federal taxes have been paid and Vapes is current in filing its tax returns.

Vapes does not assume and shall not be liable for any taxes under the ITA or any other taxes whatsoever which may be or become payable by Next Gen, and Next Gen shall indemnify and save harmless Vapes from and against all such taxes. Prior to Closing Next Gen shall provide Vapes with a confirmation that all Provincial, State and Federal taxes have been paid and Next Gen is current in filing its tax returns.

2.7 **Implementation Steps**

(a) Dollinger Canada covenants that it shall call a meeting of its shareholders or obtain a written resolution of its shareholders to approve the Transaction and the Amalgamation as soon as reasonably practicable and, in any event, no later than November 30, 2015, or such other date as may be agreed to by Next Gen and Vapes.

(b) Next Gen covenants in favour of Vapes that it shall call a meeting of its shareholders to approve, or obtain a written resolution of its shareholders to approve the Transaction, Name Change, Stock Option Plan Amendment and Consolidation as soon as reasonably practicable and, in any event, no later than November 30, 2015, or such other date as may be agreed to by Next Gen and Vapes.

(c) Next Gen Sub covenants in favour of Vapes that it shall call a meeting of its shareholders to approve, or obtain a written resolution of its shareholders to approve the Amalgamation as soon as reasonably practicable and, in any event, no later than November 30, 2015, or such other date as may be agreed to by Next Gen and Vapes.

(d) Each of Next Gen, Next Gen Sub and Vapes covenants to each other to use their commercially reasonable efforts to perform their respective obligations under this Agreement.

2.8 **Filing of Articles of Amalgamation** - Subject to the rights of termination contained in Section 13 hereof, upon satisfaction and/or waiver of all Conditions Precedent, Next Gen Sub and Dollinger Canada shall jointly file with the Director the Articles of Amalgamation and such other documents as are required to be filed under the CBCA to give effect to the Amalgamation, pursuant to provisions of the CBCA.

2.9 **Effect of the Amalgamation** - At the Effective Time, the following shall occur and shall be deemed to occur in the following order without any further act or formality:

HB

(a) Next Gen Sub and Dollinger Canada shall amalgamate to form Amalco and shall continue as one company under the CBCA in the manner set out in Section 2.10 hereof and with the effect set out in the CBCA;

(b) immediately upon the amalgamation of Dollinger Canada and Next Gen Sub as set forth in Section 2.9(a):

(i) each one (1) Vapes Share outstanding immediately before the Effective Time shall be exchanged for one (1) Resulting Issuer Share and the Vapes Shares shall be deemed to have been cancelled as of the Effective Date;

(ii) each one (1) Next Gen Sub Share outstanding immediately before the Effective Time shall be exchanged for one (1) Amalco Share and the Next Gen Sub Shares shall be deemed to have been cancelled as of the Effective Date;

(c) with respect to each Vapes Share and Next Gen Sub Share exchanged in accordance with Section 2.9(b):

(i) the holders thereof shall cease to be the holders of such Next Gen Sub Share and Vapes Share as the case may be, and the name of such holder shall be removed from the applicable register of holders of such securities, as the case may be;

(ii) the Next Gen Sub Shares and Vapes Shares shall be deemed to have been cancelled as of the Effective Date; and

(iii) the holders thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to exchange or transfer such securities in accordance with Section 2.9(c);

provided that none of the foregoing shall occur or shall be deemed to occur unless all of the foregoing occurs

2.10 **Amalgamated Corporation** - Unless and until otherwise determined in the manner required by law, by Amalco or by its directors or the holder or holders of the Amalco Shares, the following provisions shall apply:

(a) *Name*. The name of Amalco shall be "*Namaste Technologies Holdings Inc.*";

(b) *Registered Office*. The municipality where the registered office of Alamco shall be located is Vancouver, British Columbia. The address of the registered office of Amalco shall be Suite 101 – 2148 West 38th Avenue, Vancouver, BC V6M 1R9

(c) *Business and Powers*. There shall be no restrictions on the business that Amalco may carry on or on the powers it may exercise;

(d) *Authorized Share Capital*. Amalco shall be authorized to issue an unlimited number of Amalco Shares;

(e) *Number of Directors*. The number of directors of Amalco shall be not less than 1 and not more than 10 as the shareholder(s) of Amalco may from time to time determine by special resolution or, if empowered to do so by special resolution, as the director(s) of Amalco may from time to time determine;

(f) *Initial Directors*. The initial director(s) of Amalco shall be as set out in Section 5.2

HB

2.11 **Stated Capital** - The amount added to the stated capital of the Resulting Issuer in respect of the Post-Consolidated Next Gen Shares issuable by Next Gen pursuant to Section 2.9 shall be equal to the paid-up capital (within the meaning of the Income Tax Act), determined immediately before the Effective Time, of the Vapes Shares converted into Post-Consolidated Next Gen Shares pursuant to Section 2.9

2.12 **Filings** - Each of Next Gen and Vapes shall promptly notify the other if at any time before the Effective Time it becomes aware that the Filing Statement contains any misrepresentation or any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Filing Statement. In any such event, Next Gen and Vapes shall co-operate in the preparation of a supplement or amendment to Filing Statement, as required and as the case may be, and, if required by applicable Law, shall cause the same to be filed with the relevant regulatory authorities, as applicable.

Subject to Next Gen and Vapes' complying with the above, Next Gen and Vapes shall ensure that the Filing Statement, complies with all applicable Laws and, as applicable, without limiting the generality of the foregoing, that the Filing Statement does not contain any misrepresentation or any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made provided that no party shall be liable for the information of another resulting from non-compliance this section.

2.13 **Acknowledgements** – Vapes hereby acknowledges and agrees with Next Gen as follows:

(a) the issuance of the Post-Consolidated Next Gen Shares will be made pursuant to appropriate exemptions (the "**Exemptions**") from the formal takeover bid and registration and prospectus (or equivalent) requirements of the Securities Laws;

(b) as a consequence of acquiring the Post-Consolidated Next Gen Shares pursuant to the Exemptions:

(i) the Vapes Shareholder will be restricted from using certain of the civil remedies available under the Securities Laws;

(ii) the Vapes Shareholders may not receive information that might otherwise be required to be provided to the Vapes Shareholders, and Next Gen is relieved from certain obligations that would otherwise apply under Securities Laws if the Exemptions were not being relied upon by Next Gen; and

(iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Post-Consolidated Next Gen Shares;

(c) the certificates representing the Post-Consolidated Next Gen Shares will bear such legends as may be required by Securities Laws and the policies of the CSE;

(d) if any Vapes Shareholder is a resident of any jurisdiction other than British Columbia, the Vapes Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of that jurisdiction which apply to the issuance of the Post-Consolidated Next Gen Shares and which may impose restrictions on the resale of such Post-Consolidated Next Gen Shares in that jurisdiction and it is the responsibility of the Vapes Shareholder to find out what those resale restrictions are, and to comply with them before selling the Post-Consolidated Next Gen Shares; and

(e) without in any way limiting the generality of the foregoing, the British Columbia Securities Act provides that the Vapes Shareholders must hold and may not sell, transfer or in any manner dispose of the Post-Consolidated Next Gen Shares, in British Columbia until four months and one day after the date of issue of the Post-Consolidated Next Gen

Shares unless the disposition is made in compliance with the *Securities Act* (British Columbia).

3. **EARN-OUT SHARES**

3.1 In connection with the Transaction, an additional 8,692,368 Post-Consolidated Next Gen Shares will be issued and held in Escrow for distribution to the post-Transaction management of Next Gen over a period of three-years, subject to the attainment of certain performance milestones (the "**Earn-out**"). In the event of a Change of Control, any Earn-out shares held in escrow shall be automatically deemed to be fully earned and allocated to the post-transaction management. In all cases, the allocation of Earn-out shares will be managed by the Compensation Committee of the post-transaction Corporation, as defined herein, and any shares issued from Escrow will be subject to statutory hold periods as well as any hold period imposed by the CSE. Other than in the event of a Change of Control, the shares Earn-Out shall be issued equally over the timeline; thus meaning, each year commencing January 1, 2016, one-third of 8,692,368 Next Gen Pre-Consolidated Shares, or 2,897,456 Post-Consolidated Next Gen Shares, will be available for allocation. The following table sets forth the criteria and weighting of each category.

Criteria	**Weighting**	**Factors**
Revenue and Profitability	50%	**Year 1:** 0% of annual total earn-out for revenue less than \$3.0 million and 100% for revenue equal to or greater than \$5.0 million **Year 2:** 0% of annual total earn-out for revenue less than \$5.0 million and 100% for revenue equal to or greater than \$7.0 million **Year 3:** 0% of annual total earn-out for revenue less than \$7.0 million and 100% for revenue equal to or greater than \$9.0 million In all years, gross margin (defined as total revenue less the cost of manufacturing or purchasing each product) to be maintained above 30% If half of above is achieved, half of the shares will be issued for the period. For example, if revenue for the first year equals \$4.5 million, than 50% of the weighted (60% of total) shares for sales and profitability available for the period will be allocated

143

Criteria	Weighting	Factors
Share Price Performance and Capital Raised	35%	Maintain sufficient capital balances to fund the proposed capital budgets of management for the period to be presented and approved by the board of directors for each of the 3-years Strong share price performance and liquidity in relation to the peer group of the corporation. Management presentation to be made to the Compensation Committee of the Corporation at the end of each period
Administrative Management	15%	Accurate books and records for all reporting periods Compliance with all rules, regulations and best practises for the jurisdictions in which the Corporation does business Regular management updates on financial performance and position, and capital budgets Efficient and professional processing of any and all corporate financial transactions, including mergers and acquisitions, and equity and debt raises, and strategic partnerships

HB

3.2 Any shares issued as a result of the Earn-out will be subject to the approval of the Compensation Committee of Next Gen as set out in Section 6.1.

4. NAME CHANGE AND SHARE CONSOLIDATION

4.1 Concurrently with the Closing, Next Gen shall complete a share consolidation of its issued and outstanding share capital on a 3:1 basis (meaning three pre-consolidation Next Gen Shares for each one Post-Consolidation Next Gen Share) (the "**Share Consolidation**").

4.2 Concurrently with Closing, Next Gen shall change its name to "**Namaste Technologies Inc.**" or such other name as is acceptable to Next Gen and Vapes, acting reasonably (the "**Name Change**").

4.3 Prior to Closing, Next Gen shall obtain shareholder approval of the Transaction, Name Change, Share Consolidation, and the Stock Option Plan Amendment. Next Gen shall use reasonable commercial efforts to obtain such shareholder approval.

4.4 Prior to Closing, Next Gen Sub shall obtain shareholder approval of the Amalgamation. Next Gen Sub shall use reasonable commercial efforts to obtain such shareholder approval.

4.5 Subject to the acceptance of the CSE, Next Gen shall cancel all of its 1,495,000 stock options which are allocated and issued pursuant to Next Gen's Stock Option Plan. No stock options can be granted to the same individual until 30 days has elapsed from the date of cancellation.

4.6 Subject to the acceptance of the CSE, concurrently with the Closing, the new board of directors of the Resulting Issuer pursuant to Section 5.2 of this Agreement will grant stock options in accordance with the Stock Option Plan to directors, officers, and consultants of the Resulting Issuer which will allow the holders thereof to acquire up to 3,500,000 Post-Consolidated Next Gen Shares at a purchase price of $0.15 per share, exercisable at any time from the Closing Date for a period of five years.

5. CHANGE IN DIRECTORS AND OFFICERS OF NEXT GEN

5.1 **Board of Directors** – Upon completion of the Transaction, and effective as of the Closing, the board of directors of the Resulting Issuer will consist of five directors, three of whom shall be designated by Vapes and the remaining two directors shall be designated by Next Gen.

5.2 Upon Closing of the Transaction, the directors and officers of the Resulting Issuer will consist of:

Sean Dollinger	President, CEO & Director
Kory Zelickson	COO
Blair Henderson	CFO
Darren Collins	EVP, Corporate Development
Tina Whyte	Corporate Secretary
Harry Barr	Chairman & Director
Sefi Dollinger	Director (Independent)
Gary Moore	Director (independent)
Peter Simeon	Director (Independent)

If any of the proposed directors and officers are not acceptable to the CSE, the directors of Next Gen and Vapes, acting reasonably and in good faith, shall nominate such other person as may be acceptable to the CSE.

5.3 **PIFs** - Vapes shall deliver a Form 3 – Personal Information/Consent Form of the CSE duly completed by each of the proposed directors and officers of the Resulting Issuer to Next Gen, who are not current directors or officers of Next Gen,on or before the Closing. HB

5.4 **Resignations** – At the Closing, Next Gen shall deliver resignations of those directors and officers of Next Gen who are either not continuing with the Resulting Issuer or are continuing in a different capacity or role, such resignations to include waivers in respect of any liabilities of Next Gen to them in a form acceptable to Vapes, acting reasonably.

6. COMMITTEES, ADVISORY BOARD MEMBERS AND CONSULTANTS

6.1 **Committees, Advisory Board Members** - At the Closing the directors will appoint the following committee and advisory board members of the Resulting Issuer:

Audit Committee Members:

Harry Barr — Chairman
Gary Moore — Independent
Peter Simeon — Independent

Compensation Committee Members:

Sean Dollinger — Chair

Gary Moore	—	Independent
Sefi Dollinger	—	Independent
Peter Simeon	—	Independent

Advisory Board Members:
Adam Potts
Jay Oness
Mike Neumann
John Londry

7. COVENANTS AND AGREEMENTS

7.1 **Given by Vapes** – Vapes covenants and agrees with Next Gen that Vapes will:

(a) permit representatives of Next Gen, at their own cost, full access during normal business hours to their respective books, records and property including, without limitation, all of the assets, contracts, financial records and minute books of Vapes, so as to permit Next Gen to make such continuing investigation of Vapes as Next Gen deems necessary;

(b) provide to Next Gen all such further documents, instruments and materials and do all such commercially reasonable acts and things as may be reasonably required by Next Gen to seek and obtain the Regulatory Approvals, including providing Next Gen with:

(i) the information it requires in connection with Vapes for the Listing Statement and other documents that may be required to complete the Transaction;

(ii) an opinion of its Canadian counsel respecting the corporate status of Dollinger Canada; and

(iii) such other documents as Next Gen may reasonably request;

(c) do all such commercially reasonable acts and things reasonably necessary to ensure that all of the representations and warranties of Vapes remain true and correct and, to the extent commercially reasonable, not do any such act or thing that would render any representation or warranty untrue or incorrect; 13

(d) from and including the Effective Date through to and including the Time of Closing, preserve and protect the goodwill, assets, business and undertaking of Vapes and, without limiting the generality of the foregoing, carry on the business of Vapes in a reasonable and prudent manner;

(e) deliver to Next Gen such disclosure and certify to the British Columbia, Alberta, and Ontario Securities Commissions, the CSE, and Next Gen that the disclosure in the Listing Statement with respect to Vapes constitutes full, true and plain disclosure;

(f) use its commercially reasonable efforts to obtain all required third party consents and any shareholder approvals, consents or agreements to be able to deliver the issued and outstanding Shares of Vapes on Closing;

(g) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out and to close the Transaction and related transactions by the Closing Date and in any event no later than December 15, 2015, or such later date as may be approved in writing by Next Gen and Vapes;

(h) from and including the Effective Date through to and including the Time of Closing, carry on its business in the ordinary course and as otherwise contemplated by this Agreement;

(i) from and including the Effective Date through to and including the Time of Closing, except as set out in this Agreement, not issue, nor reach any agreement or understanding with any other party to issue, any securities without the prior written consent of Next Gen, such consent not to be unreasonably withheld or delayed; and

(j) from and including the Effective Date through to and including the Time of Closing, not directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into negotiations with, any person (other than Next Gen), with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of it, unless such action is necessary to comply with the fiduciary duties of the directors and officers of Vapes.

7.2 **Given by Next Gen** - Next Gen covenants and agrees with Vapes that Next Gen will:

(a) permit representatives of Vapes full access during normal business hours to Next Gen's property, books and records including, without limitation, all of the assets, contracts, financial records and minute books of Next Gen, so as to permit such continuing investigation of Next Gen as Vapes deem reasonably necessary;

(b) use its commercially reasonable efforts to obtain, in a timely manner, all necessary shareholder and Regulatory Approvals for the transactions contemplated hereunder;

(c) prepare the Listing Statement, file it with the CSE and make such amendments to it as may be required by the CSE as part of the approval process for the transactions contemplated by this Agreement; 143

(d) from and including the Effective Date through to and including the Time of Closing, not carry on any business or activity except as contemplated herein;

(e) from and including the Effective Date through to and including the Time of Closing, not directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into negotiations with, any person (other than Vapes), with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of it, unless such action is necessary to comply with the fiduciary duties of the directors and officers of Next Gen;

(f) certify to the British Columbia, Alberta, and Ontario Securities Commissions, the CSE, and Vapes that the disclosure in the Listing Statement with respect to Next Gen constitutes full, true and plain disclosure;

(g) use its best efforts to obtain the shareholders and the CSE's approval of the Transaction and re-qualifying for listing the shares of Next Gen under the policies of the CSE;

(h) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out below and to close the Transaction and related transactions by the Closing Date and in any event no later than December 15, 2015, or such later date as may be approved in writing by Next Gen and Vapes;

(i) from and including the Effective Date through to and including the Time of Closing, do all such commercially reasonable acts and things necessary to ensure that all of the representations and warranties of Next Gen remain true and correct and, to the extent commercially reasonable, not do any such act or thing that would render any representation or warranty of Next Gen untrue or incorrect;

(j) from and including the Effective Date through to and including the Time of Closing, to use its commercially reasonable efforts to ensure that its common shares remain listed on the CSE and that it remains in good standing under all Applicable Laws;

(k) use its commercially reasonable efforts to complete the Financings concurrently with the Transaction; and

(l) use its commercially reasonable efforts to obtain all consents, approvals, permits, authorizations or filings as may be required under applicable corporate laws, securities laws, the rules and policies of the CSE and the constating documents of Next Gen for the performance by Next Gen of its obligations under this Agreement prior to the Closing.

8. FINDER'S FEE

It is agreed upon that a 4% finder's fee, payable in common shares of Next Gen and based on the shares issued in connection with the Transaction, in accordance with the policies of the CSE, will be payable at the closing of the Transaction to EMD Financial, or to an alternate registered exempt market dealer in good standing. Assuming 36,218,202 Next Gen Post-Consolidation Shares are issued pursuant to the terms of the Transaction, a finder's fee of 1,448,728 will be payable at closing. A finder's fee is not payable in relation to the Earn-out Shares.

9. CONDITIONS PRECEDENT

9.1 **In Favour of All Parties** - The obligations of all parties under this Agreement are subject to the fulfillment of the following conditions:

(a) Vapes and Next Gen will have obtained, on terms acceptable to both of them, acting reasonably, all consents, orders and approvals from all third parties that are necessary to complete the transactions contemplated by this Agreement, including without limitation the receipt of all necessary Regulatory Approvals including approval of the CSE and the shareholders to the Transaction;

(b) Next Gen will have completed the Name Change, Share Consolidation, and Stock Option Plan Amendment, and, to the extent required, its shareholders will have approved the Name Change, Share Consolidation and Stock Option Plan Amendment;

(c) Pacific North West Capital Corp., Harry Barr, and Frontier Merchant Capital Group Inc. entering into lock-up agreements substantially in the form of agreement set forth in Schedule "I";

(d) Sean Dollinger, Kory Zelickson, Harry Barr, Blair Henderson, Tina Whyte, and Darren Collins having entered into consulting agreements in a form to be determined by the Parties, acting reasonably and in good faith; HB

(e) the Post-Consolidated Next Gen Shares to be issued in connection with the Transaction or the Financings or upon the exercise of Post-Consolidated Next Gen Options or Post-Consolidated Next Gen Warrants as described in this Agreement will have been allotted for issue by the directors of Next Gen and conditionally accepted for listing on the CSE by the CSE, subject to Next Gen fulfilling the CSE's requalifying listing requirements;

(f) receipt of conditional approval from the CSE for the Transaction;

(g) incorporation and organization of Dollinger Canada and completion of the share transfer of the Dollinger USA shares from Dollinger Enterprises to Dollinger Canada;

(h) completion of the Financings for minimum combined gross proceeds of $500,000;

(i) Next Gen will have terminated the Mineral Agreement and have no obligations remaining thereunder;

(j) completion of documentation for the shareholder loan and inventory payout as set forth in Schedule "G"; and

(k) there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Transaction and the Financing.

9.2 **In Favour of Next Gen** – Next Gen's obligations under this Agreement are subject to the fulfilment of the following conditions:

(a) Vapes will have complied with all of their respective covenants and agreements contained in this Agreement;

(b) the representations and warranties of Vapes or any one of them will be completely true at the Time of Closing as if such representations and warranties had been made by Vapes as of the Time of Closing;

(c) Vapes will have delivered to Next Gen the documents described in Section 11.3; and

(d) except as set out in this Agreement or consented to by Next Gen, there will have been no material transaction out of the ordinary course of business of Vapes or any material adverse change in Vapes's financial condition, assets or liabilities (contingent or otherwise).

The conditions precedent set forth above are for the exclusive benefit of Next Gen and may be waived by it in whole or in part on or before the Time of Closing.

9.3 **In Favour of Vapes** – Vapes's respective obligations under this Agreement are subject to the fulfilment of the following conditions:

(a) Next Gen will have complied with all of its covenants and agreements contained in this Agreement;

(b) the representations and warranties of Next Gen will be completely true at the Time of Closing as if such representations and warranties had been made by Next Gen as of the Time of Closing;

(c) Next Gen will have delivered to Vapes the documents described in Section 11.4; and

143

(d) except as set out in this Agreement or consented to by Vapes, there will have been no material transaction out of the ordinary course of business of Next Gen or any material adverse change in Next Gen's financial condition, assets or liabilities (contingent or otherwise).

The conditions precedent set forth above are for the exclusive benefit of Vapes and may be waived by Vapes for itself in whole or in part on or before the Time of Closing.

10. REPRESENTATIONS AND WARRANTIES

10.1 **Concerning Next Gen and its Subsidiaries** - In order to induce Vapes to enter into this Agreement and complete their respective obligations hereunder, Next Gen and its subsidiaries represent and warrant jointly and severally to Vapes and the Vapes Shareholders that:

(a) Next Gen is a corporation duly incorporated and validly existing under the laws of the Province of British Columbia and is in good standing and has the power, authority and capacity to enter into this Agreement and carry out its terms, and to conduct its business as such business is now being conducted;

(b) the articles, notice of articles and other constating documents of Next Gen as amended to the date hereof, copies of which are delivered to Vapes, are complete and accurate;

(c) each of the subsidiaries of Next Gen is a corporation duly incorporated and validly existing under its laws of formation and is in good standing and has the power, authority and capacity to enter into this Agreement and carry out its terms, and to conduct its business as such business is now being conducted;

(d) the articles, notice of articles and other constating documents of each of the subsidiaries of Next Gen as amended to the date hereof, copies of which are delivered to Vapes, are complete and accurate;

(e) Next Gen has the following wholly-owned subsidiaries:

(i) Next Gen USA Inc., a company incorporated pursuant to the laws of Alaska;

(ii) Next Gen USA Inc., a company incorporated pursuant to the laws of Nevada;

(iii) GreenRush Analytical Laboratories Inc., a company incorporated pursuant to the laws of Canada; and

(iv) GreenRush Financial Conferences Inc., a company incorporated pursuant to the laws of Canada.

(f) Next Gen is a "reporting issuer" within the meaning of securities laws in British Columbia, Alberta and Ontario, is not in default of any requirement of any Securities Laws;

(g) no order ceasing trading in securities of Next Gen or prohibiting the sale of securities by Next Gen has been issued and no proceedings for this purpose have been instituted, or are pending, or, to the knowledge of Next Gen, after due inquiry, are contemplated or threatened.

HB

(h) as of their respective dates, all information and materials filed by Next Gen with the British Columbia Securities Commission since July 6, 2005, and which is available through the SEDAR website as of the date hereof (including all exhibits and schedules thereto and documents incorporated by reference therein) (collectively, the "**Public Record**") did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and complied in all material respects with all applicable legal and stock exchange requirements;

(i) the common shares of Next Gen are listed for trading on the CSE;

(j) subject to the acceptance of the CSE, the execution and delivery of this Agreement and all other related agreements or documents, and the completion of the transactions contemplated hereby, will by Closing have been duly and validly authorized by all necessary corporate acts on the part of Next Gen and do not require Next Gen to obtain any other authorization, approval, order, license, permit, consent, certificate or registration, except for the approval of the shareholders of Next Gen for the Transaction, Name Change and Share Consolidation, and this Agreement constitutes a legal, valid and binding obligation of Next Gen, enforceable in accordance with its terms;

(k) the execution and delivery of this Agreement and all other related agreements or documents, and the completion of the transactions contemplated hereby, will by Closing have been duly and validly authorized by all necessary corporate acts on the part of Next Gen Sub and do not require Next Gen Sub to obtain any other authorization, approval, order, license, permit, consent, certificate or registration, except for the approval of the shareholders of Next Gen Sub for the Amalgamation, and this Agreement constitutes a legal, valid and binding obligation of Next Gen Sub, enforceable in accordance with its terms;

(l) the authorized share capital of Next Gen consists of an unlimited number of common shares without par value of which as of the date of this Agreement 21,730,921 Next Gen Shares are issued and outstanding as fully paid and non-assessable shares which, subject to the Share Consolidation, shall remain the same at Closing subject only to the issuance of additional Next Gen Shares upon exercise of outstanding share purchase warrants and options described in Schedule "B" or on completion of the Financing;

(m) except as disclosed in Schedule "B" or as issued or made issuable under the Financing, there are and will be at Closing no outstanding Next Gen Warrants, Next Gen Options or other arrangements under which Next Gen is bound or obligated to issue additional Next Gen Shares, Next Gen Warrants, Next Gen Options, or other options or rights to acquire Next Gen Shares;

(n) other than as contemplated in this Agreement, Next Gen or its subsidiaries do not have any agreements, options or commitments to acquire any shares or securities of any corporation or to acquire or lease any business operations, real property or assets;

(o) subject to Securities Laws and the rules and policies of the CSE, Next Gen has the full and lawful right and authority to issue the Post-Consolidated Next Gen Shares to the Vapes Shareholders in connection with the Transaction and upon completion of the Transaction, the Post-Consolidated Next Gen Shares will be validly issued as fully paid and non-assessable common shares in the capital of Next Gen free and clear of all Encumbrances;

(p) neither the execution and delivery of this Agreement nor consummation of the transactions contemplated hereby will conflict with or result in the breach of any of the terms or provisions of, or constitute a default under, the constating documents, director or shareholder resolutions of Next Gen or its subsidiaries or any agreement or instrument to which Next Gen or its subsidiaries is a party or by which it or its assets are bound or any order, decree, statute, regulation, covenant or restriction applicable to Next Gen or its subsidiaries;

(q) Next Gen and its subsidiaries have conducted and are conducting their business in compliance in all material respects with all applicable laws, rules and regulations of each jurisdiction in which its business is carried on and holds necessary licences, permits, approvals, consents, certificates, registrations and authorizations, whether governmental, regulatory or otherwise, to enable its business to be carried on as now conducted and its property and assets to be owned, leased and operated, and the same are validly existing and in good standing and none of such licenses, permits, approvals, consents, certificates, registrations and authorizations contains any burdensome term, provision, condition or limitation, which has or would reasonably be expected to have a material adverse effect on the operation of its business as now carried on;

(r) there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of Next Gen or its subsidiaries) pending or, to the knowledge of Next Gen or its subsidiaries after due inquiry, threatened by or against Next Gen or its subsidiaries, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental court, department, commission, board, bureau, agency or instrumentality, domestic or foreign and neither Next Gen nor its subsidiaries is aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success;

(s) Neither Next Gen nor its subsidiaries is in default or breach of its obligations under any material contracts to which it is a party and to the knowledge of Next Gen after due inquiry, there exists no state of facts which, after notice or lapse of time or both, would constitute such a default or breach, and all such material contracts are now in good standing and in full force and effect without amendment thereto and Next Gen is entitled to all benefits thereunder. Further, there are no outstanding material disputes under any such contracts and no consents, releases, waivers or approvals are necessary under such contracts with regard to the transactions described in this Agreement. Next Gen is not aware of any other party having an intention to terminate, either by notice or breach, any material contract made with Next Gen or its subsidiaries;

(t) Neither Next Gen nor its subsidiaries is a party to any material contracts except as described in Schedule "D";

(u) Neither Next Gen nor its subsidiaries have any obligations under the Mineral Agreement;

(v) Each of Next Gen and its subsidiaries has filed with appropriate federal, state, provincial and local taxation authorities all returns, reports and declarations which are required to be filed by it and no taxing authority is asserting or has, to the knowledge of Next Gen threatened to assert, or has any basis for asserting against Next Gen or its subsidiaries any claim for additional taxes or interest thereon or penalty;

HZ

(w) the financial statements of Next Gen available on SEDAR, including the Next Gen Financial Statements, are based on the books and records of Next Gen, which are true and correct in every material respect, and fairly present the financial condition of Next Gen at the date thereof and the results of the operations for such periods, in accordance with Canadian generally accepted accounting principles. No information has come to the attention of Next Gen since the dates that the Next Gen Financial Statements were issued that would or would reasonably be expected to require any restatement or revision of any such Next Gen Financial Statements;

(x) Next Gen and its subsidiaries have no indebtedness, liabilities or obligations, secured or unsecured (whether accrued, absolute, contingent or otherwise) which are not disclosed in the financial statements available on SEDAR, except for those incurred in connection with the transactions contemplated by this Agreement; and

(y) other than set forth in this Agreement, Next Gen or its subsidiaries do not have any obligations or liabilities to pay any amount to its officers, directors or employees relating to salary and directors' fees in the ordinary course, including but not limited to the obligations of Vapes to officers, directors or employees for severance, retention, termination or bonus payments as a result of the Transaction;

(z) no unfair labour practice complaint against Next Gen or its subsidiaries is pending before any labour relations board or similar governmental tribunal or agency and no such complaint has been filed since the incorporation of Next Gen or its subsidiaries, and no notice has been received by Next Gen or its subsidiaries of any complaints filed by any employees against Next Gen or its subsidiaries claiming that Next Gen or its subsidiaries has violated any employee or human rights or similar legislation in any jurisdiction in which the business of Next Gen or its subsidiaries is conducted, and no such complaint has been filed since the incorporation of Next Gen or its subsidiaries n;

(aa) Next Gen and its subsidiaries has withheld from each payment to its officers, directors, employees and shareholders the amount of all taxes and other deductions required to be withheld therefrom and has paid the same to the proper receiving officer within the time required under applicable legislation;

(bb) Next Gen or its subsidiaries has never had any reportable disagreement (within the meaning of applicable Securities Laws) with the present or any former auditor of Next Gen; and

(cc) Next Gen is a "foreign issuer" (as such term is defined in Regulation S under the 1933 Act), with no "substantial U.S. market interest" (as such term is defined in Regulation S under the 1933 Act) in any class of its equity securities, and it is not an "investment company" (as such term is defined under the United States Investment Company Act of 1940, as amended) registered or required to be registered under the 1940 Act. Next Gen, its affiliates and anyone acting on its or their behalf have not and will not engage in any "directed selling efforts" (as such term is defined in Regulation S under the 1933 Act) with respect to the securities to be issued to the Vapes Shareholders as a part of the Transaction, and such persons have not and will not engage in any "general solicitation" or "general advertising" with respect to the securities to be issued to the Vapes Shareholders in the Transaction. Next Gen or the Resulting Issuer, as applicable, within prescribed time periods, will prepare and file any forms or notices required under the 1933 Act or applicable blue sky laws in connection with the issuance of the securities to the Vapes Shareholders.

HB

10.2 **Concerning Vapes** - In order to induce Next Gen to enter into this Agreement and complete its obligations hereunder, Vapes represents and warrants to Next Gen that:

(a) Vapes is a corporation duly incorporated, validly existing and in good standing under the laws of the Province of British Columbia and has the power, authority and capacity to enter into this Agreement and to carry out its terms, and has all necessary corporate power to carry out the business and own the subsidiaries and patents described in Schedule "E" and to conduct its business as such business is now being conducted;

(b) the articles, by-laws and other constating documents of Vapes as amended to the date hereof, copies of which are delivered to Next Gen, are complete and accurate;

(c) Vapes has no and never has had any subsidiaries, is not a partner or participant in any partnership, joint venture, profit-sharing arrangement or other association of any kind, except as set out in Schedule "E" or Schedule "F";

(d) Vapes is not a "reporting issuer" under applicable securities laws in any jurisdiction and there is no published market in respect of the Vapes Shares;

(e) No order ceasing or suspending trading in securities of Vapes or prohibiting the sale of securities by Vapes has been issued and no proceedings for this purpose have been instituted, or are pending, or, to the knowledge of Vapes, after due inquiry, are contemplated or threatened;

(f) the execution and delivery of this Agreement and all other related agreements or documents, and the completion of the transactions contemplated hereby, will by Closing have been duly and validly authorized by all necessary corporate acts on the part of Vapes, and this Agreement constitutes a legal, valid and binding obligation of Vapes, enforceable in accordance with its terms;

(g) the authorized share capital of Dollinger Enterprises consists of an unlimited number of common shares without par value of which one hundred (100) Vapes Shares are outstanding as of the date hereof;

(h) there are and will be at Closing no outstanding warrants, options or other rights or other arrangements under which Vapes is bound or obligated to issue additional Vapes Shares, warrants or other options or rights to acquire Vapes Shares, other than the issuances of the Vapes Shares to the Vapes Shareholders as provided for in Schedule "C";

(i) other than as disclosed in writing to Next Gen or as contemplated in this Agreement, Vapes does not have any agreements, options or commitments to acquire any shares or securities of any corporation or to acquire or lease any business operations, real property or assets;

(j) there are no adverse, proprietary, possessory or other interests or agreements affecting the business, subsidiaries and patents, and no person is entitled to any royalty or other payment in the nature of royalty on any other revenues generated by Vapes or its subsidiaries;

(k) neither the execution and delivery of this Agreement, nor the completion of the transactions contemplated hereby will conflict with or result in any breach of any of the terms and provisions of, or constitute a default under, the constating documents, director or shareholder resolutions of Vapes, or any agreement or instrument to which Vapes or its subsidiaries are a party or are bound or any order, decree, statute, regulation, covenant or restriction applicable to Vapes or any of its subsidiaries;

HB

(l) Vapes has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations of each jurisdiction in which its business is carried on and holds necessary licences, permits, approvals, consents, certificates, registrations and authorizations, whether governmental, regulatory or otherwise, to enable its business to be carried on as now conducted and its property and assets to be owned, leased and operated, and the same are validly existing and in good standing and none of such licenses, permits, approvals, consents, certificates, registrations and authorizations contains any burdensome term, provision, condition or limitation, which has or would reasonably be expected to have a material adverse effect on the operation of its business as now carried on;

(m) to the knowledge of Vapes, there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of Vapes) pending or threatened by or against Vapes at law or in equity, or before or by any federal, provincial, state, municipal or other governmental court, department, commission, board, bureau, agency or instrumentality, domestic or foreign and Vapes is not aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success;

(n) Vapes has not received any notice of proceedings relating to the revocation or modification of any certificate, authority, permit or license which, if the subject of an unfavourable decision, ruling or finding would materially and adversely affect the conduct of the business, operations, financial condition or income of Vapes;

(o) to the knowledge of Vapes, after due inquiry, there is not pending, or threatened or contemplated, any suit, action, legal proceeding, litigation or governmental investigation of any sort which would:

  (i) in any manner restrain or prevent legally transferring the Vapes Shares to Next Gen in accordance with this Agreement;

  (ii) cause an Encumbrance to be attached to the Vapes Shares or Assets; or

  (iii) make Vapes or Next Gen liable for damages in connection with the Transaction;

(p) Vapes is not in default or breach of its obligations under any material contracts to which it is a party and to the knowledge of Vapes, there exists no state of facts which, after notice or lapse of time or both, would constitute such a default or breach, and all such material contracts are now in good standing and in full force and effect without amendment thereto and Vapes is entitled to all benefits thereunder. Further, there are no outstanding material disputes under any such contracts and no consents, releases, waivers or approvals are necessary under such contracts with regard to the transactions described in this Agreement. Vapes is not aware of any other party having an intention to terminate, either by notice or breach, any material contract made with Vapes;

(q) Vapes is not a party to any material contracts except as described in Schedule "F";

(r) Vapes has filed with appropriate taxation authorities, federal, state, provincial and local, all returns, reports and declarations which are required to be filed by it and has paid all taxes which have become due and no taxing authority is asserting or has, to the knowledge of Vapes threatened to assert, or has any basis for asserting against Vapes any claim for additional taxes or interest thereon or penalty;

HB

(s) the Vapes Financial Statements, when available, will be based on the books and records of Vapes, which are true and correct in every material respect, and will fairly present the assets and liabilities of Vapes and the financial condition of Vapes at the date thereof and the results of the operations for such periods, in accordance with Canadian generally accepted accounting principles;

(t) save and except as disclosed in Schedule "G" Vapes has no indebtedness, liabilities or obligations, secured or unsecured (whether accrued, absolute, contingent or otherwise) other than as disclosed in the Vapes Financial Statements, except for those incurred in the ordinary course of business, those incurred in connection with the transactions contemplated by this Agreement;

(u) except as disclosed in writing to Next Gen, Vapes has no and has never had any employees and it is a party to no written or verbal contracts of employment, whether contracts for service or management agreements;

(v) except as disclosed in writing to Next Gen, Vapes does not have any obligations or liabilities to pay,any amount to its officers, directors or employees relating to salary and directors' fees in the ordinary course, including but not limited to the obligations of Vapes to officers, directors or employees for severance, retention, termination or bonus payments as a result of the Transaction;

(w) Vapes has withheld from each payment to its officers, directors, employees and shareholders the amount of all taxes and other deductions required to be withheld therefrom and has paid the same to the proper receiving officer within the time required under applicable legislation;

(x) Vapes has no unfair labour practice complaint against Vapes is pending before any labour relations board or similar governmental tribunal or agency and no such complaint has been filed since the incorporation of Vapes, and no notice has been received by Vapes of any complaints filed by any employees against Vapes claiming that Vapes has violated any employee or human rights or similar legislation in any jurisdiction in which the business of Vapes is conducted, and no such complaint has been filed since the incorporation of Vapes;

(y) Vapes and its subsidiaries have not, with respect to its businesses and operations, at any time received any written notice, written notice of default, order, summons, or notice of judgment or commencement of proceedings related to any material breach, liability or remedial action (or alleged material breach, liability or remedial action) arising under environmental laws, and Vapes and its subsidiaries have not with respect to such businesses and operations, at any time given any written undertakings with respect to remedying any breach of, or liability under, environmental laws that have not been duly performed. No hazardous substances have been used in the operation of Vapes's business except those hazardous substances used in the ordinary course of Vapes's business, and there has been no release of any such substances in the operation of its business in contravention or violation of any laws, regulations, rules or approvals created by a governmental authority applicable to Vapes; and

(z) In order to ensure compliance with applicable securities laws, including, but not limited to, United States federal and state securities laws, each of the shareholders of Vapes who will receive securities as a part of the Transaction will execute and deliver a letter of transmittal containing certain representations, warranties and covenants, in form and

HB

substance reasonably satisfactory to the Resulting Issuer, Next Gen and Vapes, prior to the receipt of any such securities by such Vapes Shareholders.

10.3 **Survival** – The representations and warranties made by the parties under this Part 10 are true and correct as of the Effective Date and shall be true and correct at the Time of Closing as though they were made at that time, and should such not be the case, the parties to whom the representations and warranties were made shall be entitled, for a period of two years following the Closing, to seek remedy against that party for any such misrepresentation or breach of warranty. After the expiration of such two-year period, no party shall have any further liability with respect to any breach of any representation or warranty contained herein, except for those alleged breaches for which notice has been given prior to the end of such two-year period.

10.4 **No Limit on Rights** – The parties jointly and severally acknowledge and agree, each with the other, that a party's investigations shall in no way limit or otherwise adversely affect that party's rights under the representations and warranties given to it by any other party under this Agreement.

10.5 **Limitations on Representations and Warranties** – The parties shall not be deemed to have made any representation or warranty other than as expressly made in this Agreement.

11. <u>CLOSING</u>

11.1 **Closing Date** – The Closing shall take place at the Time of Closing on the Closing Date, or such other time, date or place as Vapes and Next Gen may mutually agree upon.

11.2 **Location of Closing** – The Closing shall take place at the offices of Gowlings, or such other place that Next Gen and Vapes may mutually agree upon.

11.3 **Deliveries by Vapes** – At the Closing, Vapes shall deliver to Next Gen the following documents:

(a) a certified true copy of the resolutions of the directors and, if necessary, the shareholders of Vapes evidencing that the Board of Directors and, if applicable, shareholders of Vapes have approved this Agreement and all of the transactions of Vapes and contemplated hereunder, which resolutions will include specific reference to:

  (i) the sale and transfer of the Vapes Shares to Next Gen as provided for in this Agreement;

  (ii) the cancellation of the certificates (the "**Old Certificates**") representing the Vapes Shares; and

  (iii) the issuance of a new certificate (the "**New Certificate**") representing the Vapes Shares registered in the name of Next Gen;

(b) the Old Certificates, accompanied by a duly executed stock power of attorney, or alternatively with the form of transfer on the reverse duly executed for transfer;

(c) the New Certificate;

(d) a copy of the Escrow Agreement executed by the Principals of Vapes;

(e) an opinion letter from Canadian counsel for Dollinger Canada dated as of the Closing Date, in a form acceptable to Next Gen and its counsel, acting reasonably;

(f) a certificate signed by two directors or one director and one officer of Vapes confirming that the representations and warranties of Vapes contained in this Agreement are true and correct in every respect as of the Time of Closing on the Closing Date; and

(g) Vapes and Next Gen are to settle on a mutually acceptable form of closing agenda prior to the Time of Closing, then such other Closing documents as are listed on that closing agenda to be delivered by Vapes.

11.4 **Deliveries by Next Gen** – At the Time of Closing on the Closing Date, Next Gen shall deliver to Vapes and the Vapes Shareholders:

(a) certified true copies of the resolutions of its directors evidencing the approval of this Agreement and all of the transactions of Next Gen and Next Gen Sub contemplated hereunder, which resolutions will include specific reference to:

(i) the acquisition of all of the issued and outstanding shares of Vapes and the issuance of Post-Consolidated Next Gen Shares to the Vapes Shareholders in consideration therefor;

(ii) the allotment and issuance of securities pursuant to the Financing;

(iii) the Name Change, Amalgamation, Stock Option Plan Amendment and Share Consolidation; and

(iv) the resignation and appointment of officers and directors described in Section 5.1 of this Agreement;

(b) a copy of the Escrow Agreements executed by Next Gen;

(c) evidence of the CSE approval to the Transaction, Listing Statement, Name Change, Share Consolidation, the Concurrent Financing and the Escrow Agreements;

(d) certificate of an officer of Next Gen to confirm:

(i) the prior completion of the Share Consolidation;

(ii) the concurrent closing of the Financings and the amount to be raised under the Financings;

(e) certificates representing the Post-Consolidated Next Gen Shares other than Escrow Shares, registered in the respective names of the Vapes Shareholders;

(f) a letter of Computershare Trust Company, confirming that the Escrow Shares are being held by it pursuant to the Escrow Agreement;

(g) an opinion letter from counsel for Next Gen dated as of the Closing Date in a form acceptable to Vapes and its counsel, acting reasonably;

(h) a certified copy of the Articles of Amalgamation;

(i) a certificate signed by two directors of Next Gen confirming that the representations and warranties of Next Gen contained in this Agreement are true and correct in every respect as of the Time of Closing on the Closing Date;

(j) a certificate signed by two directors of Next Gen Sub confirming that the representations and warranties of Next Gen Sub contained in this Agreement are true and correct in every respect as of the Time of Closing on the Closing Date; and

(k) Vapes and Next Gen are to settle on a mutually acceptable form of closing agenda prior to the Time of Closing, then such other Closing documents as are listed on that closing agenda as Closing documents to be delivered by Next Gen.

12. ORDINARY COURSE

Except as contemplated herein, until the Closing, neither Vapes nor Next Gen shall, without the prior written consent of the other parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and each party shall continue to carry on its business and maintain its assets in the ordinary course of business, with the exception of reasonable costs incurred in connection with the Transaction and the Financings, and, without limitation, but subject to the above exceptions, shall maintain payables and other liabilities at levels consistent with past practice, shall not engage in any extraordinary material transactions and shall make no distributions, dividends or special bonuses, shall not repay any shareholders' loans, or enter into or renegotiate any employment or consulting agreement with any senior officer, in each case without the prior written consent of the other.

13. TERMINATION

13.1 **By Either Party** – Each of Vapes or Next Gen shall, in its sole discretion, have the right to terminate this Agreement if:

(a) the Transaction is rejected by the CSE as a Fundamental Change Transaction of Next Gen and all recourse or rights of appeal have been exhausted;

(b) any conditions precedent set out in Sections 7.1, 9.2, and 9.3 hereof are not satisfied, released or waived on or before the Closing Date or such earlier date indicated therein;

(c) the Closing has not occurred on or before December 15, 2015, or such later date as may be approved in writing by Next Gen and Vapes; or

(d) if there is a material breach of any of the representations and warranties by either party.

13.2 **Survival** – In the event this Agreement is terminated, the provisions of Sections 15.1, 15.2 and 16.4 shall survive the termination.

14. STANDSTILL AGREEMENT

14.1 **Standstill Agreement** – From the date of the acceptance of this Agreement until completion of the transactions contemplated herein or the earlier termination hereof, Vapes and Next Gen will not, directly or indirectly, solicit, initiate, assist, facilitate, promote or encourage proposals or offers from, entertain or enter into discussions or negotiations with, or provide information relating to its securities, business, operations, affairs or financial condition to any persons in connection with the acquisition or distribution of any securities of Vapes or Next Gen, or any amalgamation, merger, consolidation, arrangement, restructuring, refinancing, sale of any material assets of Vapes or Next Gen, unless such action, matter or transaction is part of the transactions contemplated in this Agreement or is satisfactory to, and is approved in writing in advance by the other party hereto (with such approval not being unreasonably withheld or delayed) or is necessary to carry on the normal course of business or is necessary to comply with the fiduciary duties of the directors and officers of Vapes or Next Gen.

15. **PUBLIC DISCLOSURE**

15.1 **Restrictions on Disclosure** – No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by any party without the prior written agreement of the other parties as to timing, content and method, provided that the obligations herein will not prevent any party from making, after consultation with the other parties, such disclosure as its counsel advises is required by applicable laws or the rules and policies of the CSE or as is required to carry out the transactions contemplated in this Agreement or the obligations of any of the parties hereto.

15.2 **Confidentiality** – Except with the prior written consent of the other parties, each of the parties and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from the other party concerning any of Next Gen or Vapes in strictest confidence and such information shall not be disclosed or used by the recipients thereof, except such information and documents available to the public or as are required to be disclosed by Applicable Laws. All such information in written or electronic form and documents will be promptly returned to the party originally delivering them in the event that the transactions provided for in this Agreement are not completed.

15.3 **Personal Information** – Each of the Vapes Shareholders hereby consents to the disclosure of his or her personal information in connection with the Transaction and acknowledges and consents to the fact that Vapes and Next Gen are collecting the personal information (as that term is defined under applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect in Canada from time to time) of the Vapes Shareholder for the purposes of completing this Agreement and the transactions contemplated hereby. Each Vapes Shareholder acknowledges and consents to Vapes and Next Gen retaining such personal information for as long as permitted or required by law or business practices. Each Vapes Shareholder further acknowledges and consents to the fact that Vapes and Next Gen may be required by applicable Securities Laws or the rules and policies of the CSE to provide regulatory authorities with any personal information provided by Vapes Shareholder in this Agreement and Vapes Shareholder further consents to the public disclosure of such information by electronic filing or by any other means.

16. **GENERAL**

16.1 **Time** – Time shall be of the essence of this Agreement and any waiver by the parties of this paragraph or any failure by them to exercise any of their rights under this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or otherwise affect any of their rights or remedies under this Agreement.

16.2 **Entire Agreement** – This Agreement constitutes the entire Agreement between the parties hereto in respect of the matters referred to herein and there are no representations, warranties, covenants or agreements, expressed or implied, collateral hereto other than as expressly set forth or referred to herein. In particular, upon the execution and delivery of this Agreement, the Letter of Intent dated September 23, 2015, made between the parties, is hereby terminated and of no further force and effect.

16.3 **Further assurances** – The parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any party may, either before or after the Closing, reasonably require of the others in order that the full intent and meaning of this Agreement is carried out. The provisions contained in this Agreement which, by their terms, require performance by a party to this Agreement subsequent to the Closing of this Agreement, shall survive the Closing of this Agreement.

16.4 **Expenses** – Next Gen and Vapes shall each pay their own costs, fees and expenses incurred in connection with the transactions contemplated herein.

16.5 **Amendments** – No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid and binding upon the parties hereto unless such alteration, amendment, modification or interpretation is in written form executed by all of the parties to this Agreement.

16.6 **New Shareholders** – Notwithstanding Section 16.5, all parties agree that this Agreement may be amended for the sole purpose of adding any persons who become Vapes Shareholders after the Effective Date and that the only signatories necessary for such amendment are such new Vapes Shareholder(s), Vapes and Next Gen. All Vapes Shareholders agree that they will be bound by such amendment.

16.7 **Notices** – Any notice, request, demand, election and other communication of any kind whatsoever to be given under this Agreement shall be in writing and shall be delivered by hand, e-mail or by fax to the parties at their following respective addresses:

To Vapes:

601 Heritage Street, Suite 212
Jupiter, Florida 33458

Attention:	Sean Dollinger
Fax:	786-389-9771
Email:	sean@dollingerenterprises.com

Copy to:

Gowling Lafleur Henderson LLP
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

Attention:	Peter Simeon
Fax:	416-862-7661
Email:	peter.simeon@gowlings.com

To Next Gen:

Next Gen Metals Inc.
Suite 101 – 2148 West 38th Avenue
Vancouver, BC V6M 1R9

Attention:	Harry Barr, President and CEO
Email:	hbarr@pfncapital.com

or to such other addresses as may be given in writing by the parties hereto in the manner provided for in this paragraph, and the party sending such notice should request acknowledgment of delivery and the party receiving such notice should provide such acknowledgment. Notwithstanding whether or not a request for acknowledgment has been made or replied to, whether or not delivery has occurred will be a question of fact. If a party can prove that delivery was made as provided for above, then it will constitute delivery for the purposes of this Agreement whether or not the receiving party acknowledged receipt.

16.8 **Assignment** – This Agreement may not be assigned by any party hereto without the prior written consent of all of the parties hereto.

HB

16.9 **Governing Law** – This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without and reference to the laws of any other jurisdiction, and the parties hereby attorn to the non-exclusive jurisdiction of the Courts of British Columbia.

16.10 **Counterparts** – This Agreement may be signed by fax and in counterpart, and each copy so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

16.11 **Severability** – If any one or more of the provisions contained in this agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions will not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby, unless in either case as a result of such determination this agreement would fail in its essential purpose.

16.12 **Enurement** – This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, trustees, representatives, heirs and executors.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date first above written.

NEXT GEN METALS INC.

per:

Harry Barr, President & CEO

per:

Gary Moore, Director

GREENRUSH ANALYTICAL LABORATORIES INC. HB

per:

Harry Barr, President & CEO

DOLLINGER ENTERPRISES LTD.

per:

Sean Dollinger, President & CEO

per:

Kory Zelickson, COO

DOLLINGER ENTERPRISES USA INC.

per:

Sean Dollinger, President & CEO

per:

Kory Zelickson, COO

HB

Schedule "A"

AUTHORIZED AND ISSUED SHARE CAPITAL OF DOLLINGER ENTERPRISES

Authorized Share Capital:	Unlimited Common Shares
Approximate Issued and Outstanding Common Shares:	100
Approximate Share Purchase Warrants:	NIL

13

Schedule "B"

AUTHORIZED AND ISSUED SHARE CAPITAL OF NEXT GEN METALS INC.

Authorized Share Capital:	Unlimited Common Shares
Issued and Outstanding Common Shares:	21,730,921[1]
Issued and Outstanding Warrants:	1,883,750[2]
Issued and Outstanding Stock Options:	1,495,000[2]

---

[1] Prior to giving effect to the Next Gen Private Placements
[2] To be cancelled prior to Closing

HB

Schedule "C"

VAPES SHAREHOLDERS

Total allocated shares: 36,218,202

Name of Party (If not an individual, name all insiders of the Party)	Number and Type(2) of Securities to be Issued on Post-Consolidation Basis	Dollar value per Security (CDN$)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer (1)
Sean Dollinger	14,702,441	$0.06	FFBA	Nil	None
Kory Zelickson	8,697,066	$0.06	FFBA	Nil	None
Marc Mulbaney	3,621,821	$0.06	FFBA	Nil	None
Jason Zylbering	3,000,000	$0.06	FFBA	Nil	None
Dalvay Capital Corp. (Mark Monaghan)	1,735,910	$0.06	FFBA	Nil	None
2263171 Ontario Inc. (Darren Collins)	1,735,910	$0.06	FFBA	Nil	None
Sefi Dollinger	1,091,721	$0.06	FFBA	Nil	None
Cory Rapkin	833,333	$0.06	FFBA	Nil	None
David Hughes	500,000	$0.06	FFBA	Nil	None
Noemis Enterprises Ltd.	150,000	$0.06	FFBA	Nil	None
Jean-François Pelland	50,000	$0.06	FFBA	Nil	None
Blair Henderson	50,000	$0.06	FFBA	Nil	None
Adam Potts	50,000	$0.06	FFBA	Nil	None

A. Indicate if Related Person

B. All Commons Share

HB

Schedule "D"

TO THE SHARE PURCHASE AGREEMENT

Material Contracts of Next Gen as Part of the Transaction

The following is a complete list of all material contracts of Next Gen as Part of the Transaction:

Mineral Property Acquisition Agreement dated the 5th day of November, 2009 between Anglo Alaska Gold Corporation, Next Gen Metals Inc. and Next Gen USA Inc.

Registrar and Transfer Agent Agreement made as of April 20, 2005 between Pacific Corporate Trust Company and Copper Belt Resources Ltd.

143

Schedule "E"

TO THE SHARE PURCHASE AGREEMENT

Description of Business, and List of Assets of Vapes

Description of Business

NamsteVapes™ is a market leader in the distribution and manufacturing of products including vaporizers, accessories and herbs with an international presence in many countries. In the first year of business ending August 31, 2015, NamasteVapes has achieved an initial unaudited revenue of over US$3.3 million and positive net earnings of over US$180 thousand, which demonstrates the market and growth potential for the company as it further expands into the production and distribution of high margin proprietary products, including the upcoming launch of the Guru, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herbs from a single portable unit.

List of Vapes Assets

All current and future sales contracts for wholesale, retail and distribution

All intellectual property including trademarks, know-how, product designs and materials related to NamasteVapes branded products, as such Grizzly Originals, Guru bands and glass units

Existing relationships with Chinese Manufacturing companies

Contacts and relationship with development team in India

Inventory (value as at closing)

Logistical infrastructure including access to all software applications

Exclusive rights to Nimbin Vaporizer online globally

Vendor/Supplier/Manufacturer contracts

Websites including all content, data, customer and order databases listed below:

Namaste Vapes UK	Namaste Vapes Netherlands
Namaste Vapes Ireland	Namaste Vapes Sweden
Namaste Vapes Australia	Namaste Vapes Israel
Namaste Vapes New Zealand	Namaste Vapes Russia
Namaste Vapes South Africa	Namaste Vapes Portugal
Namaste Vapes USA	Namaste Vapes Austria
Namaste Vapes Canada	Namaste Vapes Norway
Namaste Vapes France	Namaste Vapes Denmark
Namaste Vapes Germany	Namaste Vapes Mexico
Namaste Vapes Italy	Namaste Vapes Slovenia
Namaste Vapes Spain	Namaste Vapes Colombia
Namaste Vapes Brazil	Green Vapes
Groovy Vapes	Vape Gossip

HB

Schedule "F"

Material Contracts of Vapes

The following is a complete list of all material contracts of Vapes:

Engagement letter between MNP S.E.N.C.R.L. and Dollinger Enterprises dated October 14, 2015.

Lease Agreement entered into on the 28th day of January, 2015 between Mark and Kathy Klaine, as Lessor, and Sean Dollinger, as Lessee.

ACCESS fulfilment Service Agreement between Dollinger Enterprises USA Inc. and AF Trading Limited dated November 6, 2014.

FEDEX INTERNATIONAL PRIORITY DIRECTDISTRIBUTION® (IPD) Agreement between Dollinger Enterprises and Federal Express Corporation by its agent FedEx Corporate Services, Inc. dated May 7, 2015.

FEDEXINTERNATIONAL PRIORITY DIRECTDISTRIBUTION® SINGLE POINT OF CLEARNACE Agreement between Dollinger Enterprises Federal Express Corporation by its agent FedEx Corporate Services, Inc dated May 7, 2015.

FEDEX INTERNATIONAL PRIORITY DIRECTDISTRIBUTIONS® (IPD) and FEDEX INTERNATIONAL PRIORITY DIRECTDISTRIBUTIONS® SINGLE POINT OF CLEARANCE Agreement between Dollinger Enterprises and Federal Express Corporation by its agent FedEx Corporate Services, Inc., undated.

FEDEX INTERNATIONAL PRIORITY DIRECTDISTRIBUTION® SINGLE POINT OF CLEARANCE between Dollinger Enterprises and Federal Express Corporation by its agent FedEx Corporate Services, Inc., undated.

FEDEX INTERNATIONAL PRIORITY DIRECTDISTRIBUTION® (IPD) Agreement between Dollinger Enterprises and Federal Express Corporation by its agent FedEx Corporate Services, Inc., undated.

2015 FedEx International Priority DirectDistribution® SPOC Rates Spreadsheet prepared Exclusively for Dollinger.

VB

Schedule "G"

TO THE SHARE PURCHASE AGREEMENT

Secured or Unsecured Indebtedness, Liabilities or Obligations of Vapes

Loan Payable

As at the date of this Agreement, US$262,500 is owed to key management of Vapes. This debt arose during the normal course of business as investment made by the founders into the inventory of the Company. The repayment terms are as follows:

Holders: Sean Dollinger (US$165,000) and Kory Zelickson (US$100,000)

Term: 24-months from the date of closing. Payments as follows:

12-months: US$162.5 + Interest of 8.0%

24-months: US$162.5 + Interest of 8.0%

Interest: 8.0% per annum

Security: Inventory of the company, including all vaporizers and accessories, up to an amount equal to the principal amount outstanding under the loans plus US$50,000.

Any credit card indebtedness will also be satisfied to the mutual approval of the Parties. In any event, credit card indebtedness will not exceed US$50,000 and is to be transferred within 30-days of Closing, with all amounts and charges verified as specific to vaporizers and accessories, and the Parties working together to secure terms of credit with an acceptable financial institution. Any credit card debt greater than US$50,000 will not be assumed and Namaste will take all reasonable measures to ensure credit card debt is reduce to the extent possible before Closing.

The exchange rate from US to Canadian dollars will be determined on the date of Closing.

In addition to the forgoing working capital loan, Dollinger Enterprises Ltd. shall be reimbursed for all inventory amounts greater than US$325 thousand by recovering the cost of securing and/or manufacturing the products held in inventory. This cost recovery shall take place at the time of sale and is anticipated to be satisfied over a period of 90-days. However, during this period of cost recovery, the Parties shall take reasonable measures to ensure the inventory of the Company is not depleted to levels whereby sales are unable to be fulfilled. Inventory shall be measured as at the date of Closing to measure the amount of inventory exceeding US$325 thousand

KB

Schedule "H"

Secured or Unsecured Indebtedness, Liabilities or Obligations of Next Gen

Related Party Payables

As at the Closing of the Transaction, it is anticipated that Next Gen will have approximately $55,857 in payables owed. These payables to related parties arose from accounting, consulting and legal services, expense reimbursements and on-going expenses. The payables are non-interest bearing, unsecured and the following are the repayment terms.

Repayment will initially be funded from any cash amounts remaining from the Pre-Consolidation Financing at the Closing of the Transaction, in accordance with the budget set forth below. These funds will be prorated amongst those consultants defined in the budget. For example, if $29,000 is available from the proceeds of the Pre-Consolidation Financing at the Closing of the Transaction, each payee shall receive his, her or its percentage of the $29,000 based on the percentage of the total payable amount. All remaining payable amounts to payees will be payable at such time as the Corporation raises $1.0 million or greater in financings subsequent to the Pre-Consolidation Financing. In the event $1.0 million of proceeds is not secured from the financings subsequent to the Pre-Consolidation Financing, the payables amounts will be settled within 6-months of Closing of the Transaction. The corporate services provided by PFN to be equal to or less than $1,000 per month shall be invoiced for a period of 3-months from the date of Closing by providing invoices evidencing the actual amounts expended.

	Sep-15	*Oct-15*	*Nov-15*	*Dec-15*	*Total*
Beginning balance	7,000	5,875	60,250	43,625	7,000
Add: Receipts					
Revenue / funding	-	-	-	-	-
Private Placement	-	80,000	-	-	80,000
GST Refund	-	-	-	-	-
Others	-	-	-	-	-
Total receipts	-	80,000	-	-	80,000
Total available cash	7,000	85,875	60,250	43,625	87,000
Less: Disbursements					
Adnet	200	200	200	200	800
Bank service charge	100	100	100	100	400
Computershare	300	300	300	300	1,200
CSE	525	525	525	525	2,100
Legal fees		2,000	2,000		4,000
Audit/Accounting - N (Stafford)		10,000	2,500	2,500	15,000
Listing fees (CSE)		10,000			10,000
OTC fees					-
Travel		2,500			2,500
Consulting			11,000	11,000	22,000
	1,125	25,625	16,625	14,625	58,000
Exploration expenditures	-	-	-	-	-
Total disbursements	1,125	25,625	16,625	14,625	58,000
Ending cash balance	**5,875**	**60,250**	**43,625**	**29,000**	**29,000**

Accounts Payable balance:	*30/09/2015*	*31/10/2015*	*30/11/2015*	*31/12/2015*	*31/01/2016*
Adnet (website hosting)	252	252	252	252	252
Bacchus Law Corporation (old receivable)	685	685	685	685	685
Canadian Securities Exchange	525	525	525	525	525
Computershare	571	571	571	571	571
Vantage Communications (old marketer- to be wrote off)					
PFN (public company)	12,624	13,624	14,624	15,624	16,624
DiPidro Consulting	7,150	5,150	5,150	5,150	6,150
Onestar Consulting	7,875	7,875	7,875	7,875	7,875
Robert Guanzon	13,600	11,600	9,600	7,600	11,600
Tina Whyte	7,575	9,575	8,575	7,575	11,575
	50,857	49,857	47,857	45,857	55,857

13

Schedule "I"

Form of Lock-up Agreement

T1006662\TOR_LAW\ 8804384\11

HB

APPENDIX "B"

AMENDING AGREEMENT

BETWEEN:

NEXT GEN METALS INC., a company incorporated under the laws of British Columbia and having its head office at 101 – 2148 West 38th Avenue, Vancouver, BC, Canada, V6M 1R9

(the "**Corporation**")

AND:

GREENRUSH ANALYTICAL LABORATORIES INC., a company incorporated under the laws of Canada and having its head office at 101 – 2148 West 38th Avenue, Vancouver, BC, Canada, V6M 1R9

AND:

Dollinger Enterprises Ltd., a company incorporated under the laws of British Columbia and having its registered office at 700-401 West Georgia Street, Vancouver BC V6B 5A1,

AND:

Dollinger Enterprises USA Inc., a Company Incorporated under the laws of Florida and having an address at 212 - 601 Heritage Drive, Florida, US, 33458

(collectively hereinafter referred to as, the "**Parties**")

WHEREAS the Parties entered into a business combination agreement dated the 30th day of October, 2015 (the "**Business Combination Agreement**");

AND WHEREAS the Parties wish to amend the terms of the Business Combination Agreement pursuant to this amending agreement (the "**Amending Agreement**");

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, the Parties agree by the terms of this Amending Agreement that:

(1) the Business Combination Agreement is hereby amended:

(a) to replace the definition of "**Post-Consolidated Concurrent Financing**" in section 1.1 with the following:

" "**Post-Consolidated Concurrent Financing**" means two concurrent non-brokered private placement offerings of (i) up to 10,000,000 subscription receipts of the Corporation at a price of $0.10 per subscription receipt with each subscription receipt entitling the holder thereof to automatically acquire upon satisfaction of the Release Conditions one unit of the Corporation (a "**Unit**"), each Unit consisting of one common share of the Corporation post the Share Consolidation (a "**Share**"), and one half of one common share purchase warrant (a "**Warrant**") of the Corporation; each whole Warrant will entitle the purchaser to purchase one Share of the Corporation for a period of 24 months from closing an exercise price of $0.15 per Share and (ii) up to 10,000,000 subscription receipts of the Corporation at a price of $0.075 per subscription receipt, with each subscription receipt entitling the holder thereof to automatically acquire upon satisfaction of the Release Conditions one Share."

(b) to add the following definition to section 1.1:

" "**Release Conditions**" has the meaning ascribed to that term in the subscription agreements for the Post-Consolidated Concurrent Financing;"

(c) Section 7.1(h) is hereby deleted and replaced with the following:

"(h) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out below and to close the Transaction and related transactions by the Closing Date and in any event no later than February 15, 2016, or such later date as may be approved in writing by Next Gen and Vapes;"

(d) to delete Section 8 – Finder's Fee in its entirely and to replace with the following:

" 8. **NO FINDER'S FEE**

The Corporation has not retained any financial advisor, broker, agent or finder, nor entered into any agreement entitling any person to any broker's commission or finder's fee, in respect of the Transaction."

(e) Section 13.1(c) is hereby deleted and replaced with the following:

" (c) the Closing has not occurred on or before February 15, 2016, or such later date as may be approved in writing by Next Gen and Vapes; or

(f) Schedule "C" is hereby deleted and replaced with the Schedule "C" attached to this Amending Agreement.

(g) Section 9.1 (j) and Schedule “G” relating to the shareholder loan and working capital payout are hereby deleted in their entirety.

(2) This Amending Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the Parties irrevocably attorn and submit to the jurisdiction of the court of British Columbia with respect to any dispute related to this Amending Agreement.

(3) Except as provided herein, each of the Parties hereby agree that the terms and conditions and representations and warranties contained in the Business Combination Agreement shall remain in full force and effect, unamended in all respects as of the date hereof.

(4) The Parties may sign this Amending Agreement in any number of counterparts and may deliver this Amending Agreement by facsimile, all of which, when taken together, will be deemed to be one and the same document.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Amending Agreement effective as of the 15th day December, 2015.

NEXT GEN METALS INC.
per:

Harry Barr, President & CEO

per:

Gary Moore, Director

GREENRUSH ANALYTICAL LABORATORIWS INC.
per:

Harry Barr, President & CEO

DOLLINGER ENTERPRISES LTD.
per:

Sean Dollinger, President & CEO

per:

Kory Zelickson, COO

DOLLINGER ENTERPRISES USA INC.
per:

Sean Dollinger, President & CEO

per:

Kory Zelickson, COO

Schedule "C"

VAPES SHAREHOLDERS

Name of Party (If not an individual, name all insiders of the Party)	Number and Type(2) of Securities to be Issued on Post-Consolidation Basis	Dollar value per Security (CDN$)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer (1)
Sean Dollinger	14,552,441	$0.06	FFBA	Nil	None
Kory Zelickson	8,547,066	$0.06	FFBA	Nil	None
Marc Mulbaney	3,471,821	$0.06	FFBA	Nil	None
Jason Zylbering	2,850,000	$0.06	FFBA	Nil	None
Dalvay Capital Corp. (Mark Monaghan)	1,635,910	$0.06	FFBA	Nil	None
2263171 Ontario Inc. (Darren Collins)	1,635,910	$0.06	FFBA	Nil	None
Sefi Dollinger	1,091,721	$0.06	FFBA	Nil	None
Cory Rapkin	833,333	$0.06	FFBA	Nil	None
Nautilus Venture Capital (Ari Todd)	500,000	$0.06	FFBA	Nil	None
David Hughes	500,000	$0.06	FFBA	Nil	None
Christian Scovenna	300,000	$0.06	FFBA	Nil	None
Noemis Enterprises Ltd. (Peter Simeon)	150,000	$0.06	FFBA	Nil	None
Jean-François Pelland	50,000	$0.06	FFBA	Nil	None
Blair Henderson	50,000	$0.06	FFBA	Nil	None
Adam Potts	50,000	$0.06	FFBA	Nil	None

SECOND AMENDING AGREEMENT

BETWEEN:

NEXT GEN METALS INC., a company incorporated under the laws of British Columbia and having its head office at 101 – 2148 West 38th Avenue, Vancouver, BC, Canada, V6M 1R9

(the "**Corporation**")

AND:

GREENRUSH ANALYTICAL LABORATORIES INC., a company incorporated under the laws of Canada and having its head office at 101 – 2148 West 38th Avenue, Vancouver, BC, Canada, V6M 1R9

AND:

Dollinger Enterprises Ltd., a company incorporated under the laws of British Columbia and having its registered office at 700-401 West Georgia Street, Vancouver BC V6B 5A1,

AND:

Dollinger Enterprises USA Inc., a Company Incorporated under the laws of Florida and having an address at 212 - 601 Heritage Drive, Florida, US, 33458

(collectively hereinafter referred to as, the "**Parties**")

WHEREAS the Parties entered into a business combination agreement dated the 30th day of October, 2015, as amended on December 15, 2015 (the "**Business Combination Agreement**");

AND WHEREAS the Parties wish to further amend the terms of the Business Combination Agreement pursuant to this second amending agreement (the "**Second Amending Agreement**");

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, the Parties agree by the terms of this Second Amending Agreement that:

(1) the Business Combination Agreement is hereby amended:

(a) Section 2.6 is hereby deleted and replaced with the following:

"**Tax Liability** – Next Gen does not assume and shall not be liable for any taxes under the ITA or any other taxes whatsoever which may be or become payable by Vapes in an amount greater than $50,000 including, without limiting the generality of the foregoing, any taxes in an amount greater than $50,000 resulting from or arising as a consequence of the sale by Vapes to Next Gen of the Vapes Shares herein contemplated, and Vapes shall indemnify and save harmless Next Gen from and against all such taxes in an amount greater than $50,000. Prior to Closing Vapes shall provide Next Gen with a confirmation that all State and Federal taxes have been paid and Vapes is current in filing its tax returns."

(b) Section 13.1(c) is hereby deleted and replaced with the following:

" (c) the Closing has not occurred on or before March 14, 2016, or such later date as may be approved in writing by Next Gen and Vapes; or"

(c) Schedule "C" is hereby deleted and replaced with the Schedule "C" attached to this Amending Agreement.

(2) This Second Amending Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the Parties irrevocably attorn and submit to the jurisdiction of the court of British Columbia with respect to any dispute related to this Second Amending Agreement.

(3) Except as provided herein, each of the Parties hereby agree that the terms and conditions and representations and warranties contained in the Business Combination Agreement shall remain in full force and effect, unamended in all respects as of the date hereof.

(4) The Parties may sign this Second Amending Agreement in any number of counterparts and may deliver this Second Amending Agreement by facsimile, all of which, when taken together, will be deemed to be one and the same document.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Second Amending Agreement effective as of the 11th day February, 2016.

NEXT GEN METALS INC.
per:

____
Harry Barr, President & CEO

per: ________________________________
Jay Oness, COO

GREENRUSH ANALYTICAL LABORATORIWS INC.
per:

____
Harry Barr, President & CEO

DOLLINGER ENTERPRISES LTD.
per:

____
Sean Dollinger, President & CEO

per:

____
Kory Zelickson, COO

DOLLINGER ENTERPRISES USA INC.
per:

____
Sean Dollinger, President & CEO

per:

____
Kory Zelickson, COO

IN WITNESS WHEREOF the parties have executed this Second Amending Agreement effective as of the 11th day February, 2016.

NEXT GEN METALS INC.

per:

Harry Barr, President & CEO

per:

Jay Oness, COO

GREENRUSH ANALYTICAL LABORATORIWS INC.

per:

Harry Barr, President & CEO

DOLLINGER ENTERPRISES LTD.

per:

Sean Dollinger, President & CEO

per:

Kory Zelickson, COO

DOLLINGER ENTERPRISES USA INC.

per:

Sean Dollinger, President & CEO

per:

Kory Zelickson, COO

SCHEDULE "C"

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN$)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer [(1)]
Dollinger Enterprises Ltd. (Sean Dollinger)	14,428,691	$0.06	2.11 of NI 45-106	66,666	None
Kory Zelickson	8,423,316	$0.06	2.11 of NI 45-106	Nil	None
Marc Mulvaney	3,198,071	$0.06	2.11 of NI 45-106	Nil	None
Jason Zylbering	2,566,250	$0.06	2.11 of NI 45-106	Nil	None
Mark Monaghan	1,635,910	$0.06	2.11 of NI 45-106	Nil	None
2263171 Ontario Inc. (Darren Collins)	1,635,910	$0.06	2.11 of NI 45-106	Nil	None
Sefi Dollinger	1,091,721	$0.06	2.11 of NI 45-106	Nil	None
Cory Rapkin	833,333	$0.06	2.11 of NI 45-106	Nil	None
Nautilus Venture Capital (Ari Todd)	500,000	$0.06	2.11 of NI 45-106	Nil	None
David Hughes	500,000	$0.06	2.11 of NI 45-106	Nil	None
Christian Scovenna	300,000	$0.06	2.11 of NI 45-106	Nil	None
Peter Simeon	250,000	$0.06	2.11 of NI 45-106	350,000	None
Andrea Cooke	200,000	$0.06	2.11 of NI 45-106	Nil	None
Justine Andersen	150,000	$0.06	2.11 of NI 45-106	Nil	None
Vanessa Crocco	100,000	$0.06	2.11 of NI 45-106	Nil	None
Jean-François Pelland	50,000	$0.06	2.11 of NI 45-106	Nil	None
Blair Henderson	50,000	$0.06	2.11 of NI 45-106	Nil	None
Holiday Hunt Russel	50,000	$0.06	2.11 of NI 45-106	Nil	None
Adam Potts	50,000	$0.06	2.11 of NI 45-106	Nil	None
Steven Chaimberg	50,000	$0.06	2.11 of NI 45-106	Nil	None
Guy Dollinger	50,000	$0.06	2.11 of NI 45-106	Nil	None
Itay Dollinger	50,000	$0.06	2.11 of NI 45-106	Nil	None
Michael Roche	35,000	$0.06	2.11 of NI 45-106	Nil	None
Chelsea Palmer	10,000	$0.06	2.11 of NI 45-106	Nil	None
Joshua Neilly	10,000	$0.06	2.11 of NI 45-106	Nil	None

APPENDIX "C"

Next Gen

Next Gen Metals Inc.

Consolidated Financial Statements

31 March 2015

(Expressed in Canadian dollars)

JAMES STAFFORD

James Stafford, Inc.
Chartered Professional Accountants
Suite 350 – 1111 Melville Street
Vancouver, British Columbia
Canada V6E 3V6
Telephone +1 604 669 0711
Facsimile +1 604 669 0754
www.JamesStafford.ca

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Next Gen Metals Inc.

We have audited the accompanying consolidated financial statements of Next Gen Metals Inc., which comprise the consolidated statements of financial position as at 31 March 2015 and 2014 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 Consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Next Gen Metals Inc. as at 31 March 2015 and 2014, and its consolidated financial performance and its consolidated 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 1.1 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 ability of Next Gen Metals Inc. to continue as a going concern.

James Stafford

Chartered Professional Accountants
Vancouver, Canada

28 July 2015

Next Gen Metals Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Year ended 31 March 2015	2014
		$	$
Revenue		**217,609**	-
Cost of sales		**(244,114)**	-
Gross profit (loss)		**(26,505)**	-
Expenses			
Accounting and audit fees	18	**34,522**	48,897
Administration and management fees	18	**109,845**	33,806
Bank charges and interest		**480**	101
Consulting	12, 18	**191,912**	91,479
Depreciation	9	**9,905**	9,906
Insurance		**12,074**	12,032
Investor relations	18	**104,077**	41,752
Legal and professional fees		**10,335**	2,433
Rent	18	**46,480**	49,747
Share-based payments	12, 18	**66,466**	17,297
Transfer agent and filing fees	18	**18,257**	30,449
Travel	18	**46,711**	12,278
Loss before other items		**(677,569)**	(350,177)
Other items			
Finance income	13	**-**	1,746
Foreign exchange gain		**1,387**	2,328
Recovery (write-down) of exploration and evaluation property	8	**(521,358)**	31,288
Write-down of property and equipment	9	**(53,809)**	-
Net loss for the year		**(1,251,349)**	(314,815)
Other comprehensive loss			
Unrealized loss on available-for-sale assets	7	**(500)**	(1,100)
Foreign currency translation adjustment		**67,611**	36,373
Net comprehensive loss		**(1,184,238)**	(279,542)
Loss per share			
Basic	15	**(0.062)**	(0.018)
Diluted	15	**(0.062)**	(0.018)

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

Next Gen Metals Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

		Year ended 31 March	
	Notes	2015	2014
		$	$
OPERATING ACTIVITIES			
Net loss for the year		(1,251,349)	(314,815)
Adjustments for:			
Depreciation	9	9,905	9,906
Share-based payments	12	85,484	17,297
Shares issued for services	11,19	38,878	13,233
Write-down of property and equipment	9	53,809	-
Write-down of mineral properties	8	521,358	-
Operating cash flows before movements in working capital			
(Increase) decrease in amounts receivable		(7,992)	199,360
(Increase) decrease in prepaid expenses		24,349	(42,919)
Increase (decrease) in trade payables and accrued liabilities		(9,415)	15,493
Increase (decrease) in due to related parties		7,792	(36,485)
Cash used in operating activities		(527,181)	(138,930)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares, net	11	378,800	-
Share issue costs	11	(1,200)	-
Cash from financing activities		377,600	-
Decrease in cash and cash equivalents		(149,581)	(138,930)
Cash and cash equivalents, beginning of year		167,866	306,796
Cash and cash equivalents, end of year		18,285	167,866

Supplemental cash flow information (Note 19)

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

Next Gen Metals Inc.

Consolidated Statements of Changes in Equity
For the year ended 31 March
(Expressed in Canadian dollars)

	Number of shares	Share capital	Stock option reserve	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Contributed surplus	Deficit	Total
		$	$	$	$	$	$	$	$
Balances, 31 March 2013	17,365,946	5,636,155	356,845	236,000	(88,246)	(17,473)	76,431	(5,242,596)	957,116
Shares issued for services	88,281	13,233	-	-	-	-	-	-	13,233
Share-based payments	-	-	17,297	-	-	-	-	-	17,297
Unrealized loss on available-for-sale assets	-	-	-	-	(1,100)	-	-	-	(1,100)
Foreign currency translation adjustment	-	-	-	-	-	36,373	-	-	36,373
Net loss for the year	-	-	-	-	-	-	-	(314,815)	(314,815)
Balances, 31 March 2014	17,454,227	5,649,388	374,142	236,000	(89,346)	18,900	76,431	(5,557,411)	708,104
Shares issued for cash									
Common shares	3,737,500	235,333	-	63,667	-	-	-	-	299,000
Exercise of warrants	210,000	79,800	-	(16,537)	-	-	16,537	-	79,800
Shares issued for services	329,169	38,878	-	-	-	-	-	-	38,878
Share-based payments	-	-	85,484	-	-	-	-	-	85,484
Share issue costs									
Cash	-	(1,200)	-	-	-	-	-	-	(1,200)
Warrants	-	(87)	-	87	-	-	-	-	-
Unrealized loss on available-for-sale assets	-	-	-	-	(500)	-	-	-	(500)
Foreign currency translation adjustment	-	-	-	-	-	67,611	-	-	67,611
Net loss for the year	-	-	-	-	-	-	-	(1,251,349)	(1,251,349)
Balances, 31 March 2015	**21,730,896**	**6,002,112**	**459,626**	**283,217**	**(89,846)**	**86,511**	**92,968**	**(6,808,760)**	**25,828**

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

1. CORPORATE INFORMATION

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange (the "TSX-V") under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSXV.

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

The head office, principal address and registered and records office is located at 101 – 2148 West 38th Avenue, Vancouver, B.C. V6M 1R9.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the Company will obtain the necessary financing to complete the exploration and development of mineral property interests, or that the current or future exploration and development programs of the Company will result in profitable mining operations. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments, including paying for general and administrative expenses (Note 1.1).

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 11).

On 20 March 2014, Next Gen established its wholly owned subsidiary GreenRush Financial Conferences Inc. ("GFC"), Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. ("GAL"). The mission of GAL is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned minimal revenues and has experienced negative cash flows from operating activities. As at 31 March 2015, the Company had cash and cash equivalents of $18,285. Existing funds on hand at 31 March 2015 will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations during the coming year. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future.

Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations.

These consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The Company consolidates subsidiaries controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements include the accounts of Next Gen and its wholly-owned subsidiaries, Next Gen USA Inc. ("Next Gen USA"), GFC and GAL. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies, in all material aspects.

2.2 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 17, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with using accounting policies in full compliance with IFRS and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 New and revised standards and interpretations

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the year ended 31 March 2015:

- IFRS 7 *'Financial Instruments: disclosures'* clarifies whether a servicing contract is continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

  - Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
  - Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
  - All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
  - The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.

- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 *'Consolidated Financial Statements'* clarifies the conditions for a parent to present consolidated financial statements for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 *'Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 *'Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IFRS 16 *'Property, Plant and Equipment'* is an amendment that clarifies acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the consolidated financial statements of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand.

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance or straight-line method using the following rates:

Furniture and equipment	20% to 30%
Software	100%
Leasehold Improvements	10 years

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.6 Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional currencies of Next Gen, GFC and GAL are the Canadian dollar. The functional currency of Next Gen USA is the U.S. dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

On consolidation, each respective entity's financial statements are translated into the presentation currency, being the Canadian dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in other comprehensive income as a separate component of equity.

3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.9 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.10 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.11 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.12 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.13 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. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.14 Revenue recognition

Revenue is derived from the sale of registration/tickets to conferences hosted by the Company. Revenue is recognized when all of the following are met, when the risks and benefits of the registration/tickets to conferences are transferred to the conference participants, when the Company does not retain managerial involvement with the conference, when collection is reasonably assured and the price and associated costs are reasonably determinable. This corresponds to the date when the conference has occurred.

3.15 Taxation

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

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. Such 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.

The carrying amount of deferred tax assets is reviewed at each reporting date 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.

Deferred 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 the tax rates that have been enacted or substantively enacted at the reporting date.

3.16 Comparative information

Certain comparative figures have been reclassified in accordance with the current year's presentation.

3.17 Changes in accounting policies

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 '*Financial instruments: disclosures'* and IAS 32 *'Financial instruments: presentation*' are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets*' are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

3.12 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.13 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. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.14 Revenue recognition

Revenue is derived from the sale of registration/tickets to conferences hosted by the Company. Revenue is recognized when all of the following are met, when the risks and benefits of the registration/tickets to conferences are transferred to the conference participants, when the Company does not retain managerial involvement with the conference, when collection is reasonably assured and the price and associated costs are reasonably determinable. This corresponds to the date when the conference has occurred.

3.15 Taxation

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

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. Such 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.

The carrying amount of deferred tax assets is reviewed at each reporting date 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.

Deferred 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 the tax rates that have been enacted or substantively enacted at the reporting date.

3.16 Comparative information

Certain comparative figures have been reclassified in accordance with the current year's presentation.

3.17 Changes in accounting policies

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 '*Financial instruments: disclosures'* and IAS 32 *'Financial instruments: presentation*' are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets*' are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is an amendment to include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's consolidated financial statements.

(Expressed in Canadian dollars)

4. SEGMENTED INFORMATION

At 31 March 2015, the Company operates in two geographical areas, being Canada and the United States, and has two reportable segments in exploration and conferences. The following is an analysis of the revenue earned, cost of sales, net loss, current assets and non-current assets by reportable segment and geographical area:

	Canada		United States	
	Conferences	Other	Exploration Activities	Total
	$	$	$	$
Revenue				
Year ended 31 March 2015	**217,609**	**-**	**-**	**217,609**
Year ended 31 March 2014	-	-	-	-
Cost of sales				
Year ended 31 March 2015	**244,114**	**-**	**-**	**244,114**
Year ended 31 March 2014	-	-	-	-
Net loss				
Year ended 31 March 2015	**(26,505)**	**(703,486)**	**(521,358)**	**(1,251,349)**
Year ended 31 March 2014	-	(314,815)	-	(314,815)
Current assets				
As at 31 March 2015	**-**	**60,386**	**-**	**60,386**
As at 31 March 2014	-	226,824	-	226,824
Long-term investments				
As at 31 March 2015	**-**	**1**	**-**	**1**
As at 31 March 2014	-	1	-	1
Exploration and evaluation properties				
As at 31 March 2015	**-**	**-**	**-**	**-**
As at 31 March 2014	-	-	453,747	453,747
Property and equipment				
As at 31 March 2015	**-**	**4,982**	**-**	**4,982**
As at 31 March 2014	-	68,696	-	68,696

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 31 March 2015	As at 31 March 2014
	$	$
Denominated in Canadian dollars	**5,235**	138,988
Denominated in U.S. dollars	**13,050**	28,878
Total cash and cash equivalents	**18,285**	167,866

6. AMOUNTS RECEIVABLE

As at 31 March 2015, the amounts receivable consist of $2,776 (2014 - $6,284) related to Goods and Services Tax input tax credit and $Nil (2014 - $500) related advances and other receivable.

Included in amounts receivable is a balance of $12,000 (2014 - $Nil) due from a related party (Note 18).

7. INVESTMENTS

The Company's investments are as follows:

	As at 31 March 2015	As at 31 March 2014
	$	$
Short term available-for-sale investments		
Investment in AirTrona International Inc.	**300**	800
Long term available-for-sale investments		
Investment in Midland Exploration Corporation	**1**	1

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2015 are as follows:

	Silver Chalice Property
	$
ACQUISITION COSTS	
Balance, 31 March 2014	286,367
Foreign currency translation	42,670
Impairment write-down	(329,037)
Balance, 31 March 2015	-
EXPLORATION AND EVALUATION COSTS	
Balance, 31 March 2014	167,380
Foreign currency translation	24,941
Impairment write-down	(192,321)
Balance, 31 March 2015	-
Total costs	-

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2014 are as follows:

	Silver Chalice Property
	$
ACQUISITION COSTS	
Balance, 31 March 2013	263,412
Foreign currency translation	22,955
Balance, 31 March 2014	286,367
EXPLORATION AND EVALUATION COSTS	
Balance, 31 March 2013	153,962
Foreign currency translation	13,418
Balance, 31 March 2014	167,380
Total costs	453,747

(Expressed in Canadian dollars)

Silver Chalice Property, Alaska, USA

By agreement dated 5 November 2009 and subsequent payments and share issuances, the Company acquired an option to earn a 100% interest in certain mineral claims located in west-central Alaska, known as the Silver Chalice Property as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 5 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 5 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before 31 December of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the property to a third party, subject to the issuance of 33,333 common shares of the Company.

As at 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property (Note 19).

During the year ended 31 March 2014, the Company incurred a recovery in the amount of $31,288 related to amounts received from Revenu Québec related to Resource Tax Credits for exploration expenses incurred on a previously abandoned property.

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the year ended 31 March 2015 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2014	12,809	1,458	76,870	91,137
Additions	-	-	-	-
Disposals	-	-	-	-
Write-down	-	-	(76,870)	(76,870)
As at 31 March 2015	**12,809**	**1,458**	**-**	**14,267**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2014	5,609	1,458	15,374	22,441
Depreciation	2,218	-	7,687	9,905
Write-down	-	-	(23,061)	(23,061)
As at 31 March 2015	**7,827**	**1,458**	**-**	**9,285**
NET BOOK VALUE				
As 31 March 2014	7,200	-	61,496	68,696
Total changes during the period	(2,218)	-	(61,496)	(63,714)
As at 31 March 2015	**4,982**	**-**	**-**	**4,982**

(Expressed in Canadian dollars)

The changes in the Company's property and equipment for the year ended 31 March 2014 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2013	12,809	1,458	76,870	91,137
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2014	12,809	1,458	76,870	91,137
DEPRECIATION AND IMPAIRMENT				
As 31 March 2013	3,390	1,458	7,687	12,535
Depreciation	2,219	-	7,687	9,906
As at 31 March 2014	5,609	1,458	15,374	22,441
NET BOOK VALUE				
As 31 March 2013	9,419	-	69,183	78,602
Total changes during the year	(2,219)	-	(7,687)	(9,906)
As at 31 March 2014	7,200	-	61,496	68,696

During the year ended 31 March 2015, the Company recorded a write-down of $53,809 (2014 - $Nil) related to the abandonment of its leasehold improvements (Note 19).

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILTIIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to general and administrative activities and amounts payable for financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. These are broken down as follows:

	As at 31 March 2015	As at 31 March 2014
	$	$
Trade payables	**10,503**	19,418
Accrued liabilities	**8,000**	8,500
Total trade and other payables	**18,503**	27,918

11. SHARE CAPITAL

11.1 Authorized share capital

The Company has authorized for issuance an unlimited number of common shares. At 31 March 2015, the Company had 21,730,896 common shares outstanding (2014 - 17,454,227).

11.2 Share issuances

On 30 November 2014, the Company issued 107,619 common shares valued at $11,838 for online marketing services provided by a third party (Note 19).

On 30 September 2014, the Company issued 550,000 non flow-through units at $0.08 per unit for gross proceeds of $44,000. Each unit consists of one common share and one-half of one non-transferable share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Company for a period of 24 months at a price of $0.16 per share during the first year, $0.20 during the second year. In connection with this private placement, the Company incurred cash share issue costs of $1,200 and issued 15,000 share purchase warrants in relation to finders' fees. The warrants are exercisable for a period for 24 months at a price of $0.16 per share during the first year and $0.20 during the second year.

On 15 August 2014, the Company issued 3,187,500 non flow-through units at $0.08 per unit for gross proceeds of $255,000. Each unit consists of one common share and one-half of one non-transferable share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Company for a period of 24 months at a price of $0.16 per share during the first year and $0.20 during the second year.

On 29 August 2014, the Company issued 107,619 common shares valued at $11,300 for online marketing services provided by a third party (Note 19).

(Expressed in Canadian dollars)

On 23 June 2014, the Company issued 36,000 common shares valued at $5,220 for online marketing services provided by a third party (Note 19).

On 30 May 2014, the Company issued 77,931 common shares valued at $10,520 for online marketing services provided by a third party (Note 19).

On 23 April 2014, the Company issued 210,000 common shares in relation to the exercise of share purchase warrants at an exercise price of $0.38 per share.

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by a third party (Note 19).

11.3 Share consolidation

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 1).

11.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 31 March 2015 and 2014:

	31 March 2015		31 March 2014	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of year	**2,666,667**	**0.525**	2,666,667	0.525
Granted	**1,883,750**	**0.180**	-	-
Exercised	**(210,000)**	**0.380**	-	-
Forfeited	**-**	**-**	-	-
Outstanding, end of year	**4,340,417**	**0.383**	2,666,667	0.525

(Expressed in Canadian dollars)

The following table summarizes information regarding share purchase warrants outstanding as at 31 March 2015:

Date issued	Number of warrants	Exercise price	Expiry date
		$	
26 September 2011	456,666	0.38	26 September 2015
26 September 2011	666,667	0.45	26 September 2015
26 September 2011	666,667	0.53	26 September 2015
26 September 2011	666,667	0.75	26 September 2015
15 August 2014	1,593,750	0.18	15 August 2016
30 September 2014	290,000	0.18	30 September 2016
	4,340,417		

11.5 Stock options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the Discounted Market Price policies of the CSE. The aggregate number of common shares issuable pursuant to options granted under the plan is 4,214,660 common shares, being 20% of the Company's issued common shares under the plan. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

The following is a summary of the changes in the Company's stock option plan for the years ended 31 March 2015 and 2014:

	31 March 2015		31 March 2014	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Outstanding, beginning of year	**1,675,000**	**0.230**	1,000,000	0.360
Granted	**70,000**	**0.250**	925,000	0.190
Exercised	**-**	**-**	-	-
Expired	**(45,333)**	**0.240**	-	-
Forfeited	**(250,000)**	**0.250**	(250,000)	0.375
Outstanding, end of year	**1,449,667**	**0.220**	1,675,000	0.230

(Expressed in Canadian dollars)

The weighted average fair value of the options granted during the year ended 31 March 2015 was estimated at $0.211 (2014 - $0.111) per option at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	Year ended 31 March 2015	Year ended 31 March 2014
Risk free interest rate	**1.69%**	1.63%
Expected life	**5 years**	5 years
Expected volatility	**162.45%**	124.08%
Expected dividend per share	**0.00**	0.00

The weighted average fair value of the options related to services was estimated at $0.0718 (2014 - $Nil) per option at the date services were provided using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	Year ended 31 March 2015	Year ended 31 March 2014
Risk free interest rate	**1.26%**	-
Expected life	**4.50 years**	-
Expected volatility	**165.80%**	-
Expected dividend per share	**0.00**	-

The following table summarizes information regarding stock options outstanding and exercisable as at 31 March 2015:

Exercise price	**Number of options outstanding**	**Weighted-average remaining contractual life (years)**	**Weighted average exercise price**
			$
Options outstanding			
$0.100 - $0.290	933,000	3.64	0.140
$0.300 - $0.585	516,667	1.36	0.375
Total options outstanding	**1,449,667**	**2.83**	**0.221**
Options exercisable			
$0.100 - $0.290	920,500	3.64	0.140
$0.300 - $0.585	516,667	1.36	0.375
Total options exercisable	**1,437,167**	**2.83**	**0.221**

(Expressed in Canadian dollars)

11.6 Escrow shares

On 18 October 2010, the Company entered into an escrow agreement in connection with the listing of the Company's common shares on the TSX-V. The escrow shares are released over 36 months from the date the Company's common shares are listed on the TSX-V. As at 31 March 2015, a total of nil common shares were held in escrow.

12. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $66,466 was recognized in the year ended 31 March 2015 (2014 - $17,297):

Grant date	Fair value	**Amount vested in 2015**	Amount vested in 2014
	$	**$**	$
7 September 2011	18,732	**1,004**	3,638
26 February 2014	67,747	**51,867**	13,659
17 April 2014	10,609	**10,489**	-
21 April 2014	3,106	**3,106**	-
Total share-based payments		**66,466**	17,297
Consulting fees		**19,018**	-
Total		**85,484**	17,297

13. FINANCE INCOME

The finance income for the Company is broken down as follows:

Year ended 31 March	**2015**	2014
	$	$
Interest income	-	1,746
Total finance income	-	1,746

(Expressed in Canadian dollars)

14. TAXES

14.1 Provision for income taxes

Year ended 31 March	**2015**	2014
	$	$
Loss before tax	**1,251,349**	314,815
Statutory tax rate	**33.25%**	25.25%
Expected tax recovery	**416,067**	79,491
Differences in foreign tax rates	**364**	-
Non-deductible items	**(33,707)**	(7,709)
Change in prior year provision to actual	**8,160**	(3,919)
Change in future tax rates	**33,050**	10,263
Change in valuation allowance	**(423,934)**	(78,126)
Tax recovery for the year	**-**	-

14.2 Deferred tax balances

The tax effects of temporary differences that give rise to future income tax assets and liabilities are as follows:

As at 31 March	**2015**	2014
	$	$
Tax loss carry-forwards	**848,567**	679,794
Property and equipment	**26,253**	4,590
Exploration and evaluation properties	**650,631**	412,120
Share issue costs	**4,328**	9,341
	1,529,779	1,105,845
Valuation allowance	**(1,529,779)**	(1,105,845)
Deferred tax assets (liabilities)	**-**	-

(Expressed in Canadian dollars)

14.3 Expiry dates

The Company's recognized and unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

As at 31 March	2015
	$
Non-capital losses	
2026	183,998
2027	243,922
2028	165,424
2029	70,240
2030	174,093
2031	452,168
2032	689,822
2033	415,559
2034	308,921
2035	556,984
Total non-capital losses	**3,261,131**
Total resource-related deduction, no expiry	**2,153,518**

15. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 31 March	2015	2014
	$	$
Net loss for the year	(1,251,349)	(314,815)
Weighted average number of shares – basic and diluted	20,132,025	17,371,988
Loss per share, basic and diluted	**(0.062)**	(0.018)

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 reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the years ended 31 March 2015 and 2014.

(Expressed in Canadian dollars)

16. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

17. FINANCIAL INSTRUMENTS

17.1 Categories of financial instruments

	As at 31 March 2015	As at 31 March 2014
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	**18,285**	167,866
Available-for-sale, at fair value		
Short term investments	**300**	800
Long term investments	**1**	1
Total financial assets	**18,586**	168,667
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**10,503**	19,418
Due to related parties	**21,038**	13,246
Total financial liabilities	**31,541**	32,664

(Expressed in Canadian dollars)

17.2 Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at 31 March 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	18,285	-	-	18,285
Short-term investments	300	-	-	300
Long-term investments	-	-	1	1
Total	**18,585**	**-**	**1**	**18,586**

As at 31 March 2014	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	167,866	-	-	167,866
Short-term investments	800	-	-	800
Long-term investments	-	-	1	1
Total	168,666	-	1	168,667

There were no transfers between Level 1, 2 and 3 in the years ended 31 March 2015 and 2014.

17.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 31 March 2015, the Company had working capital of $20,845 (2014 - $185,660) (Note 1.1).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

(Expressed in Canadian dollars)

18. RELATED PARTY TRANSACTIONS

For the year ended 31 March 2015 and 2014, the Company had related party transactions with Pacific North West Capital Corp. ("PFN") and El Nino Ventures Inc. ("ELN"), companies with directors in common with the Company. The Company pays shared office costs to PFN on a month-to-month basis.

18.1 Related party expenses

The Company's related party expenses are broken down as follows:

Year ended 31 March	2015	2014
	$	$
Administration and management fees	49,701	21,862
Accounting fees (recovery)	(12,000)	7,200
Rent	46,480	49,747
Consulting	68,443	45,223
Investor relations	3,750	1,564
Transfer agent and filing fees	-	394
Travel expenses	489	4,664
Total related party expenses to PFN	156,863	130,654
Accounting fees paid to the CFO	32,000	16,533
Accounting fees paid to the former CFO	-	8,500
Consulting fees paid to a company controlled by the COO	22,500	9,667
Consulting fees paid to the Corporate Secretary	13,500	-
Consulting fees paid to a company controlled by the Corporate Secretary	4,500	-
Consulting fees paid to VP Exploration	16,175	2,900
Total related party expenses	245,538	168,254

18.2 Due from/to related parties

The Company has the following amounts due to/from related parties:

Year ended 31 March	2015	2014
	$	$
PFN	14,038	4,106
Key management personnel	7,000	9,140
Total amount due to related parties	21,038	13,246
ELN	12,000	-

(Expressed in Canadian dollars)

Total amount due from related parties (Note 6)	**12,000**	-

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

18.3 Key management personnel compensation

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

Year ended 31 March	**2015**	2014
	$	$
Short-term benefits	**88,675**	37,600
Share-based payments	**46,960**	12,594
Total key management personnel compensation	**135,635**	50,194

19. SUPPLEMENTAL CASH FLOW INFORMATION

Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Year ended 31 March	**2015**	2014
	$	$
Interest paid	-	-
Taxes paid	-	-
Total cash payments	-	-

On 30 November 2014, the Company issued 107,619 common shares valued at $11,838 for online marketing services provided by a third party (Note 11).

On 29 August 2014, the Company issued 107,619 common shares valued at $11,300 for online marketing services provided by a third party (Note 11).

On 23 June 2014, the Company issued 36,000 common shares valued at $5,220 for online marketing services provided by a third party (Note 11).

On 30 May 2014, the Company issued 77,931 common shares valued at $10,520 for online marketing services provided by a third party (Note 11).

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by a third party (Note 11).

As at 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property (Note 8).

20. EVENTS AFTER THE REPORTING PERIOD

There are no reportable subsequent events.

21. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the year ended 31 March 2015 were approved and authorized for issue by the Board of Directors on 28 July 2015.

APPENDIX “D”

Next Gen

Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

NEXT GEN METALS INC.

For the year ended 31 March 2015

Page 1

This management discussion and analysis ("MD&A") includes a review of activities, results of operations, financial condition and outlook for Next Gen Metals Inc. and its subsidiaries (the "Company" or "Next Gen") for the year and quarter ended 31 March 2015, with comparisons to the year and quarter ended 31 March 2014. This MD&A is presented as of 28 July, 2015 and should be read in conjunction with the Company's consolidated financial statements for the years ended 31 March 2015 and 2014 and the related notes thereto. Next Gen's consolidated financial statements for the year ended 31 March 2015 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are in Canadian dollars unless otherwise stated. Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.nextgenmetalsinc.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CURRENT MARKET CONDITIONS

As a result of the uncertainty in the global economy, there is a serious shortage of available capital and significant exploration risk to the resource industry.

DESCRIPTION OF BUSINESS

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange.

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

OVERVIEW, SIGNIFICANT EVENTS, TRANSACTION AND ACTIVITIES

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation.

On 20 March 2014 Next Gen establishes its wholly owned subsidiary GreenRush Financial Conferences Inc.: Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results.

On 23 June 2014, the Company established its wholly owned business unit Greenrush Business Brokerage, a business brokerage advisory and consultancy business unit.

PROPERTIES

Silver Chalice Property

On 05 November 2009, the Company entered into an agreement (the "Acquisition Agreement") with Anglo Alaska Gold Corp. ("AAG"), a privately owned Alaska corporation, to acquire a 100% interest in the Silver Chalice epithermal gold/silver project ("Silver Chalice Property"), consisting of 31 State of Alaska mining claims for 4,960 acres. The Silver Chalice Property is located in west-central Alaska approximately 345 miles northwest of Anchorage and 330 miles west southwest of Fairbanks.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 05 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 05 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before December 31 of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the Silver Chalice Property to a third party, subject to the issuance of 33,333 shares of the Company.

Geology

The Silver Chalice Property occurs immediately east of the eastern margin of the Poison Creek Caldera in west-central Alaska. Gold-silver bearing polyphase quartz veins are associated with northeast structures that radiate from the caldera margin. The epithermal gold-silver veins are hosted within a zone of outer propylitic alteration and an inner zone of weak to moderate argillic alteration. Weak silicification is also noted in the country rocks adjacent to the veins. Country rocks consist of Cretaceous flysch units including lithic sandstone, siltstone and shale.

The Poison Creek Caldera consists of bimodal Eocene to Paleocene volcanic units that range from andesite to rhyolite in composition. The epithermal veins at the project appear to be intimately associated with this volcanic activity. Rock chip samples from surface rubble-crops and boulder trains return values up to 10 grams of gold per tonne and 462 grams of silver per tonne. Average silver:gold ratio is approximately 40:1. The main Silver Chalice vein ranges from 1.32 feet (0.4 metres) up to 25 feet (7.6 metres) in estimated true width in two historic drill holes and the south vein ranges from 0.66 feet (0.2 metres) up to 27 feet (8.2 metres) estimated true width in one historic drill hole. Fluid inclusion analysis suggest that if the hydrothermal fluids contained significant amounts of gold and silver, it is likely that gold-silver mineralization precipitated at boiling levels somewhere in the epithermal system. There remains potential for ore-grade gold and silver mineralization below the exposed surface in the two veins drilled, in the broader altered areas, and in the covered areas along strike of the veins.

The Tertiary Volcanic Caldera which hosts the Silver Chalice Property represents an excellent exploration target with potential to host significant epithermal gold and silver mineralization. Stream sediment samples anomalous in gold and indicator minerals and pan concentrate samples with anomalous gold and mercury strongly support the gold and silver potential of the caldera and adjacent areas. There has been no past lode mining on the project and there are no other active mining claims in the project area.

As at 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property. No exploration expenditures were incurred for the current year.

Qualified Person Statement

"Properties" sections of this report have been reviewed and approved for technical content by Ali Hassanalizadeh MSc. P. Geo, MBA, Senior geologist advisor for Next Gen and a Qualified Person under the provisions of National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

SELECTED ANNUAL AND QUARTERLY FINANCIAL INFORMATION

Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for NextGen for each of the three most recently completed financial years. These information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

	Years Ended 31 March (audited)		
	2015	2014	2013
Total revenues	$ 217,609	$ -	$ -
General and administrative expenses	651,064	350,177	427,530
Mineral property cash costs incurred	-	-	-
Income (loss) before other comprehensive items in total	(1,251,349)	(314,815)	(478,389)
Net comprehensive income (loss)	(1,184,238)	(279,542)	(476,267)
Net Loss per share – Basic & fully diluted	(0.062)	(0.018)	(0.028)
Totals assets	65,369	749,268	1,019,272
Total long term liabilities	Nil	Nil	Nil
Cash dividends declared per share	Nil	Nil	Nil

RESULTS OF OPERATIONS

For the year ended 31 March 2015 compared to the year ended 31 March 2014.

During the year ended 31 March 2015, the Company operates in two geographical areas, being Canada and the United States. Revenue earned for the year ended 31 March 2015 from conferences is $217,609 (2014: $Nil). Revenue was derived from the the sale of registration/tickets to conferences hosted by the Company.

Comprehensive loss for the year ended 31 March 2015 was $1,184,238 as compared to $279,542 for the same period in 2014. The increase in comprehensive loss of $904,696 was mainly attributable to the net effect of:

- Decrease of $14,735 in accounting and audit fees, from $48,897 in 2014 to $34,522 in 2015;

- Increase of $76,039 in administration and management fees, from $33,806 in 2014 to $109,845 in 2015;
- Increase of $100,433 in consulting, from $91,479 in 2014 to $191,912 in 2015;
- Increase of $62,325 in investor relation expenses, from $41,752 in 2014 to $104,077 in 2015 due to increased activity in the Company;
- Increase of $7,902 in legal and professional fees, from $2,433 in 2014 to $10,335 in 2015 due to increased activity in the company;
- Increase of $49,169 in share-based payments, from $17,297 in 2014 to $66,466 in 2015 due to the issued stock options during the year;
- Decrease of $12,192 in transfer agent and filing fees, from $30,449 in 2014 to $18,257 in 2015;
- Increase of $34,433 in travel expenses, from $12,278 in 2014 to $49,711 in 2015 due to increased activity in the Company;
- Increase of $552,646 in write-down of exploration and evaluation property from recovery of $31,288 in 2014 to write down of $(521,358) in 2015; and,
- Increase of $53,809 in the write-down of property and equipment from $Nil in 2014 to $(53,809) in 2015;

At 31 March 2015 the Company had working capital amounting to $20,845 (2014: $185,660) including cash of $18,285 (2014: $167,866). During the year ended 31 March 2015, operating activities have been principally funded through existing working capital.

Net decrease in cash during the year ended 31 March 2015 amounted to $149,581 (2014:138,930).

Selected Quarterly Information

The following selected financial information is derived from the unaudited consolidated financial statements of the Company prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	31 Mar 2015	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013
Total assets	$ 65,369	$ 623,831	$ 723,166	$ 699,035	$ 749,268	$ 798,007	$ 839,186	$ 960,587
Resource prop. & deferred costs	-	453,747	453,747	453,747	453,747	417,374	417,374	417,374
Working capital	20,845	91,544	181,020	121,006	185,660	308,658	335,482	400,230
Shareholders' equity	25,828	606,559	698,512	640,974	708,104	797,207	826,506	893,730
Total revenues	-	-	1,781	215,828	-	-	-	-
Net loss	(656,616)	(130,286)	(259,627)	(204,820)	(151,844)	(29,875)	(68,369)	(64,727)
Net comprehensive loss	(589,505)	(130,286)	(259,627)	(204,820)	(116,571)	(29,875)	(68,369)	(64,727)
Net loss per share	(0.033)	(0.005)	(0.013)	(0.012)	(0.008)	(0.002)	(0.004)	(0.004)

For the three-month period ended 31 March 2015 compared to the three-month period ended 31 March 2014.

Comprehensive loss for the three-month period ended 31 March 2015 was $589,505 as compared to $116,571 for the same period in 2014. The increase in comprehensive loss of $472,934 was mainly attributable to net effect of:

- Decrease of $1,978 in accounting fees, from $16,500 in 2014 to $14,522 in 2015;
- Decrease of $26,146 in administration and management fees, from $16,265 in 2014 to $42,411 in 2015;
- Increase of $130,317 in consulting, from $39,762 in 2014 to $170,079 in 2015;
- Decrease of $109,229 in legal and professional fees, from $2,433 in 2014 to ($106,796) in 2015;
- Decrease of $11,689 in share-based payments, from $14,235 in 2014 to $2,546 in 2015;
- Decrease of $3,238 in transfer agent and filing fees, from $14,902 in 2014 to $11,664 in 2015;
- Decrease of $3,408 in travel expense, from $6,825 in 2014 to $3,417 in 2015;
- Increase of $3,277 in foreign exchange gain of $4,315 in 2014 to foreign exchange gain of $1,038 in 2015;
- Increase of $521,358 in write-down of exploration and evaluation property from $nil in 2014 to $(521,358) in 2015; and,
- Increase of $53,809 in the write-down of property and equipment from $Nil in 2014 to $(53,809) in 2015.

The Company has historically relied upon equity financings and loans from directors to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

The Company has limited financial resources, limited source of operating income and no assurance that additional funding will be available to it for future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its exploration success. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

CAPITAL RESOURCES

As at 31 March 2015, the Shareholders' equity of $25,828 (2014: $708,104) consisted of share capital of $6,002,112 (2014: $5,649,388), reserves of $739,508 (2014: $539,696), contributed surplus of $92,968 (2014: $76,431) and deficit of $6,808,760 (2014: $5,557,411).

RELATED PARTY TRANSACTIONS

The Company's related party expenses are broken down as follows:

Year ended 31 March	2015	2014
	$	$
Administration and management fees	**49,701**	21,862
Accounting fees (recovery)	**(12,000)**	7,200
Rent	**46,480**	49,747
Consulting	**68,443**	45,223
Investor relations	**3,750**	1,564
Transfer agent and filing fees	-	394
Travel expenses	**489**	4,664
Total related party expenses to PFN	**156,863**	130,654
Accounting fees paid to the CFO	**32,000**	16,533
Accounting fees paid to the former CFO	-	8,500
Consulting fees paid to a company controlled by the COO	**22,500**	9,667
Consulting fees paid to the Corporate Secretary	**13,500**	-
Consulting fees paid to a company controlled by the Corporate Secretary	**4,500**	-
Consulting fees paid to VP Exploration	**16,175**	2,900
Total related party expenses	**245,538**	168,254

Due from/to related parties

The Company has the following amounts due to/from related parties:

Year ended 31 March	**2015**	2014
	$	$
PFN	**14,038**	4,106
Key management personnel	**7,000**	9,140
Total amount due to related parties	**21,038**	13,246
ELN	**12,000**	-
Total amount due from related parties	**12,000**	-

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

Key management personnel compensation

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

Year ended 31 March	2015	2014
	$	$
Short-term benefits	88,675	37,600
Share-based payments	46,960	12,594
Total key management personnel compensation	135,635	50,194

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations and Deficit included in its Financial Statements for the year ended 31 March 2015 and 2014, which are available on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA AS AT 31 MARCH 2015

	Number issued and outstanding	Exercise Price	Expiry Date
Common shares	21,730,896		
Common shares issuable on exercise:			
Stock Options	516,667	$0.380	09 August 2016
Stock Options	44,000	$0.240	06 September 2015
Stock Options	44,000	$0.240	06 September 2016
Stock Options	720,000	$0.110	26 February 2019
Stock Options	50,000	$0.210	12 March 2019
Stock Options	25,000	$0.25	17 March 2019
Stock Options	50,000	$0.25	17 April 2019
Stock Options	-	$0.25	21 April 2019
Warrants	456,666	$0.375	26 September 2015
Warrants	666,667	$0.450	26 September 2015
Warrants	666,667	$0.525	26 September 2015
Warrants	666,667	$0.750	26 September 2015
Warrants	1,593,750	$0.180	15 August 2016
Warrants	290,000	$0.180	30 September 2016

Share Consolidation

On 25 February 2014, the Company consolidated its capital on the basis of one and half old common shares for one new common share.

INVESTOR RELATIONS

Total investor relations expense for the year ended 31 March 2015 was $104,077, an increase of $62,325 from $41,752 compared to the same period in 2014 due to increase in the additional staffing and activities due to establishing the company in the Medical Marijuana, Industrial Hemp and Alternate health business sectors as well as launching the GreenRush Financial Investment Conference division.

RISKS AND UNCERTAINTIES

The Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources. The business of the Company is dependent upon many components of the success and failure of Health Canada's new Marijuana for Medical Purposes Regulations ("MMPR") to achieve new investment through the approvals of licenses and the implementation of operational facilities.

Despite the promising nature of the medical marijuana industry in Canada and the United States for that matter, failure to obtain such additional financing could delay further development of the Company's business.

Management is of the opinion the current industry is extremely large and based on its assessment of relative competitors; the Company holds an optimistic, yet cautious approach to implementation.

As well companies involved in mineral exploration are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, politics and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The Company's Medical Marijuana (MMJ) business is in the start-up stage only, and is unproven. We may not be successful in implementing our business plan to become profitable. There may be less demand for our services than we anticipate. There is no assurance that these businesses will succeed.
- *Competition and new rivals*: The Company plans to compete in an industry which there are few, but growing number of participants. The Company will have to prove its ability to compete against companies that have greater financial, technological and marketing resources.
- *Environmental effects*: We may suffer negative publicity if we, any third party contractors we may engage, are found to engage in any environmentally insensitive practices or other business practices that are viewed as unethical. The future growth and profitability MMJ sectors will be dependent in part on the effectiveness and efficiency of our advertising and promotional expenditures, including our ability to (i) create greater awareness of our services, (ii) determine the appropriate creative message and media mix for future advertising expenditures, and (iii) effectively manage advertising and promotional costs in order to maintain acceptable operating margins. There can be no assurance that we will experience benefits from advertising and promotional expenditures in the future. In addition, no assurance can be given that our planned advertising and promotional expenditures will result in increased revenues, will generate levels of service and name awareness or that we will be able to manage such advertising and promotional expenditures on a cost-effective basis.
- *Risks associated with Legislative effects; Compliance, Regulatory, and Licensing through Health Canada*: The Company's operations are subject to regulations promulgated by government regulatory agencies from time to time. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Health Canada's application process to obtain and maintain a license under the Marijuana for Medical Purposes Regulations (MMPR) is extremely lengthy and detailed in its requirements and there can be no guarantee that the Company or its joint venture partners will receive their license under the MMPR and there is no assurances they will be able to obtain and maintain, at all times all necessary licenses and permits to carry out its business. For more information please view the Health Canada website (http://www.hc-sc.gc.ca/dhp-mps/marihuana/info/techni-eng.php). There is no assurance that the Company will be successful in completing prospective projects in the marijuana sector.
- Lack of sustainable financial backing
- The high degree of volatility in the prices of metal and other resource commodities

- The demand of commodities can be dependent on global consumption
- An increasing competition to acquire resource properties throughout the world
- No assurance about the economic viability, it is speculative
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control
- Additional costs can be incurred such as availability of experts, work force and equipment
- Additional expenditures will be required to establish resources or reserves on mineral properties, if any resources or reserves exist on the properties
- The rights to the resource properties must be maintained in accordance with various regulations and agreements
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 of the consolidated financial statements for the year 31 March 2015.

CHANGES IN ACCOUNTING POLICIES

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the year ended 31 March 2015:

- IFRS 7 *'Financial Instruments: disclosures'*, clarifies whether a servicing contract is continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

    - Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
    - Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
    - All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
    - The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.
    - The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses

to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 *'Consolidated Financial Statements'*, clarifies the conditions for a parent to present consolidated financial statements for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 '*Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 '*Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IFRS 16 '*Property, Plant and Equipment'* is an amendment that clarifies acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the consolidated financial statements of the Company.

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 *'Financial instruments: disclosures'* and IAS 32 *'Financial instruments: presentation'* are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets*' are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is an amendment to include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's financial statements.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Short term and long term investments in other companies are classified as available-for-sale, which is measured at fair value. Trade payables and amounts due to related parties are classified as other financial liabilities which are measured at amortized cost.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 31 March 2015, the Company had working capital of $20,845 (2014 - $185,660).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

MANAGEMENT OF CAPITAL

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties and continue to seek opportunities in the Medical Marijuana, Industrial Hemp Industries ("MMIH").

The Company is dependent on external financing to fund its activities. In order to continue to develop its business strategy in the MMIH and to carry out the planned exploration on its mineral properties and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess both opportunities in the MMHI as well as new mineral properties. The Company is seeking to acquire an interest in those businesses within the MMHI that meet the Company's criteria for investment, including additional mineral properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

SUBSEQUENT EVENTS

Following are events that occurred subsequent to 31 March 2015.

There are no reportable subsequent events.

OUTLOOK

The Company currently has $20,845 in working capital and will need to obtain additional equity financing to fund its ongoing operations and any further mineral property projects. The Company is reviewing properties for acquisition on an ongoing basis.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

The accompanying condensed consolidated interim financial statements of the Company have been prepared by management in accordance with IFRS, and contain estimates based on management's judgment. Management maintains an appropriate system of internal control to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

"Harry Barr"	*"Robert Guanzon"*
Harry Barr	Robert Guanzon
Chief Executive Officer and Director	Chief Financial Officer

APPENDIX "E"

Next Gen Metals Inc.

Consolidated Financial Statements

31 March 2014

(Expressed in Canadian dollars)

JAMES STAFFORD

James Stafford, Inc.
Chartered Accountants
Suite 350 – 1111 Melville Street
Vancouver, British Columbia
Canada V6E 3V6
Telephone +1 604 669 0711
Facsimile +1 604 669 0754
www.JamesStafford.ca

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Next Gen Metals Inc.

We have audited the accompanying consolidated financial statements of Next Gen Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at 31 March 2014 and 2013, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 the Company as at 31 March 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

James Stafford

Chartered Accountants

Vancouver, Canada
17 July 2014

Next Gen Metals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	As at 31 March 2014	As at 31 March 2013
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	**167,866**	306,796
Amounts receivable	6	**6,784**	206,144
Short-term investments	7	**800**	1,900
Prepaid expenses		**51,374**	8,455
		226,824	523,295
Long-term investments	7	**1**	1
Exploration and evaluation properties	8	**453,747**	417,374
Property and equipment	9	**68,696**	78,602
Total assets		**749,268**	1,019,272
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	10	**27,918**	12,425
Due to related parties	18	**13,246**	49,731
Total liabilities		**41,164**	62,156
Equity			
Share capital	11	**5,649,388**	5,636,155
Reserves		**539,696**	487,126
Contributed surplus		**76,431**	76,431
Deficit		**(5,557,411)**	(5,242,596)
Total equity		**708,104**	957,116
Total equity and liabilities		**749,268**	1,019,272

APPROVED BY THE BOARD:

"Harry Barr"
Director

"Kevin Lawrence"
Director

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

Next Gen Metals Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Year ended 31 March 2014	2013
		$	$
Expenses			
Accounting and audit fees		**48,897**	50,678
Administration and management fees		**33,806**	101,711
Bank charges and interest		**101**	539
Consulting		**91,479**	61,437
Depreciation	9	**9,906**	10,634
Insurance		**12,032**	13,411
Investor relations		**41,752**	55,418
Legal and professional fees		**2,433**	2,753
Rent		**49,747**	60,994
Share-based payments	12	**17,297**	18,738
Transfer agent and filing fees		**30,449**	36,653
Travel		**12,278**	14,564
Loss before other items		**(350,177)**	(427,530)
Other items			
Finance income	13	**1,746**	6,982
Foreign exchange gain		**2,328**	496
Recovery (write-down) of exploration and evaluation property	8	**31,288**	(58,337)
Net loss for the year		**(314,815)**	(478,389)
Other comprehensive loss			
Unrealized loss on available-for-sale assets	7	**(1,100)**	(8,100)
Foreign currency translation adjustment		**36,373**	10,222
Net comprehensive loss		**(279,542)**	(476,267)
Loss per share			
Basic	15	**(0.018)**	(0.028)
Diluted	15	**(0.018)**	(0.028)

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

Next Gen Metals Inc.

Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Notes	Year ended 31 March 2014	2013
		$	$
OPERATING ACTIVITIES			
Net loss for the year		(314,815)	(478,389)
Adjustments for:			
Write-down of exploration and evaluation property	8	-	58,337
Depreciation	9	9,906	10,634
Flow-through share income	13	-	(3,570)
Share-based payments	12	17,297	18,738
Shares issued for services	11	13,233	-
Operating cash flows before movements in working capital			
Decrease in amounts receivables		199,360	179,141
(Increase) decrease in prepaid expenses		(42,919)	37,789
Increase (decrease) in trade payables and accrued liabilities		15,493	(10,006)
Decrease in due to related parties		(36,485)	(53,312)
Cash used in operating activities		(138,930)	(598,920)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	8	-	143,397
Purchase of property and equipment	9	-	(1,089)
Cash provided by investing activities		-	142,308
Decrease in cash and cash equivalents		(138,930)	(456,612)
Effect of foreign currency on cash and cash equivalents		-	99
Cash and cash equivalents, beginning of year		306,796	763,309
Cash and cash equivalents, end of year		167,866	306,796

Supplemental cash flow information (Note 19)

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

Next Gen Metals Inc.

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Number of shares	Share capital	Stock option reserve	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Contributed surplus	Deficit	Total
		$	$	$	$	$	$	$	$
Balances, 31 March 2012	17,365,946	5,636,155	338,107	312,431	(80,146)	(27,695)	-	(4,764,207)	1,414,645
Share-based payments	-	-	18,738	-	-	-	-	-	18,738
Expired warrants	-	-	-	(76,431)	-	-	76,431	-	-
Unrealized loss on available-for-sale assets	-	-	-	-	(8,100)	-	-	-	(8,100)
Foreign currency translation adjustment	-	-	-	-	-	10,222	-	-	10,222
Net loss for the year	-	-	-	-	-	-	-	(478,389)	(478,389)
Balances, 31 March 2013	17,365,946	5,636,155	356,845	236,000	(88,246)	(17,473)	76,431	(5,242,596)	957,116
Share-based payments	-	-	17,297	-	-	-	-	-	17,297
Shares issued for services	88,281	13,233	-	-	-	-	-	-	13,233
Unrealized loss on available-for-sale assets	-	-	-	-	(1,100)	-	-	-	(1,100)
Foreign currency translation adjustment	-	-	-	-	-	36,373	-	-	36,373
Net loss for the year	-	-	-	-	-	-	-	(314,815)	(314,815)
Balances, 31 March 2014	**17,454,227**	**5,649,388**	**374,142**	**236,000**	**(89,346)**	**18,900**	**76,431**	**(5,557,411)**	**708,104**

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

1. CORPORATE INFORMATION

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "M5BN" and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange (the "TSX-V").

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

The head office, principal address and registered and records office is located at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7.

The Company's ability to continue operations is dependent upon successfully raising the necessary financing to complete future acquisition, exploration and development. These pursuits may be delayed if the Company encounters challenges faced by seeking to raise acquisition and exploration funds through the issuance of shares.

Based on the above factors, there is substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements for the years ended 31 March 2014 and 31 March 2013 have been prepared on the basis of accounting principles applicable to a going concern, and accordingly, do not purport to give effect to adjustments which may be required should the Company be unable to achieve its objectives above as a going concern. The net realizable value of the Company's assets may be materially less than the amounts recorded in these consolidated financial statements should the Company be unable to realize its assets and discharge its liabilities in the normal course of business. The Company had a net loss of $314,815 for the year ended 31 March 2014 (2013 - $478,389) and had working capital of $185,660 as at 31 March 2014 (2013 - $461,139).

The Company had cash and cash equivalents of $167,866 at as 31 March 2014 (2013 - $306,796) but management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

1. CORPORATE INFORMATION, continued

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 11).

2. BASICS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of Next Gen and its wholly-owned subsidiaries, Next Gen USA Inc. ("Next Gen USA") and GreenRush Financial Conferences Inc. ("GreenRush Financial Conferences").

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

2.2 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 17, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with using accounting policies in full compliance with International Accounting Standards ("IFRS") and International Accounting Standards (IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 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, amendments and interpretations which are not yet effective during the year ended 31 March 2014.

- IFRS 9 '*Financial Instruments: Classification and Measurement*' is a new financial instruments standard effective for annual periods beginning on or after 1 January 2015 that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities.

- IAS 32 (Amendment) '*Financial Instruments: Presentation*' is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

2.4 New and revised standards and interpretations, continued

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short term money market instruments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Deprecation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance method or straight-line method using the following rates:

Furniture and equipment	20% to 30%
Software	100%
Leasehold improvements	10 years

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and

3.5 Decommissioning, restoration and similar liabilities, continued

control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.6 Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional currency of Next Gen is the Canadian dollar. The functional currency of Next Gen USA is the U.S. dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

On consolidation, each respective entity's financial statements are translated into the presentation currency, being the Canadian dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in other comprehensive income as a separate component of equity.

3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Taxation

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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. Such 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.

The carrying amount of deferred tax assets is reviewed at each reporting date 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.

Deferred 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 the tax rates that have been enacted or substantively enacted at the reporting date.

3.9 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are

3.9 Financial assets, continued

included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.10 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.11 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.12 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.13 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset

3.13 Impairment of non-financial assets, continued

group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.14 Comparative figures

Certain comparative figures have been adjusted to conform to the current year's presentation.

3.15 Flow-through shares

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through liability will be reversed. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a deferred tax recovery.

3.16 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. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

4. SEGMENTED INFORMATION

At 31 March 2014, the Company operates in two geographical areas, being Canada and the United States. The following is an analysis of the net loss, current assets and non-current assets by geographical area:

	Canada	United States	Total
	$	$	$
Net loss			
For the year ended 31 March 2014	**314,815**	**-**	**314,815**
For the year ended 31March 2013	478,389	-	478,389
Current assets			
As at 31 March 2014	**226,824**	**-**	**226,824**
As at 31 March 2013	523,295	-	523,295
Long-term investments			
As at 31 March 2014	**1**	**-**	**1**
As at 31 March 2013	1	-	1
Exploration and evaluation properties			
As at 31 March 2014	**-**	**453,747**	**453,747**
As at 31 March 2013	-	417,374	417,374
Property and equipment			
As at 31 March 2014	**68,696**	**-**	**68,696**
As at 31 March 2013	78,602	-	78,602

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 31 March 2014	As at 31 March 2013
	$	$
Denominated in Canadian dollars	**138,988**	279,940
Denominated in U.S. dollars	**28,878**	26,856
Total cash and cash equivalents	**167,866**	306,796

(Expressed in Canadian dollars)

6. AMOUNTS RECEIVABLE

As at 31 March 2014, the amounts receivable consist of $6,284 (2013: $8,295) related to Goods and Services Tax input tax credit, advance receivable $500 (2013: $Nil), and $Nil (2013: $197,849) related to Resources Tax Credits.

7. INVESTMENTS

The Company's investments are as follows:

	As at 31 March 2014	As at 31 March 2013
	$	$
Short term investments		
Investment in AirTrona International Inc.	**800**	1,900
Long term investments		
Investment in Midland Exploration Corporation	**1**	1

Short term investments

On 6 November 2008, the Company received 1,000,000 common shares in AirTrona International Inc. (previously "Chancery Resources Inc."), (OTCPink: ARTR (previously "CCRY"), in consideration for the disposal of a 100% interest in several claims within the Nicola Volcanic Belt, around the Douglas Lake region of British Columbia, which the Company had staked in October 2008.

Long-term investments

During the year ended 31 March 2008, the Company received 3,000,000 common shares of Midland Exploration Corporation ("Midland"), a private company, as settlement for the Company's 30% interest in the Ketchan Property on 14 August 2007.

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2014 are as follows:

	Silver Chalice Property	Total
	$	$
ACQUISITION COSTS		
Balance, 31 March 2013	263,412	263,412
Foreign currency translation	22,955	22,955
Balance, 31 March 2014	**286,367**	**286,367**
EXPLORATION AND EVALUATION COSTS		
Balance, 31 March 2013	153,962	153,962
Foreign currency translation	13,418	13,418
Balance, 31 March 2014	**167,380**	**167,380**
Total costs	**453,747**	**453,747**

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES, continued

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2013 are as follows:

	Silver Chalice Property	Fate Property	Destiny Gold Property	Total
	$	$	$	$
ACQUISITION COSTS				
Balance, 31 March 2012	256,935	30,000	-	286,935
Foreign currency translation	6,477	-	-	6,477
Impairment	-	(30,000)	-	(30,000)
Balance, 31 March 2013	263,412	-	-	263,412
EXPLORATION AND EVALUATION COSTS				
Balance, 31 March 2012	144,623	177,427	-	322,050
Assaying	-	-	31,795	31,795
Drilling	-	-	4,425	4,425
Engineering and consulting	-	600	36,519	37,119
Geological and field expenses	-	242	1,146	1,388
Property fees	5,693	14,905	-	20,598
Foreign currency translation	3,646	-	-	3,646
Cost recovery	-	(40,874)	(197,848)	(238,722)
Write-up (Impairment)	-	(152,300)	123,963	(28,337)
Balance, 31 March 2013	153,962	-	-	153,962
Total costs	417,374	-	-	417,374

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES, continued

Silver Chalice Property, Alaska, USA

By agreement dated 5 November 2009 and subsequent payments and share issuances, the Company acquired an option to earn a 100% interest in certain mineral claims located in west-central Alaska, known as the Silver Chalice Property as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 5 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 5 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before 31 December of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the property to a third party, subject to the issuance of 33,333 shares of the Company.

Fate Property, Québec, Canada

On 15 December 2009, the Company acquired certain mineral claims known as the Fate Gold/Base Metals Project, in Québec, Canada. The Company issued 33,333 shares to Pacific North West Capital Corp. ("PFN"), a company with directors in common, as a finder's fee and a 1.5% NSR. During the year ended 31 December 2013, the Company allowed the Fate mineral claims to lapse resulting in a write-down of exploration and evaluation properties of $223,173

During the year ended 31 March 2014, the Company received $31,288 (2013: $40,874) from Revenu Québec related to Resource Tax Credits for exploration expenses incurred on the Fate Property. This has been recorded as a recovery of exploration and evaluation properties during the years ended 31 March 2014 and 2013.

8. EXPLORATION AND EVALUATION PROPERTIES, continued

Destiny Gold Property, Québec, Canada

On 26 September 2011, the Company exercised its option to acquire a 60% option interest in the Destiny Gold property and issued 3,033,333 common shares and warrants to purchase up to 2,666,667 common shares of the Company until 26 September 2015.

Under the terms of the letter agreement ("LA"), PFN was to grant to the Company an irrevocable right and option to acquire all right, title and interest of PFN in and to the option interest in the Destiny Gold property (the "Next Gen Option"), for an aggregate purchase price of (i) a total of $675,000 in cash; (ii) 10,000,000 Next Gen common shares ("Next Gen Shares"); and (iii) 2,666,667 Next Gen share purchase warrants ("Next Gen Warrants") exercisable into 2,666,667 common shares of Next Gen at varying prices for four years from the date of issuance; all of which were due as follows:

- Cash: the Company paid $50,000 to PFN on signing the LA and was to make the cash payments to PFN in tranches of: (i) $75,000 on or before the first anniversary of the LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.

- Next Gen Shares: 10,000,000 common shares of the Company were to be issued to PFN as fully paid and non-assessable common shares, in tranches, of: (i) 3,033,333 common shares upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option (issued); (ii) 3,483,333 common shares on or before the first anniversary of the LA; and (iii) 3,483,333 common shares on or before the second anniversary of the LA.

- Next Gen Warrants: 2,666,667 share purchase warrants were issued to PFN upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option, which expire on 26 September 2015 (Note 11). Further, (i) 666,667 Warrants are exercisable at $0.375 per share; (ii) 666,667 Warrants are exercisable at $0.45 per share; (iii) 666,667 Warrants are exercisable at $0.525 per share; and (iv) 666,667 Warrants are exercisable at $0.75 per share.

In addition to the cash, common shares and share purchase warrants under the terms of the LA, the Company was also responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under PFN's agreement with Alto Ventures Ltd. ("Alto"), along with any costs and expenditures associated with any resultant joint venture that arises between the Company and Alto. PFN would continue to issue common shares to Alto under its agreement with Alto until the date of exercise of the Next Gen Option and the transfer and registration of the option interest from PFN to the Company in accordance with the terms of the LA.

8. EXPLORATION AND EVALUATION PROPERTIES, continued

Under the terms of the initial option between Alto and PFN, PFN would earn a 60% interest in the Destiny Gold property by paying to Alto $200,000 in cash (of which $100,000 has been paid); issuing to Alto an aggregate of 166,667 common shares of PFN (of which 100,000 common shares have been issued); and incurring an aggregate of $3,500,000 in exploration expenditures over a four-year period (of which $1,557,000 has been incurred). Subsequent to the vesting of its option interest, PFN would form a joint venture with Alto to further develop the Destiny Gold property. Certain claims comprising the property are subject to underlying net smelter return royalties ranging from 1% to 3.5%, with varying buy-back provisions.

During the year ended 31 March 2014, the company had a receivable of $Nil (2013: $197,848) from Revenu Québec related to Resource Tax Credits for the exploration expenses incurred on Destiny Gold Property.

During the year ended 31 March 2013, the Company terminated the LA with PFN resulting in a write-down of $73,885, net of Resource Tax Credits for exploration expenses, related to the Destiny Gold property. This has been recorded as a write-down of exploration and evaluation properties during the year ended 31 March 2013.

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the year ended 31 March 2014 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2013	12,809	1,458	76,870	91,137
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2014	**12,809**	**1,458**	**76,870**	**91,137**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2013	3,390	1,458	7,687	12,535
Depreciation	2,219	-	7,687	9,906
As at 31 March 2014	**5,609**	**1,458**	**15,374**	**22,441**
NET BOOK VALUE				
As 31 March 2013	9,419	-	69,183	78,602
Total changes during the year	(2,219)	-	(7,687)	(9,906)
As at 31 March 2014	**7,200**	**-**	**61,496**	**68,696**

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT, continued

The changes in the Company's property and equipment for the year ended 31 March 2013 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2012	11,720	1,458	76,870	90,048
Additions	1,089	-	-	1,089
Disposals	-	-	-	-
As at 31 March 2013	12,809	1,458	76,870	91,137
DEPRECIATION AND IMPAIRMENT				
As 31 March 2012	1,172	729	-	1,901
Depreciation	2,218	729	7,687	10,634
As at 31 March 2013	3,390	1,458	7,687	12,535
NET BOOK VALUE				
As 31 March 2012	10,548	729	76,870	88,147
Total changes during the year	(1,129)	(729)	(7,687)	(9,545)
As at 31 March 2013	9,419	-	69,183	78,602

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILTIIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to exploration and evaluation activities and amounts payable for financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. These are broken down as follows:

	As at 31 March 2014	As at 31 March 2013
	$	$
Trade payables	**19,418**	425
Accrued liabilities	**8,500**	12,000
Total trade and other payables	**27,918**	12,425

11. SHARE CAPITAL

11.1 Authorized share capital

The Company has authorized for issuance an unlimited number of common shares. At 31 March 2014, the Company had 17,454,227 common shares outstanding (2013: 17,365,946).

11.2 Share issuances

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by Agora Internet Relation Corp. (Note 19).

11.3 Share consolidation

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 1).

(Expressed in Canadian dollars)

11.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 31 March 2014 and 2013:

	31 March 2014		31 March 2013	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of year	**2,666,667**	**0.525**	5,160,111	0.540
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited	-	-	(2,493,444)	0.555
Outstanding, end of year	**2,666,667**	**0525**	2,666,667	0.525

The following table summarizes information regarding share purchase warrants outstanding as at 31 March 2014:

Date issued	**Number of warrants**	**Exercise price**	**Expiry date**
		$	
26 September 2011	666,667	0.375	26 September 2015
26 September 2011	666,667	0.450	26 September 2015
26 September 2011	666,667	0.525	26 September 2015
26 September 2011	666,666	0.750	26 September 2015
	2,666,667		

11.5 Stock options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the Discounted Market Price policies of the CSE. The aggregate number of common shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued common shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

(Expressed in Canadian dollars)

11.5 Stock options, continued

The following is a summary of the changes in the Company's stock option plan for the years ended 31 March 2014 and 2013:

	31 March 2014		31 March 2013	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Outstanding, beginning of year	**1,000,000**	**0.360**	1,126,667	0.360
Granted	**925,000**	**0.190**	-	-
Exercised	**-**	**-**	-	-
Forfeited	**(250,000)**	**0.375**	(126,667)	0.375
Outstanding, end of year	**1,675,000**	**0.230**	1,000,000	0.360

The weighted average fair value of the options granted during the year ended 31 March 2014 was estimated at $67,747 (2013: $Nil) at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	Year ended 31 March 2014	Year ended 31 March 2013
Risk free interest rate	**1.63%**	-
Expected life	**5 years**	-
Expected volatility	**124.08%**	-
Expected dividend per share	**0.00%**	-

(Expressed in Canadian dollars)

11.5 Stock options, continued

The following table summarizes information regarding stock options outstanding and exercisable as at 31 March 2014:

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise price
			$
Options outstanding			
$0.015 - $0.285	925,000	4.91	0.190
$0.020 - $0.290	133,333	2.44	0.240
$0.300 - $0.585	616,667	2.36	0.375
Total options outstanding	**1,675,000**	**3.72**	**0.220**
Options exercisable			
$0.015 - $0.285	122,984	4.91	0.110
$0.160 - $0.160	89,333	1.42	0.240
$0.300 - $0.585	616,667	2.36	0.375
Total options exercisable	**828,984**	**2.77**	**0.220**

11.6 Escrow shares

On 18 October 2010, the Company entered into an escrow agreement in connection with the listing of the Company's common shares on the TSX-V. The escrow shares are released over 36 months from the date the Company's common shares are listed on the TSX-V. For the year ended 31 March 2014, a total of 574,600 common shares were held in escrow.

(Expressed in Canadian dollars)

12. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $17,297 was recognized in the year ended 31 March 2014 (2013: $18,738):

Grant date	Fair value	**Amount vested to 31 March 2014**	Amount vested to 31 March 2013
	$	**$**	$
9 August 2011	108,696	-	10,888
7 September 2011	18,732	**3,638**	7,850
26 February 2014	67,747	**13,659**	-
Total	195,175	**17,297**	18,738

13. FINANCE INCOME

The finance income for the Company is broken down as follows:

	2014	2013
	$	$
Interest income	**1,746**	3,412
Flow-through share income	-	3,570
Total finance income	**1,746**	6,982

(Expressed in Canadian dollars)

14. TAXES

14.1 Provision for income taxes

Year ended 31 March	2014	2013
	$	$
Loss before tax	314,815	478,389
Statutory tax rate	25.25%	25.00%
Expected tax recovery	79,491	119,597
Difference in foreign tax rates	-	-
Non-deductible items	(7,709)	(4,685)
Change in prior year provision to actual	(3,919)	76,738
Change in future tax rates	10,263	-
Change in valuation allowance	(78,126)	(191,650)
Tax recovery for the year	-	-

14.2 Deferred tax balances

The tax effects of temporary differences that give rise to future income tax assets and liabilities are as follows:

As at 31 March	2014	2013
	$	$
Tax loss carry-forwards	679,794	538,582
Property and equipment	9,341	14,576
Exploration and evaluation properties	4,590	6,838
Share issue costs	412,120	467,723
	1,105,845	1,027,719
Valuation allowance	(1,105,845)	(1,027,719)
Deferred tax assets (liabilities)	-	-

(Expressed in Canadian dollars)

14.3 Expiry dates

The Company's recognized and unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

As at 31 March	2014
	$
Non-capital losses	
2026	**183,998**
2027	**243,922**
2028	**165,424**
2029	**70,240**
2030	**174,093**
2031	**452,168**
2032	**689,782**
2033	**415,559**
2034	**295,689**
Total non-capital losses	**2,690,875**
Total resource-related deduction, no expiry	**1,632,160**

15. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 31 March	2014	2013
	$	$
Net loss for the year	**314,815**	478,389
Weighted average number of shares – basic and diluted	**17,371,988**	17,365,946
Loss per share, basic and diluted	**(0.018)**	(0.028)

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 reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the years ended 31 March 2014 and 2013.

(Expressed in Canadian dollars)

16. CAPITAL SHARE MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

17. FINANCIAL INSTRUMENTS

17.1 Categories of financial instruments

	As at 31 March 2014	As at 31 March 2013
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	**167,866**	306,796
Available-for-sale, at fair value		
Short term investments	**800**	1,900
Long term investments	**1**	1
Total financial assets	**168,667**	308,697
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**19,418**	425
Due to related parties	**13,246**	49,731
Total financial liabilities	**32,664**	50,156

(Expressed in Canadian dollars)

17.2 Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at 31 March 2014	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	167,866	-	-	167,866
Short-term investments	800	-	-	800
Long-term investments	-	-	1	1
Total	**168,666**	**-**	**1**	**168,667**

As at 31 March 2013	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	306,796	-	-	306,796
Short-term investments	1,900	-	-	1,900
Long-term investments	-	-	1	1
Total	308,696	-	1	308,697

There were no transfers between Level 1, 2 and 3 in the years ended 31 March 2014 and 2013.

17.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits, with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

(Expressed in Canadian dollars)

17.3 Management of financial risks, continued

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

18. RELATED PARTY TRANSACTIONS

For the years ended 31 March 2014 and 2013, the Company had related party transactions with PFN, a company with directors in common with the Company. The Company pays shared office costs to PFN on a month-to-month basis.

18.1 Related party expenses

The Company's related party expenses are broken down as follows:

Year ended 31 March	2014	2013
	$	$
Administration and management fees	21,862	89,385
Accounting	7,200	-
Rent	49,747	60,993
Consulting	45,223	5,410
Insurance	-	3,246
Investor relation	1,564	-
Office furniture and equipment	-	1,089
Transfer agent and filing fees	394	-
Travel expenses	4,664	-
Total related party expenses	130,654	160,123

(Expressed in Canadian dollars)

18.2 Due from/to related parties

The Company has the following amounts due to related parties:

Year ended 31 March	2014	2013
	$	$
PFN	4,106	49,482
Key management personnel	9,140	249
Total amount due to related parties	**13,246**	49,731

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

18.3 Key management personnel compensation

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

Year ended 31 March	2014	2013
	$	$
Short-term benefits	37,600	115,042
Share-based payments	12,594	18,222
Total key management personnel compensation	**50,194**	133,264

19. SUPPLEMENTAL CASH FLOW INFORMATION

Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Year ended 31 March	2014	2013
	$	$
Interest paid	-	-
Taxes paid	-	-
Total cash payments	-	-

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by Agora Internet Relation Corp. (Note 11).

(Expressed in Canadian dollars)

20. COMMITMENTS

As at 31 March 2014, the Company had the following commitments:

	< 1 year	2-5 years	> 5 years	Total
	$	$	$	$
Rent and lease payments	57,428	247,487	205,788	510,703
Total commitments	**57,428**	**247,487**	**205,788**	**510,703**

The Company has a sub-lease agreement with PFN under which the Company pays 25% of the total lease payments of the current office space at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7 (Note 18).

21. EVENTS AFTER THE REPORTING PERIOD

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results to our clients.

On 3 July 2014, the Company announced a non-brokered private placement of up to 3,000,000 units for gross proceeds of up to $300,000.

22. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the year ended 31 March 2014 were approved and authorized for issue by the Board of Directors on 17 July 2014.

APPENDIX “F”

Next Gen

Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

NEXT GEN METALS INC.

For the year ended 31 March 2014

NEXT GEN METALS INC.
Management's Discussion and Analysis of Financial Results
For the year and quarter ended 31 March 2014

This management discussion and analysis ("MD&A") includes a review of activities, results of operations, financial condition and outlook for Next Gen Metals Inc. and its subsidiaries (the "Company" or "Next Gen") for the year and quarter ended 31 March 2014, with comparisons to the year and quarter ended 31 March 2013. This MD&A is presented as of 20 July 2014 and should be read in conjunction with the Company's consolidated financial statements for the year ended 31 March 2014 and 2013 and the related notes thereto. Next Gen's consolidated financial statements for the year ended 31 March 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are in Canadian dollars unless otherwise stated. Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.nextgenmetalsinc.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CURRENT MARKET CONDITIONS

As a result of the uncertainty in the global economy, there is a serious shortage of available capital and significant exploration risk to the resource industry.

DESCRIPTION OF BUSINESS

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "M5BN" and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange.

The Company is a diversified public company focused on investments in the Medical Marijuana, Industrial Hemp and Alternative Medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

OVERVIEW, SIGNIFICANT EVENTS, TRANSACTION AND ACTIVITIES

On 20 March 2014 Next Gen establishes its wholly owned subsidiary GreenRush Financial Conferences Division: Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation.

PROPERTIES

Silver Chalice Property

On 05 November 2009, the Company entered into an agreement (the "Acquisition Agreement") with Anglo Alaska Gold Corp. ("AAG"), a privately owned Alaska corporation, to acquire a 100% interest in the Silver Chalice epithermal gold/silver project ("Silver Chalice Property"), consisting of 31 State of Alaska mining claims for 4,960 acres. The Silver Chalice Property is located in west-central Alaska approximately 345 miles northwest of Anchorage and 330 miles west southwest of Fairbanks.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 05 November 2010*	(paid)	US$20,000	-	-	-
On or before 05 November 2011*	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before December 31 of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the Silver Chalice Property to a third party, subject to the issuance of 33,333 shares of the Company.

Geology

The Silver Chalice Property occurs immediately east of the eastern margin of the Poison Creek Caldera in west-central Alaska. Gold-silver bearing polyphase quartz veins are associated with northeast structures that radiate from the caldera margin. The epithermal gold-silver veins are hosted within a zone of outer propylitic alteration and an inner zone of weak to moderate argillic alteration. Weak silicification is also noted in the country rocks adjacent to the veins. Country rocks consist of Cretaceous flysch units including lithic sandstone, siltstone and shale.

The Poison Creek Caldera consists of bimodal Eocene to Paleocene volcanic units that range from andesite to rhyolite in composition. The epithermal veins at the project appear to be intimately associated with this volcanic activity. Rock chip samples from surface rubble-crops and boulder trains return values up to 10 grams of gold per tonne and 462 grams of silver per tonne. Average silver:gold ratio is approximately 40:1. The main Silver Chalice vein ranges from 1.32 feet (0.4 metres) up to 25 feet (7.6 metres) in estimated true width in two historic drill holes and the south vein ranges from 0.66 feet (0.2 metres) up to 27 feet (8.2 metres) estimated true width in one historic drill hole. Fluid inclusion analysis suggest that if the hydrothermal fluids contained significant amounts of gold and silver, it is likely that gold-silver mineralization precipitated at boiling levels somewhere in the epithermal system. There remains potential for ore-grade gold and silver mineralization below the exposed surface in the two veins drilled, in the broader altered areas, and in the covered areas along strike of the veins.

The Tertiary Volcanic Caldera which hosts the Silver Chalice Property represents an excellent exploration target with potential to host significant epithermal gold and silver mineralization. Stream sediment samples anomalous in gold and indicator minerals and pan concentrate samples with anomalous gold and mercury strongly support the gold and silver potential of the caldera and adjacent areas. There has been no past lode mining on the project and there are no other active mining claims in the project area.

Exploration expenditures of $153,962 have been incurred on the Silver Chalice property since the property was acquired including $5,693 during the previous year ended 31 March 2013. A foreign currency translation adjustment of $3,646 was recorded on the Silver Chalice property during the previous year ended 31 March 2013. No exploration expenditures were incurred for the current year.

The Company plans to seek funding from a third party option/ joint venture partner on the Silver Chalice property.

Fate Claims

In December 2009, the Company acquired from Pacific North West Capital Corp. ("PFN"), (a company with two directors in common with the Company, at that time), 83 staked claims (the "Fate Claims") on strike with Alto Ventures Ltd. ("Alto Ventures") /PFN's Destiny Gold Joint Venture approximately 75 kilometres (km) north of the Val d'Or Malartic gold camp in Québec.

Due to the knowledge PFN and its management had gained in this area of Québec and the fact that PFN had acquired additional claims that met and exceeded its original objectives and budgets for this region, Management of PFN and the Company completed a Finder's Fee agreement over the Fate Claims whereby the Company issued to PFN 33,333 common shares and granted PFN a 1.5% Net Smelter Royalty on the Fate Project. The Company has the right to purchase 0.5% of the royalty for $500,000 leaving PFN with 1%.

The Fate Claims are located in the Abitibi Greenstone Belt of Northwest Québec, one of the most famous gold and base metals regions in the world. Underlying stratigraphy and potential mineralization extends approximately 20 km along the major Chicobi Deformation Fault Zone.

The Chicobi Deformation Fault Zone parallels the prolific Cadillac Larder (Val d'Or Malartic, Bousquet, Kirkland Lake gold camps) and Destor Porcupine (Timmins, Holloway, Duparquet gold camps) Deformation Zones to the south as well as the Casa Berardi (Aurizon, Joutel gold areas) Deformation Zone to the North.

In September 2010, the Company contracted Geos Sciences Consulting and Exploration of Québec, to conduct a Mobile Metal Ion (MMI™) Geochemistry exploration program on the Fate Claims and to interpret the results. MMI™ is an advanced surface exploration technique for finding mineral deposits and is a cost effective surface exploration tool. This technology measures mobile metal ions in surface soils. These mobile metal ions are released from ore bodies and travel upward toward the surface. Using sophisticated chemical processes and instrumentation, MMI™ is able to measure these ions, in surface soils, to determine accurately where buried mineralization is located. The exploration program consisted of:

- MMI™ geochemical sampling for a total of 2000 samples
- Sample spacing to be 25m apart
- Samples to be taken at a depth of 15cm (range is between 10cm and 25cm depths) from the organic-inorganic soil interface and will be dispatched to SGS laboratory in Toronto
- Compilation of results, statistical processing and preparation of a geochemical map and report

Regional gravity and magnetic surveys confirm the location of the Chicobi Fault and also indicate the presence of several offsets.

During the previous year ended 31 March 2013, a total amount of $15,747 was incurred on the property consisting of $242 in geology and field expenses, $600 in consulting and $14,905 in mineral property fees.

During the previous year ended 31 March 2013, the Company allowed the Fate Claims to laps resulting in a write-down of exploration and evaluation properties of $152,300.

Destiny Gold

On 26 September 2011, the Company exercised its option to acquire a 60% option interest in the Destiny Gold property and issued 3,033,333 common shares and warrants to purchase up to 2,666,667 common shares of the Company until 26 September 2015.

Under the terms of the letter agreement ("LA"), PFN was to grant to the Company an irrevocable right and option to acquire all right, title and interest of PFN in and to the option interest in the Destiny Gold property (the "Next Gen Option"), for an aggregate purchase price of (i) a total of $675,000 in cash; (ii) 10,000,000 Next Gen common shares ("Next Gen Shares"); and (iii) 2,666,667 Next Gen share purchase warrants ("Next Gen Warrants") exercisable into 2,666,667 common shares of Next Gen at varying prices for four years from the date of issuance; all of which were due as follows:

- Cash: the Company paid $50,000 to PFN on signing the LA and was to make the cash payments to PFN in tranches of: (i) $75,000 on or before the first anniversary of the LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.
- Next Gen Shares: 10,000,000 common shares of the Company were to be issued to PFN as fully paid and non-assessable common shares, in tranches, of: (i) 3,033,333 common shares upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option (issued) (Note 11); (ii) 3,483,333 common shares on or before the first anniversary of the LA; and (iii) 3,483,333 common shares on or before the second anniversary of the LA.
- Next Gen Warrants: 2,666,667 share purchase warrants were issued to PFN upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option, which expire on 26 September 2015. Further, (i) 666,667 Warrants are exercisable at $0.375 per share; (ii) 666,667 Warrants are exercisable at $0.45 per share; (iii) 666,667 Warrants are exercisable at $0.525 per share; and (iv) 666,667 Warrants are exercisable at $0.75 per share.

In addition to the cash, common shares and share purchase warrants under the terms of the LA, the Company was also responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under PFN's agreement with Alto Ventures, along with any costs and expenditures associated with any resultant joint venture that arises between the Company and Alto Ventures. PFN would continue to issue common shares to Alto Ventures under its agreement with Alto Ventures until the date of exercise of the Next Gen Option and the transfer and registration of the option interest from PFN to the Company in accordance with the terms of the LA.

Under the terms of the initial option between Alto Ventures and PFN, PFN would earn a 60% interest in the Destiny Gold property by paying to Alto Ventures $200,000 in cash (of which $100,000 has been paid); issuing to Alto Ventures an aggregate of 166,667 common shares of PFN (of which 100,000 common shares have been issued); and incurring an aggregate of $3,500,000 in exploration expenditures over a four-year period (of which $1,557,000 has been incurred). Subsequent to the vesting of its option interest, PFN would form a joint venture with Alto Ventures to further develop the Destiny Gold property. Certain claims comprising the Destiny Gold property are subject to underlying net smelter return royalties ranging from 1% to 3.5%, with varying buy-back provisions.

During the previous year ended 31 March 2013, after a disappointing round of exploration, the Company terminated the LA with PFN resulting in a write up of $123,963 related to the Destiny Gold property. This has been recorded as a recovery of exploration and evaluation properties during the previous year ended 31 March 2013.

Qualified Person Statement

"Properties" sections of this report have been reviewed and approved for technical content by Ali Hassanalizadeh MSc. P. Geo, MBA, Senior geologist advisor for Next Gen and a Qualified Person under the provisions of National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

SELECTED ANNUAL AND QUARTERLY FINANCIAL INFORMATION

Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars. The following table summarizes selected financial data for NextGen for each of the three most recently completed financial years. These information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with IFRS, and related notes.

	Years Ended 31 March (audited)		
	2014	2013	2012
Total revenues	$ -	$ -	$ -
General and administrative expenses	350,177	427,530	786,846
Mineral property cash costs incurred	-	-	95,203
Income (loss) before other items in total	(314,815)	(478,389)	(2,213,258)
Net income (loss)	(314,815)	(476,267)	(2,206,790)
Net Loss per share – Basic & fully diluted	(0.018)	(0.028)	(0.141)
Totals assets	749,268	1,019,272	1,543,689
Total long term liabilities	Nil	Nil	Nil
Cash dividends declared per share	Nil	Nil	Nil

RESULTS OF OPERATIONS

For the year ended 31 March 2014 compared to the year ended 31 March 2013.

Comprehensive loss for the year ended 31 March 2014 was $279,542 as compared to $476,267 for the same period in 2013. Being at the exploration stage, the Company did not generate any revenue from operations. The decrease in comprehensive loss of $196,725 was mainly attributable to the net effect of:

- Decrease of $67,905 in administration and management fees, from $101,711 in 2013 to $33,806 in 2014 due to a reduction in administration costs and cut in management fees;
- Increase of $30,042 in consulting, from $61,437 in 2013 to $91,479 in 2014 due to increased activity in the Company for the GreenRush Conference;
- Decrease of $13,666 in investor relation expenses, from $55,418 in 2013 to $41,752 in 2014 due to decreased activity in the Company;
- Increase of $11,247 in rent expense, from $60,994 in 2013 to $49,747 in 2014 associated with the lease payment commitment of the current office;
- Decrease of $1,441 in share-based payments, from $18,738 in 2013 to $17,297 in 2014 in the total non-cash fair value of stock based compensation.

- Decrease of $6,204in transfer agent and filing fees, from $36,653 in 2013 to $30,449 in 2014 due to decreased activity in the Company;
- Decrease of $5,236 finance income from $6,982 in 2013 to $1,746 in 2014. Finance income is comprised of interest income from the short-term temporary investment included in the cash equivalents in the previous year.
- A write-down of exploration and evaluation costs for $58,337 in 2013 compared to $Nil in 2014 as the previous year recorded the write-down when the Company terminated the option agreement for the Destiny Gold project.

At 31 March 2014 the Company had working capital amounting to $185,960 (2013: $461,139) including cash of $167,866 (2013: $306,796). During the year ended 31 March 2014, operating activities have been principally funded through existing working capital.

Net decrease in cash during the year ended 31 March 2014 amounted to $138,930 (2013:429,495).

Selected Quarterly Information

The following selected financial information is derived from the unaudited consolidated financial statements of the Company prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013	31 Dec 2012	30 Sep 2012	30 Jun 2012
Total assets	$ 749,268	$ 798,007	$ 839,186	$ 960,587	$ 1,019,272	$ 1,072,842	$ 1,166,781	$ 1,289,809
Resource prop. & deferred costs	453,747	417,374	417,374	417,374	417,374	631,598	621,290	635,015
Working capital	185,660	308,658	335,482	400,230	461,139	307,993	387,991	496,713
Shareholders' equity	708,104	797,207	826,506	893,730	957,116	1,020,852	1,093,200	1,218,307
Total revenues	-	-	-	-	-	-	-	-
Net loss	(151,844)	(29,875)	(68,369)	(64,727)	(67,357)	(79,503)	(113,592)	(217,937)
Net loss and comprehensive loss	(116,571)	(29,875)	(68,369)	(64,727)	(62,907)	(73,690)	(119,230)	(220,440)
Net loss per share	(0.008)	(0.002)	(0.004)	(0.004)	(0.004)	(0.005)	(0.007)	(0.013)

For the three-month period ended 31 March 2014 compared to the three-month period ended 31 March 2013.

Comprehensive loss for the three-month period ended 31 March 2014 was $116,571 as compared to $62,907 for the same period in 2013. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of $53,664 was mainly attributable to net effect of:

- Decrease of $2,250 in accounting fees, from $18,750 in 2013 to $16,500;
- Decrease of $6,148 in administration and management fees, from $22,413 in 2013 to $16,265 in 2014 due to account reclassification adjustment during the current period;
- Increase of $29,512 in consulting, from $10,250 in 2013 to recovery of $39,762 in 2014 due to account reclassification adjustment during the current period;
- Increase of $26,732 in investor relation expenses, from $1,918 in 2013 to $28,650 in 2014 due to account reclassification adjustment during the current period;

- Decrease of $17,054 in transfer agent and filing fees, from $31,956 in 2013 to $14,902 in 2014 due to account reclassification adjustment during the current period;
- Increase of $4,486 in travel expense, from $2,339 in 2013 to $6,825 in 2014 due to account reclassification adjustment during the current period;
- A mineral tax credit of $31,288 was received from the Revenue Quebec.

The Company has historically relied upon equity financings and loans from directors to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

The Company has limited financial resources, no source of operating income and no assurance that additional funding will be available to it for future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its exploration success. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

CAPITAL RESOURCES

As at 31 March 2014, the Shareholders' equity of $708,104 (2013: $957,116) consisted of share capital of $5,649,388 (2013: $5,636,155), reserves of $539,696 (2013: $487,126), contributed surplus of $76,431 (2013: $76,431) and deficit of $5,557,411 (2013: $5,242,596).

RELATED PARTY TRANSACTIONS

Key management personnel compensation for the year ended 31 March 2014 was $50,194 (2013: $133,264) comprised of short-term benefits of $37,600 (2013: $115,042) and share-based payments of $12,594 (2013: $18,222).

Key management personnel compensation for the three-month period ended 31 March 2014 was $33,515 (2013: $21,280) comprised of short-term benefits of $23,983 (2013: $22,625) and share-based payments of $9,532 (2013: $1,341).

During the year ended 31 March 2014, the Company paid $111,923 (2013: $111,587) to PFN, a company with directors in common, for shared office costs. The expenses are broken down as follows:

Administration and management fees of $Nil (2013: $15,000), office rent of $49,747 (2013: $45,594), consulting fees of $37,450 (2013: $75,039).

During the year ended 31 March 2014, the amount due to PFN was $4,106 (31 March 2013:$49,482) while due to other related parties was $9,140 (31 March 2013:$249).

The above transactions were recorded at exchange amounts agreed between the parties, which management asserts approximate fair values.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations and Deficit included in its Financial Statements for the years ended 31 March 2014 and 2013, which are available on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA AS AT 31 MARCH 2014

	Number issued and outstanding	Exercise Price	Expiry Date
Common shares	17,454,227		
Common shares issuable on exercise:			
Stock Options	800,000	$0.110	26 February 2019
Stock Options	100,000	$0.210	12 March 2019
Stock Options	25,000	$0.25	17 March 2019
Stock Options	616,668	$0.375	09 August 2016
Stock Options	44,444	$0.240	07 September 2014
Stock Options	44,444	$0.240	07 September 2015
Stock Options	44,444	$0.240	07 September 2016
Warrants	666,667	$0.375	26 September 2015
Warrants	666,667	$0.450	26 September 2015
Warrants	666,667	$0.525	26 September 2015
Warrants	666,666	$0.750	26 September 2015

Share Consolidation

On 25 February 2014, the Company consolidated its capital on the basis of one and half old common shares for one new common share.

INVESTOR RELATIONS

Total investor relations expense for the year ended 31 March 2014 was $41,752 a decrease of $13,666 from $55,418 due to no equity financing have been raised and the termination of the option on the Destiny Gold property.

Total investor relations expense for the three-month period ended 31 March 2014 was $28,650, an increase of $30,568 from $1,918 due to account reclassification adjustment.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration, with the intent to further develop projects with sufficient financing. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, politics and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The high degree of volatility in the prices of metal and other resource commodities
- The demand of commodities can be dependent on global consumption
- An increasing competition to acquire resource properties throughout the world
- No assurance about the economic viability, it is speculative
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control
- Additional costs can be incurred such as availability of experts, work force and equipment

- Additional expenditures will be required to establish resources or reserves on mineral properties, if any resources or reserves exist on the properties
- The rights to the resource properties must be maintained in accordance with various regulations and agreements
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and judgments used in the preparation of these consolidated financial statements include, amongst other things, depreciation, determination of net recoverable value of assets, determination of fair value on taxes, and share-based payments. These estimates are reviewed periodically (at least annually), and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 of the consolidated financial statements for the year 31 March 2014.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Short term and long term investments in other companies are classified as available-for-sale, which is measured at fair value. Trade payables and amounts due to related parties are classified as other financial liabilities which are measured at amortized cost.

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits, with major financial institutions.

Liquidity risk

The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities in mining/exploration . There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income except for limited revenue through its GreenRush Conference division and has no assurance that additional funding will be available to it for both future exploration and development of its projects as well as its diversified interests in the Medical Marijuana, Industrial Hemp and Alternative Medicine business sectors, although the Company has been successful in the past in financing its activities through the sale of equity securities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

MANAGEMENT OF CAPITAL

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

SUBSEQUENT EVENTS

Following are events that occurred subsequent to 31 March 2014.

26 May 2014, the Company under its 100% wholly owned subsidiary, Greenrush Financial Conferences Inc. held its inaugural Greenrush Financial Conference in Vancouver, which it exceeded the expectation.

- Over 1,200 attendees
- Over 35 exhibitors
- Expert speakers from across North America
- Media coverage from the major outlets across Canada

6 May 2014, the Company established its second 100% wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The Mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results to our clients.

23 June 2014, The Company announced that it has established its wholly owned Business Unit, GreenRush Business Brokerage (GBB).

NextGen's vision is to utilize its new Business unit, GreenRush Business Brokerage, to introduce business-to-business, complete transactions and for this unit be an additional profit centre for NextGen. GreenRush Business Brokerage will allow companies needing further financial assistance to utilize GBB's vast database of Venture Capitalists, Financial Institutions, Industry Financial Specialists, Financial Advisors, interested Public and Private companies and High net-worth investors with the ability to provide additional financing for these new business sectors".

The Mission of GreenRush Business Brokerage is to broker NextGen's growing business inventory utilizing a standard agreement with businesses that require finance to interested parties who can provide Professional Management, Investment Expertise, and Venture Capital for the Medical Marijuana, industrial Hemp, and Alternative Medicine business sectors.

26 June 2014, the Company under its 100% wholly owned subsidiary, Greenrush Financial Conferences Inc. held its second Greenrush Financial Conference in Toronto. Toronto conference also exceeded expectations and continues to establish the GreenRush Financial Conferences as the premier investment/business conference in the Industry. Next Gen also formally invites interested investors, industry participants, stakeholders and exhibitors to our third and first international GreenRush Financial Conference being held in Seattle, Washington on September 23, 2014

3 July 2014, The Company announced a non-brokered private placement of up to 3,000,000 units for gross proceeds of up to $300,000.

OUTLOOK

The Company currently has $185,660 in working capital and will need to obtain additional equity financing to fund any further mineral property projects. The Company is reviewing properties for acquisition on an ongoing basis.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

The accompanying condensed consolidated interim financial statements of the Company have been prepared by management in accordance with IFRS, and contain estimates based on management's judgment. Management maintains an appropriate system of internal control to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

"Harry Barr"	*"Robert Guanzon"*
Harry Barr Chief Executive Officer and Director	Robert Guanzon Chief Financial Officer

APPENDIX "G"

Next Gen Metals Inc.
Consolidated Financial Statements
31 March 2013
(Expressed in Canadian dollars)

JAMES STAFFORD

James Stafford, Inc.
Chartered Accountants
Suite 350 – 1111 Melville Street
Vancouver, British Columbia
Canada V6E 3V6
Telephone +1 604 669 0711
Facsimile +1 604 669 0754
www.JamesStafford.ca

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Next Gen Metals Inc.

We have audited the accompanying consolidated financial statements of Next Gen Metals Inc., which comprise the consolidated statements of financial position as at 31 March 2013 and 2012, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 Next Gen Metals Inc. as at 31 March 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the ability of Next Gen Metals Inc. to continue as a going concern.

James Stafford

Chartered Accountants

Vancouver, Canada
11 July 2013

Next Gen Metals Inc.

Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	Notes	As at 31 March 2013	As at 31 March 2012
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	**306,796**	763,309
Short-term investments	7	**1,900**	10,000
Amounts receivable	6	**206,144**	27,003
Prepaid expenses		**8,455**	46,244
		523,295	846,556
Long-term investments	7	**1**	1
Exploration and evaluation properties	8	**417,374**	608,985
Property and equipment	9	**78,602**	88,147
Total assets		**1,019,272**	1,543,689
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	10	**12,425**	26,001
Due to related parties	18	**49,731**	103,043
Total liabilities		**62,156**	129,044
Equity			
Share capital	11	**5,636,155**	5,636,155
Reserves		**487,126**	542,697
Contributed surplus		**76,431**	-
Deficit		**(5,242,596)**	(4,764,207)
Total equity		**957,116**	1,414,645
Total equity and liabilities		**1,019,272**	1,543,689

APPROVED BY THE BOARD:

"Harry Barr"	*"Kevin Lawrence"*
Director	Director

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

Next Gen Metals Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes	Year ended 31 March 2013	2012
		$	$
Expenses			
Accounting and audit fees		**50,678**	69,150
Administration and management fees		**101,711**	185,531
Bank charges and interest		**539**	876
Consulting		**61,437**	118,208
Depreciation	9	**10,634**	1,901
Insurance		**13,411**	11,824
Investor relations		**55,418**	158,513
Legal and professional fees		**2,753**	24,791
Share-based payments	12	**18,738**	101,495
Transfer agent and filing fees		**36,653**	82,757
Rent		**60,994**	9,363
Travel		**14,564**	22,437
Loss before other items		**(427,530)**	(786,846)
Other items			
Finance income	13	**6,982**	71,218
Foreign exchange gain (loss)		**496**	1,750
Write-down of exploration and evaluation properties	8	**(58,337)**	(1,499,380)
Net loss for the year		**(478,389)**	(2,213,258)
Other comprehensive income			
Unrealized loss on available-for-sale assets	7	**(8,100)**	(1,500)
Foreign currency translation adjustment		**10,222**	7,968
Net comprehensive loss		**(476,267)**	(2,206,790)
Loss per share			
Basic	15	**0.02**	0.09
Diluted	15	**0.02**	0.09

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

Next Gen Metals Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Notes	Year ended 31 March 2013	2012
		$	$
OPERATING ACTIVITIES			
Net loss for the year		**(478,389)**	(2,213,258)
Adjustments for:			
Write-down of exploration and evaluation property	8	**58,337**	1,499,380
Depreciation	9	**10,634**	1,901
Flow-through share income	13	**(3,570)**	(58,030)
Share-based payments	12	**18,738**	101,495
Operating cash flows before movements in working capital			
(Increase) decrease in amounts receivables		**(179,141)**	13,919
(Increase) decrease in prepaid expenses		**37,789**	59,930
Increase (decrease) in trade payables and accrued liabilities		**(10,006)**	14,372
Increase (decrease) in due to related parties		**(53,312)**	20,354
Cash used in operating activities		**(598,920)**	(559,937)
INVESTING ACTIVITIES			
Exploration and evaluation properties expenditures	8	**133,274**	(703,542)
Purchase of property and equipment	9	**(1,089)**	(13,178)
Cash used in investing activities		**132,185**	(716,720)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares	11	**-**	1,579,750
Share issue costs	11	**-**	(78,435)
Cash from financing activities		**-**	1,501,315
Increase (decrease) in cash and cash equivalents		**(466,735)**	224,658
Effect of foreign currency on cash and cash equivalents		**10,222**	7,968
Cash and cash equivalents, beginning of year		**763,309**	530,683
Cash and cash equivalents, end of year		**306,796**	763,309

Supplemental cash flow information (Note 19)

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

Next Gen Metals Inc.

Consolidated Statements of Changes in Equity

(Expressed in Canadian dollars)

	Number of shares	Share capital	Shares to be issued	Stock option reserve	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Contributed surplus	Deficit	Total
		$	$	$	$	$	$	$	$	$
Balances, 31 March 2011	14,018,585	3,138,190	398,500	236,612	76,431	(78,646)	(35,663)	-	(2,550,949)	1,184,475
Shares issued for										
Cash	7,480,334	1,978,250	(398,500)	-	-	-	-	-	-	1,579,750
Exploration and evaluation properties	4,550,000	659,750	-	-	236,000	-	-	-	-	895,750
Flow-through share premium liability	-	(61,600)	-	-	-	-	-	-	-	(61,600)
Share-based payments	-	-	-	101,495	-	-	-	-	-	101,495
Share issue costs	-	(78,435)	-	-	-	-	-	-	-	(78,435)
Unrealized loss on available-for-sale assets	-	-	-	-	-	(1,500)	-	-	-	(1,500)
Foreign currency translation adjustment	-	-	-	-	-	-	7,968	-	-	7,968
Net loss for the year	-	-	-	-	-	-	-	-	(2,213,258)	(2,213,258)
Balances, 31 March 2012	**26,048,919**	**5,636,155**	-	**338,107**	**312,431**	**(80,146)**	**(27,695)**	-	**(4,764,207)**	**1,414,645**
Shares issued for										
Cash	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	18,738	-	-	-	-	-	18,738
Expired warrants	-	-	-	-	(76,431)	-	-	76,431	-	-
Unrealized loss on available-for-sale assets	-	-	-	-	-	(8,100)	-	-	-	(8,100)
Foreign currency translation adjustment	-	-	-	-	-	-	10,222	-	-	10,222
Net loss for the year	-	-	-	-	-	-	-	-	(478,389)	(478,389)
Balances, 31 March 2013	**26,048,919**	**5,636,155**	-	**356,845**	**236,000**	**(88,246)**	**(17,473)**	**76,431**	**(5,242,596)**	**957,116**

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

1. CORPORATE INFORMATION

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* under the name "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 2 February 2011) on the TSX Venture Exchange under the trading symbol "N", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the trading symbol "M5BN" and listed (since 23 September 2011) on the OTCQX (United States) under the symbol "NXTTF". The Company was listed on the Canadian National Stock Exchange ("CNSX") under the trading symbol "N" until 7 February 2011, when the Company voluntarily delisted its shares from trading on the CNSX.

The Company is an exploration stage company engaged in the acquisition, exploration and development of mineral resource properties in North America.

The head office, principal address and registered and records office is located at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7.

The Company's ability to continue operations is dependent upon successfully raising the necessary financing to complete future exploration and development, and achieving future profitable production or selling its mineral properties for proceeds in excess of carrying amounts. These pursuits may be delayed if the Company encounters challenges faced by exploration stage companies seeking to raise exploration funds through the issuance of shares.

Based on the above factors, there is substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, and accordingly, do not purport to give effect to adjustments which may be required should the Company be unable to achieve its objectives above as a going concern. The net realizable value of the Company's assets may be materially less than the amounts recorded in these consolidated financial statements should the Company be unable to realize its assets and discharge its liabilities in the normal course of business.

2. BASIS OF PREPARATION

2.1 Basis of consolidation

The consolidated financial statements include the financial statements of Next Gen and its wholly-owned subsidiary, Next Gen USA Inc. ("Next Gen USA").

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

2.2 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 17, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The consolidated financial statements of the Company, including comparative, have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 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, amendments and interpretations which are not yet effective during the year ended 31 March 2013.

- IFRS 9 '*Financial Instruments: Classification and Measurement*' is a new financial instruments standard effective for annual periods beginning on or after 1 January 2015 that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities.

- IFRS 10 '*Consolidated Financial Statements*' is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces consolidation requirements in IAS 27 (as amended in 2008) and SIC-12.

- IFRS 11 '*Joint Arrangements*' is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces IAS 31 and SIC-13.

- IFRS 12 '*Disclosure of Interests in Other Entities*' is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces disclosure requirements in IAS 27 (as amended in 2008), IAS 28 (as revised in 2003) and IAS 31.

2.4 New and revised standards and interpretations, continued

- IFRS 13 *'Fair Value Measurement'* is a new standard effective for annual periods beginning on or after 1 January 2013 that replaces fair value measurement guidance in other IFRSs.

- IAS 1 (Amendment) '*Presentation of Financial Statements*' is effective for annual periods beginning on or after 1 January 2013 and includes amendments regarding Presentation of Items of Other Comprehensive Income.

- IAS 16 *'Property, Plant and Equipment'* is effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting treatment for property, plant and equipment so that users of the financial statements can discern information about an entity's investment in its property, plant and equipment and the changes in such investment.

- IAS 19 (Amendment) '*Employee Benefits*' is effective for annual periods beginning on or after 1 January 2013 and revises recognition and measurement of post-employment benefits.

- IAS 27 (Amendment) '*Separate Financial Statements*' is effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.

- IAS 28 (Amendment) '*Investments in Associates and Joint Ventures*' is effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

- IFRIC 20 '*Stripping Costs in the Production Phase of a Surface Mine*' is a new interpretation effective for annual periods beginning on or after 1 January 2013 that prescribes the accounting for stripping costs in the production phase of a surface mine.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short term money market instruments with an original maturity of three months or less, which are readily convertible into a known amount of cash.

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Deprecation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance method or straight-line method using the following rates:

- Furniture and equipment 20% to 30%
- Software 100%
- Leasehold improvements 10 years

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

3.4 Exploration and evaluation properties, continued

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.6 Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional currency of Next Gen is the Canadian dollar. The functional currency of Next Gen USA is the U.S. dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.
On consolidation, each respective entity's financial statements are translated into the presentation currency, being the Canadian dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in other comprehensive income as a separate component of equity.

3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Taxation

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

3.8 Taxation, continued

differences can be utilized. Such 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.

The carrying amount of deferred tax assets is reviewed at each reporting date 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.

Deferred 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 the tax rates that have been enacted or substantively enacted at the reporting date.

3.9 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivables are classified as loans and receivables.

3.9 Financial assets, continued

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.10 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.11 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost,

3.11 Financial liabilities, continued

as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:
Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

3.11 Financial liabilities, continued

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.12 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.13 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the

3.13 Impairment of non-financial assets, continued

estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.14 Flow-through shares

Any premium received by the Company on the issuance of flow-through shares is initially recorded as a liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through liability will be reversed. To the extent that suitable deferred tax assets are available, the Company will reduce the deferred tax liability and record a deferred tax recovery.

3.15 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. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(Expressed in Canadian dollars)

4. SEGMENTED INFORMATION

At 31 March 2013, the Company operates in two geographical areas, being Canada and the United States. The following is an analysis of the net loss, current assets and non-current assets by geographical area:

	Canada	United States	Total
	$	$	$
Net loss			
For the year ended 31 March 2013	**478,389**	**-**	**478,389**
For the year ended 31 March 2012	2,213,219	39	2,213,258
Current assets			
As at 31 March 2013	**523,295**	**-**	**523,295**
As at 31 March 2012	846,556	-	846,556
Long term investments			
As at 31 March 2013	**1**	**-**	**1**
As at 31 March 2012	1	-	1
Exploration and evaluation properties			
As at 31 March 2013	**-**	**417,374**	**417,374**
As at 31 March 2012	207,427	401,558	608,985
Property, plant and equipment			
As at 31 March 2013	**78,602**	**-**	**78,602**
As at 31 March 2012	88,147	-	88,147

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 31 March 2013	As at 31 March 2012
	$	$
Denominated in Canadian dollars	**279,940**	730,935
Denominated in U.S. dollars	**26,856**	32,374
Total cash and cash equivalents	**306,796**	763,309

During the year ended 31 March 2013, the Company issued a total of Nil (2012: 2,163,334) flow-through shares for total proceeds of $Nil (2012: $649,000) (Note 11). As at 31 March 2013, the Company has $Nil (2012: $37,617) remaining to be spent on qualifying Canadian exploration expenditures under the terms of the flow-through share agreements.

6. AMOUNTS RECEIVABLE

During the year ended 31 March 2013, the amounts receivable consist of $8,295 (2012: $27,003) related to Goods and Services Tax input tax credit and $197,849 (2012: $Nil) related to Resource Tax Credits (Notes 8 and 21).

7. INVESTMENTS

The Company's investments are as follows:

	As at 31 March 2013	As at 31 March 2012
Short term investments	**$**	$
Investment in Chancery Resources Inc.	**1,900**	10,000
Long term investments		
Investment in Midland Exploration Corporation	**1**	1

Short term investments

On 6 November 2008, the Company received 1,000,000 common shares in Chancery Resources Inc., an OTCBB listed company, in consideration for the disposal of a 100% interest in several claims within the Nicola Volcanic Belt, around the Douglas Lake region of British Columbia, which the Company had staked in October 2008.

Long term investments

During the year ended 31 March 2008, the Company received 3,000,000 common shares of Midland Exploration Corporation ("Midland"), a private company, as settlement for the Company's 30% interest in the Ketchan Property on 14 August 2007.

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2013 are as follows:

	Silver Chalice Property	Fate Property	Destiny Gold Property	Total
	$	$	$	$
ACQUISITION COSTS				
Balance, 31 March 2012	256,935	30,000	-	286,935
Foreign currency translation	6,477	-	-	6,477
Impairment	-	(30,000)	-	(30,000)
Balance, 31 March 2013	**263,412**	**-**	**-**	**263,412**
EXPLORATION AND EVALUATION COSTS				
Balance, 31 March 2012	144,623	177,427	-	322,050
Assaying	-	-	31,795	31,795
Drilling	-	-	4,425	4,425
Engineering and consulting	-	600	36,519	37,119
Geological and field expenses	-	242	1,146	1,388
Property fees	5,693	14,905	-	20,598
Foreign currency translation	3,646	-	-	3,646
Cost recovery	-	(40,874)	(197,848)	(238,722)
Impairment	-	(152,300)	123,963	(28,337)
Balance, 31 March 2013	**153,962**	**-**	**-**	**153,962**
Total costs	**417,374**	**-**	**-**	**417,374**

(Expressed in Canadian dollars)

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2012 are as follows:

	Silver Chalice Property	Fate Property	Destiny Gold Property	Total
	$	$	$	$
ACQUISITION COSTS				
Balance, 31 March 2011	226,969	30,000	-	256,969
Additions	24,793	-	945,750	970,543
Foreign currency translation	5,173	-	-	5,173
Impairment	-	-	(945,750)	(945,750)
Balance, 31 March 2012	**256,935**	**30,000**	**-**	**286,935**
EXPLORATION AND EVALUATION COSTS				
Balance, 31 March 2011	133,342	118,762	-	252,104
Drilling	-	-	470,499	470,499
Engineering and consulting	989	14,772	60,228	75,989
Geological and field expenses	198	1,655	1,461	3,314
Geophysical	-	35,424	18,368	53,792
Personnel	2,672	-	-	2,672
Property fees	4,382	6,814	3,074	14,270
Foreign currency translation	3,040	-	-	3,040
Impairment	-	-	(553,630)	(553,630)
Balance, 31 March 2012	**144,623**	**177,427**	**-**	**322,050**
Total costs	**401,558**	**207,427**	**-**	**608,985**

(Expressed in Canadian dollars)

Silver Chalice Property, Alaska, USA

By agreement dated 5 November 2009, the Company acquired an option to earn a 100% interest in certain mineral claims located in west-central Alaska, known as the Silver Chalice Property.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	250,000	150,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 5 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 5 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	250,000	150,000	

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

* Exploration expenditures of US$12,400 are required on or before December 31 of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The Company has the right to option all or part of the property to a third party, subject to the issuance of 50,000 shares of the Company.

Fate Property, Québec, Canada

On 15 December 2009, the Company acquired certain mineral claims known as the Fate Gold/Base Metals Project, in Québec, Canada. The Company issued 50,000 shares to Pacific North West Capital Corp. ("PFN"), a company with directors in common, as a finder's fee and a 1.5% NSR. The Company has the right to purchase 0.5% of the NSR for $500,000.

During the year ended 31 March 2013, the Company received $40,874 from Revenue Quebec related to Resource Tax Credits for exploration expenses incurred on the Fate Property. This has been recorded as a recovery of exploration and evaluation properties during the year ended 31 March 2013.

During the year ended 31 March 2013, the Company allowed the property claims to lapse resulting in a write down of exploration and evaluation properties of $182,300.

Destiny Gold Property, Québec, Canada

On 26 September 2011, the Company exercised its option to acquire a 60% option interest in the Destiny Gold property and issued 4,550,000 common shares and warrants to purchase up to 4,000,000 common shares of the Company until 26 September 2015.

Destiny Gold Property, Québec, Canada, continued

Under the terms of the letter agreement ("LA"), PFN was to grant to the Company an irrevocable right and option to acquire all right, title and interest of PFN in and to the option interest in the Destiny Gold property (the "Next Gen Option"), for an aggregate purchase price of (i) a total of $675,000 in cash; (ii) 15,000,000 Next Gen common shares ("Next Gen Shares"); and (iii) 4,000,000 Next Gen share purchase warrants ("Next Gen Warrants") exercisable into 4,000,000 common shares of Next Gen at varying prices for four years from the date of issuance; all of which were due as follows:

- Cash: the Company paid $50,000 to PFN on signing the LA and was to make the cash payments to PFN in tranches of: (i) $75,000 on or before the first anniversary of the LA; (ii) $200,000 on or before the second anniversary of the LA; and (iii) $350,000 on or before the third anniversary of the LA.
- Next Gen Shares: 15,000,000 common shares of the Company were to be issued to PFN as fully paid and non-assessable common shares, in tranches, of: (i) 4,550,000 common shares upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option (issued) (Note 11); (ii) 5,225,000 common shares on or before the first anniversary of the LA; and (iii) 5,225,000 common shares on or before the second anniversary of the LA.
- Next Gen Warrants: 4,000,000 share purchase warrants were issued to PFN upon the Company's delivery to PFN of a notice of commencement of the Next Gen Option, which expire on 26 September 2015 (Note 11). Further, (i) 1,000,000 Warrants are exercisable at $0.25 per share; (ii) 1,000,000 Warrants are exercisable at $0.30 per share; (iii) 1,000,000 Warrants are exercisable at $0.35 per share; and (iv) 1,000,000 Warrants are exercisable at $0.50 per share.

In addition to the cash, common shares and share purchase warrants under the terms of the LA, the Company was also responsible for all remaining cash payments and exploration expenditures due to be paid or incurred, as the case may be, under PFN's agreement with Alto Ventures Ltd. ("Alto"), along with any costs and expenditures associated with any resultant joint venture that arises between the Company and Alto. PFN would continue to issue common shares to Alto under its agreement with Alto until the date of exercise of the Next Gen Option and the transfer and registration of the option interest from PFN to the Company in accordance with the terms of the LA.

Under the terms of the initial option between Alto and PFN, PFN would earn a 60% interest in the Destiny Gold property by paying to Alto $200,000 in cash (of which $100,000 has been paid); issuing to Alto an aggregate of 250,000 common shares of PFN (of which 150,000 common shares have been issued); and incurring an aggregate of $3,500,000 in exploration expenditures over a four-year period (of which $1,557,000 has been incurred). Subsequent to the vesting of its option interest, PFN would form a joint venture with Alto to further develop the Destiny Gold property. Certain claims comprising the property are subject to underlying net smelter return royalties ranging from 1% to 3.5%, with varying buy-back provisions.

Amounts receivable at 31 March 2013 includes $197,848 receivable from Revenue Quebec related to Resource Tax Credits for exploration expense incurred on the Destiny Gold Property (Note 6 and 21). This has been recorded as a recovery of exploration and evaluation properties during the year ended 2013.

During the year ended 31 March 2013, after a disappointing round of exploration, the Company terminated the LA with PFN resulting in a write up of $123,963 (2012 write down of $1,499,380) related to the Destiny Gold property.

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT

The changes in the Company's property, plant and equipment for the year ended 31 March 2013 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2012	11,720	1,458	76,870	90,048
Additions	1,089	-	-	1,089
Disposals	-	-	-	-
As at 31 March 2013	**12,809**	**1,458**	**76,870**	**91,137**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2012	1,172	729	-	1,901
Depreciation	2,218	729	7,687	10,634
Impairment loss	-	-	-	-
As at 31 March 2013	**3,390**	**1,458**	**7,687**	**12,535**
NET BOOK VALUE				
As 31 March 2012	10,548	729	76,870	88,147
Total changes during the year	(1,129)	(729)	(7,687)	(9,545)
As at 31 March 2013	**9,419**	-	**69,183**	**78,602**

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILTIIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to exploration and evaluation activities and amounts payable for financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. These are broken down as follows:

	As at 31 March 2013	As at 31 March 2012
	$	$
Trade payables	**425**	8,276
Accrued liabilities	**12,000**	14,155
Flow-through share premium liability	**-**	3,570
Total trade and other payables	**12,425**	26,001

During the year ended 31 March 2013, the Company issued Nil (2012: 2,163,334) flow-through shares for total proceeds of $Nil (2012: $649,000). This issuance of flow-through shares resulted in a flow-through share premium liability of $Nil (2012: $61,600) at the date of issue with $Nil (2012: $3,570) remaining (Note 11).

During the year ended 31 March 2013, the Company spent the remainder of $37,617 (2012: $611,383) in qualifying Canadian exploration expenditures resulting in a flow-through share income of $3,570 (2012: $58,030) (Note 13), with a corresponding decrease in the flow-through share premium liability, on the basis that the Company has the intention of renouncing these qualifying Canadian exploration expenditures to the respective investors.

11. SHARE CAPITAL

11.1 Authorized share capital

The Company has authorized for issuance an unlimited number of common shares. At 31 March 2013, the Company had 26,048,919 common shares outstanding (2012: 26,048,919).

(Expressed in Canadian dollars)

11.2 Shares issuances

During the years ended 31 March 2013 and 2012, the Company issued common shares as follows:

On 8 April 2011, the Company issued 1,833,334 flow-through units at $0.30 per flow through unit (Note 6) and 3,126,000 non flow-through units at $0.25 per non flow-through unit for gross proceeds of $1,331,500. This issuance of flow-through shares resulted in a flow-through share premium liability of $55,000 at the date of issue (Note 10). Each flow-through unit consists of one common share and one-half of one share purchase warrant entitling the holder to purchase one additional common share at $0.40 until 8 April 2012. Each non flow-through unit consists of one common share and one-half of one share purchase warrant entitling the holder to purchase one additional common share at $0.35 until 8 April 2012.

On 26 April 2011, the Company issued 330,000 flow-through units at $0.30 per flow through unit (Note 6) and 2,191,000 non flow-through units at $0.25 per non flow-through unit for gross proceeds of $646,750. This issuance of flow-through shares resulted in a flow-through share premium liability of $6,600 at the date of issue (Note 10). Each flow-through unit consists of one common share and one-half of one share purchase warrant entitling the holder to purchase one additional common share at $0.40 until 26 April 2012. Each non flow-through unit consists of one common share and one-half of one share purchase warrant entitling the holder to purchase one additional common share at $0.35 until 26 April 2012.

Pursuant to the 8 April 2011 and 26 April 2011 private placements described above, the Company incurred share issue costs of $78,435.

On 26 September 2011, the Company issued 4,550,000 common shares valued at $659,750 and 4,000,000 share purchase warrants valued at $236,000 related to the acquisition of the Destiny Gold property (Note 8).

11.3 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the years ended 31 March 2013 and 2012:

Year ended 31 March	**2013**		2012	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of year	**7,740,167**	**0.36**	2,750,000	0.27
Granted	**-**	**-**	7,740,167	0.36
Exercised	**-**	**-**	-	-
Forfeited	**(3,740,167)**	**0.37**	(2,750,000)	0.27
Outstanding, end of year	**4,000,000**	**0.35**	7,740,167	0.36

(Expressed in Canadian dollars)

The following table summarizes information regarding share purchase warrants outstanding as at 31 March 2013.

Date issued	Number of warrants	Exercise price	Expiry date
		$	
26 September 2011	1,000,000	0.25	26 September 2015
26 September 2011	1,000,000	0.30	26 September 2015
26 September 2011	1,000,000	0.35	26 September 2015
26 September 2011	1,000,000	0.50	26 September 2015
	4,000,000		

11.4 Stock options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the Discounted Market Price policies of the TSX Venture Exchange ("TSX-V"). The aggregate number of common shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued common shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12 month period is limited to 5% of the issued common shares of the Company.

The following is a summary of the changes in the Company's stock option plan for the years ended 31 March 2013 and 2012:

Year ended 31 March	**2013**		2012	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Outstanding, beginning of year	**1,690,000**	**0.24**	934	0.98
Granted	**-**	**-**	1,690,000	0.24
Exercised	**-**	**-**	-	-
Forfeited	**(190,000)**	**0.25**	(934)	0.98
Outstanding, end of year	**1,500,000**	**0.24**	1,690,000	0.24

(Expressed in Canadian dollars)

11.4 Stock options, continued

The weighted average fair value of the options granted during the year ended 31 March 2013 was estimated at $Nil (2012: $127,428 ($0.075 per option)) at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

Year ended 31 March	2013	2012
Risk free interest rate	-	1.47%
Expected life	-	4.88 years
Expected volatility	-	81.98%
Expected dividend per share	-	0.00%

The following table summarizes information regarding stock options outstanding and exercisable as at 31 March 2013.

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise price
			$
Options outstanding			
$0.01 - $0.19	200,000	3.44	0.16
$0.20 - $0.39	1,300,000	3.36	0.25
Total options outstanding	**1,500,000**	**3.37**	**0.24**
Options exercisable			
$0.01 - $0.19	68,000	1.44	0.16
$0.20 - $0.39	1,300,000	3.36	0.25
Total options exercisable	**1,368,000**	**3.26**	**0.25**

11.5 Escrow shares

On 18 October 2010, the Company entered into an escrow agreement in connection with the listing of the Company's common shares on the TSX-V. The escrow shares are released over 36 months from the date the Company's common shares are listed on the TSX-V. As at 31 March 2013, a total of 1,149,200 common shares were held in escrow.

(Expressed in Canadian dollars)

12. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $18,738 was recognized in the year ended 31 March 2013 (2012: $101,495):

Grant date	Fair value	Amount vested in 2013	Amount vested in 2012
	$	$	$
9 August 2011	108,696	10,888	95,255
7 September 2011	18,732	7,850	6,240
Total	127,428	18,738	101,495

13. FINANCE INCOME

The finance income for the Company is broken down as follows:

Year ended 31 March	2013	2012
	$	$
Interest income	3,412	13,188
Flow-through share income (Note 10)	3,570	58,030
Total finance income	6,982	71,218

14. TAXES

14.1 Provision for income taxes

Year ended 31 March	2013	2012
	$	$
Loss before tax	478,389	2,213,258
Statutory tax rate	25.00%	26.13%
Expected tax recovery	119,597	578,214
Difference in foreign tax rates	-	3
Non-deductible items	(4,685)	(240,039)
Change in prior year provision to actual	76,738	-
Change in future tax rates	-	(14,562)
Change in valuation allowance	(191,650)	(323,616)
Tax recovery for the year	-	-

(Expressed in Canadian dollars)

14.2 Deferred tax balances

The tax effects of temporary differences that give rise to future income tax assets and liabilities are as follows:

As at 31 March	2013	2012
	$	$
Tax loss carry-forwards	538,582	480,757
Property and equipment	14,576	4,180
Exploration and evaluation properties	6,838	331,228
Share issue costs	467,723	19,903
	1,027,719	836,068
Valuation allowance	(1,027,719)	(836,068)
Deferred tax assets (liabilities)	-	-

14.3 Expiry dates

The Company's recognized and unrecognized deferred tax assets related to unused tax losses have the following expiry dates:

As at 31 March	2013
	$
Non-capital losses	
2026	183,998
2027	243,922
2028	165,424
2029	70,240
2030	174,093
2031	452,168
2032	689,782
2033	173,267
Total non-capital losses	2,152,894
Total resource-related deduction, no expiry	1,870,882

(Expressed in Canadian dollars)

15. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Year ended 31 March	2013	2012
Net loss for the year	$ 478,389	$ 2,213,258
Weighted average number of shares – basic and diluted	26,048,919	23,582,577
Loss per share, basic and diluted	$ 0.02	$ 0.09

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 reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the years ended 31 March 2013 and 2012.

16. CAPITAL RISK MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

(Expressed in Canadian dollars)

17. FINANCIAL INSTRUMENTS

17.1 Categories of financial instruments

	As at 31 March 2013	As at 31 March 2012
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	306,796	763,309
Available-for-sale, at fair value		
Short term investments	1,900	10,000
Long term investments	1	1
Total financial assets	308,697	773,310
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	12,425	8,276
Due to related parties	49,731	103,043
Total financial liabilities	62,156	111,319

17.2 Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

(Expressed in Canadian dollars)

17.2 Fair value, continued

As at 31 March 2013	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	306,796	-	-	306,796
Short term investments	1,900	-	-	1,900
Long term investments	-	-	1	1
Total	**308,696**	**-**	**1**	**308,697**

As at 31 March 2012	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	763,309	-	-	763,309
Short term investments	10,000	-	-	10,000
Long term investments	-	-	1	1
Total	773,309	-	1	773,310

There were no transfers between Level 1, 2 and 3 in the years ended 31 March 2013 and 2012.

17.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits, with major financial institutions. As at 31 March 2013, the total amount of cash and amounts receivable subject to credit risk is $306,796.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future

17.3 Management of financial risks, continued

to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada have experienced wide fluctuations in price which have not necessarily been related to operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

18. RELATED PARTY TRANSACTIONS

For the years ended 31 March 2013 and 2012, the Company had related party transactions with PFN, a company with directors in common with the Company. The Company pays shared office costs to PFN on a month to month basis.

(Expressed in Canadian dollars)

18.1 Related party expenses

The Company's related party expenses are broken down as follows:

Year ended 31 March	2013	2012
	$	$
Administration and management fees	89,385	139,672
Rent	60,993	9,363
Consulting	5,410	36,080
Insurance	3,246	3,917
Office furniture and equipment	1,089	7,716
Investor relations	-	13,315
Leasehold improvements	-	76,871
Other	-	2,376
Total related party expenses	**160,123**	289,310

18.2 Due from/to related parties

The Company has the following amounts due to related parties:

	As at 31 March 2013	As at 31 March 2012
	$	$
PFN	49,482	102,525
Key management personnel	249	518
Total amount due to related parties	**49,731**	103,043

The balances are non-interest bearing, unsecured and has no fixed terms of repayment.

(Expressed in Canadian dollars)

18.3 Key management personnel compensation

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

Year ended 31 March	2013	2012
	$	$
Short-term benefits	115,042	160,670
Share-based payments	18,222	79,759
Total key management personnel compensation	133,264	240,429

19. SUPPLEMENTAL CASH FLOW INFORMATION

19.1 Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Year ended 31 March	2013	2012
	$	$
Interest paid	-	-
Taxes paid	-	-
Total cash payments	-	-

19.2 Non-cash financing and investing activities

The Company incurred the following non-cash investing and financing transactions:

Year ended 31 March	2013	2012
	$	$
Purchase of property included in due to related parties	-	76,870
Common shares issued for exploration and evaluation properties	-	659,750
Warrants issued for exploration and evaluation properties	-	236,000
Total non-cash financing and investing activities	-	972,620

(Expressed in Canadian dollars)

20. COMMITMENTS

As at 31 March 2013, the Company had the following commitments:

As at 31 March 2013	**< 1 year**	**2-5 years**	**> 5 years**	**Total**
	$	$	$	$
Rent and lease payments	55,762	240,272	270,431	566,465
Total commitments	**55,762**	**240,272**	**270,431**	**566,465**

The Company has a sub-lease agreement with PFN under which the Company pays 25% of the total lease payments of the current office space at 650-555 West 12th Avenue, Vancouver, B.C. V5Z 3X7 (Note 18).

21. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year ended 31 March 2013, the Company received $197,848 from Revenue Quebec related to Resource Tax Credits for exploration expenses incurred on the Destiny Gold Property (Note 6 and 8).

22. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the year ended 31 March 2013 were approved and authorized for issue by the Board of Directors on 11 July 2013.

APPENDIX “H”

Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

NEXT GEN METALS INC.

for the year and quarter ended 31 March 2013

This management discussion and analysis ("MD&A") includes a review of activities, results of operations, financial condition and outlook for Next Gen Metals Inc. and its subsidiary (the "Company" or "Next Gen") for the year and quarter ended 31 March 2013, with comparisons to the year and quarter ended 31 March 2012. This MD&A is presented as of 11 July 2013 and should be read in conjunction with the Company's condensed consolidated financial statements for the year ended 31 March 2013 and 2012 and the related notes thereto. Next Gen's consolidated financial statements for the year ended 31 March 2013 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are in Canadian dollars unless otherwise stated. Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.nextgenmetalsinc.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CURRENT MARKET CONDITIONS

As a result of the uncertainty in the global economy, there is a serious shortage of available capital and significant exploration risk to the resource industry.

DESCRIPTION OF BUSINESS

The Company, a British Columbia company, is a reporting issuer in British Columbia and Ontario, listed (since 02 February 2011) on the TSX Venture Exchange under the trading symbol "**N**", co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange under the Symbol "**M5BN**" and listed on the OTC Pink (United States) under the symbol **"NXTTF"**.

The Company was listed on the Canadian National Stock Exchange ("C**NSX**") under trading symbol "**N**" until 07 February 2011, when the Company voluntarily delisted its shares for trading on the CNSX.

Next Gen operates in one business segment consisting of the acquisition, exploration for and development of mineral resource properties in North America. The Company holds the Fate Claims in Québec, Canada and, through its wholly-owned Nevada subsidiary, Next Gen USA, Inc., has acquired the right to earn a 100% interest in the Silver Chalice Property in Alaska, USA.

OVERVIEW, SIGNIFICANT EVENTS, TRANSACTION AND ACTIVITIES

On 27 June 2012, based on the results of the program, the Company announced it had terminated the option property agreement on the Destiny Gold Property in Québec.

PROPERTIES

Silver Chalice Property

On 07 December 2009, the Company announced that it had entered into an agreement (the "Acquisition Agreement") with Anglo Alaska Gold Corp. ("AAG"), a privately owned Alaska corporation, to acquire a 100% interest in the Silver Chalice epithermal gold/silver project ("Silver Chalice Property"), consisting of 31 State of Alaska mining claims for 4,960 acres. The Silver Chalice Property is located in west-central Alaska approximately 345 miles northwest of Anchorage and 330 miles west southwest of Fairbanks.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	250,000	150,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 05 November 2010*	(paid)	US$20,000	-	-	-
On or before 05 November 2011*	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	250,000	150,000	

The property is subject to a 1.5% NSR and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

* Exploration expenditures of US$12,400 are required on or before 31 December of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The Company has the right to option all or part of the Silver Chalice Property to a third party, subject to the issuance of 50,000 shares of the Company.

Geology

The Silver Chalice Property occurs immediately east of the eastern margin of the Poison Creek Caldera in west-central Alaska. Gold-silver bearing polyphase quartz veins are associated with northeast structures that radiate from the caldera margin. The epithermal gold-silver veins are hosted within a zone of outer propylitic alteration and an inner zone of weak to moderate argillic alteration. Weak silicification is also noted in the country rocks adjacent to the veins. Country rocks consist of Cretaceous flysch units including lithic sandstone, siltstone and shale.

The Poison Creek Caldera consists of bimodal Eocene to Paleocene volcanic units that range from andesite to rhyolite in composition. The epithermal veins at the project appear to be intimately associated with this volcanic activity. Rock chip samples from surface rubble-crops and boulder trains return values up to 10 grams of gold per tonne and 462 grams of silver per tonne. Average silver:gold ratio is approximately 40:1. The main Silver Chalice vein ranges from 1.32 feet (0.4 metres) up to 25 feet (7.6 metres) in estimated true width in two historic drill holes and the south vein ranges from 0.66 feet (0.2 metres) up to 27 feet (8.2 metres) estimated true width in one historic drill hole. Fluid inclusion analysis suggest that if the hydrothermal fluids contained significant amounts of gold and silver, it is likely that gold-silver mineralization precipitated at boiling levels somewhere in the epithermal system. There remains potential for ore-grade gold and silver mineralization below the exposed surface in the two veins drilled, in the broader altered areas, and in the covered areas along strike of the veins.

The Tertiary Volcanic Caldera which hosts the Silver Chalice Property represents an excellent exploration target with potential to host significant epithermal gold and silver mineralization. Stream sediment samples anomalous in gold and indicator minerals and pan concentrate samples with anomalous gold and mercury strongly support the gold and silver potential of the caldera and adjacent areas. There has been no past lode mining on the project and there are no other active mining claims in the project area.

Exploration expenditures of $153,962 have been incurred on the Silver Chalice property since the property was acquired including $5,693 during the current period. A foreign currency translation adjustment of $3,646 was recorded on the Silver Chalice property during the current period ended 31 March 2013.

The Company plans to seek funding from a third party joint venture partner on the Silver Chalice property.

Fate Claims

In December 2009, the Company acquired from Pacific North West Capital Corp. ("PFN"), (a company with two directors in common with the Company, at that time), 83 staked claims (the "Fate Claims") on strike with Alto Ventures Ltd. ("Alto Ventures") /PFN's Destiny Gold Joint Venture approximately 75 kilometres (km) north of the Val d'Or Malartic gold camp in Québec.

Due to the knowledge PFN and its management had gained in this area of Québec and the fact that PFN had acquired additional claims that met and exceeded its original objectives and budgets for this region, Management of PFN and the Company completed a Finder's Fee agreement over the Fate Claims whereby the Company issued to PFN 50,000 common shares and granted PFN a 1.5% Net Smelter Royalty on the Fate Project. The Company has the right to purchase 0.5% of the royalty for $500,000 leaving PFN with 1%.

Geology

The Fate Claims are located in the Abitibi Greenstone Belt of Northwest Québec, one of the most famous gold and base metals regions in the world.

The Fate Claims cover approximately 8 km of the western extension of this stratigraphy, which is host to the Destiny Gold Project where Alto Ventures/PFN conducted an aggressive winter drill program. This stratigraphy and potential mineralization extends approximately 20 km along the major Chicobi Deformation Fault Zone. The Chicobi Deformation Fault Zone parallels the prolific Cadillac Larder (Val d'Or Malartic, Bousquet, Kirkland Lake gold camps) and Destor Porcupine (Timmins, Holloway, Duparquet gold camps) Deformation Zones to the south as well as the Casa Berardi (Aurizon, Joutel gold areas) Deformation Zone to the North. Approximately 30 km northeast of the Destiny project, Maudore Minerals is working on expanding their Comtois gold resource (On 23 November 2009, Maudore Minerals Limited announced a 70,000 metre drill program to expand the current inferred mineral resource on its 100% owned Comtois high-grade gold project. The current Inferred Mineral Resource (RPA, 2002) at Comtois stands at 524,000 ounces of gold [808,000 tonnes at 20.2 grams per tonne gold (uncut)] or at 249,400 ounces of gold [808,000 tonnes at 9.6 grams per tonne gold (cut at 30 grams per tonne gold)].

In September 2010, the Company contracted Geo Sciences Consulting and Exploration of Québec, to conduct a Mobile Metal Ion (MMI™) Geochemistry exploration program on the Fate Claims and to interpret the results. MMI™ is an advanced surface exploration technique for finding mineral deposits and is a cost effective surface exploration tool. This technology measures mobile metal ions in surface soils. These mobile metal ions are released from ore bodies and travel upward toward the surface. Using sophisticated chemical processes and instrumentation, MMI™ is able to measure these ions, in surface soils, to determine accurately where buried mineralization is located. The exploration program consisted of:

- MMI™ geochemical sampling for a total of 2000 samples
- Sample spacing to be 25m apart
- Samples to be taken at a depth of 15cm (range is between 10cm and 25cm depths) from the organic-inorganic soil interface and will be dispatched to SGS laboratory in Toronto
- Compilation of results, statistical processing and preparation of a geochemical map and report

Regional gravity and magnetic surveys confirm the location of the Chicobi Fault and also indicate the presence of several offsets.

During the year ended 31 March 2012, a total amount of $15,747 was incurred on the property consisting of $242 in geology and field expenses, $600 in consulting and $14,905 in mineral property fees.

Qualified Person Statement

"Properties" sections of this report have been reviewed and approved for technical content by Ali Hassanalizadeh, M. Sc. P. Geo. and Vice President Exploration for Next Gen Metals Inc. and a Qualified Person under the provisions of National Instrument 43-101.

Selected Annual Financial Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

The following selected financial information is derived from the unaudited consolidated interim financial statements of the Company prepared in accordance with IFRS.

	Years Ended 31 March (audited)		
	2013	2012	2011
Total revenues	$ -	$ -	$ -
General and administrative expenses	(427,530)	786,846	446,585
Net income (loss)	(478,389)	(2,213,258)	(446,585)
Net Loss per share – Basic & fully diluted	(0.02)	(0.09)	(0.04)
Totals assets	1,019,272	1,543,689	1,198,353
Total long term liabilities	Nil	Nil	Nil
Shareholder's equity	957,116	1,414,645	1,184,475
Cash dividends declared – per share	-	-	-

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	31 Mar 2013	31 Dec 2012	30 Sept 2012	30 Jun 2012	31 Mar 2012	31 Dec 2011	30 Sept 2011	30 Jun 2011
Total assets	$ 1,019,272	$ 1,072,842	$ 1,166,781	$ 1,289,809	$ 1,543,689	$ 3,239,359	$ 3,398,505	$ 2,618,405
Resource prop. & deferred costs	417,374	631,598	621,290	635,015	608,985	1,697,621	1,582,025	546,765
Working capital	461,139	307,993	387,991	496,713	717,512	1,492,078	1,768,026	2,047,512
Shareholders' equity	957,116	1,020,852	1,093,200	1,218,307	1,414,645	3,194,888	3,350,052	2,594,278
Total revenues	-	-	-	-	-	-	-	-
Net loss	(67,357)	(79,504)	(113,588)	(217,940)	(1,661,700)	(188,760)	(226,643)	(136,155)
Net loss and comprehensive loss	(62,907)	(73,690)	(119,230)	(220,440)	(1,647,732)	(189,760)	(231,643)	(137,655)
Net loss per share	(0.010)	(0.002)	(0.010)	(0.010)	(0.060)	(0.010)	(0.010)	(0.010)

RESULTS OF OPERATIONS

For the three-month period ended 31 March 2013 compared to the three-month period ended 31 March 2012.

Comprehensive loss for the three-month period ended 31 March 2013 was $62,907 as compared to $1,647,732 for the same period in 2012. Being at the exploration stage, the Company did not generate any revenue from operations. The decrease in comprehensive loss of $1,584,825 was mainly attributable to:

- Decrease of $52,187 in administration and management fees, from $74,600 in 2012 to $22,413 in 2013 due to a reduction in administration and management fees;
- Decrease of $42,261 in share-based payments, from $42,261 in 2012 to $Nil in 2013 in the total non-cash fair value of stock based compensation resulting from the vesting of 1,490,000 options to acquire common shares at $0.25 for a period of five years and 200,000 options to acquire common shares at $0.16 for a period of five years that vested using the Black-Scholes Option Pricing Model;
- Decrease of $27,380 in investor relations expenses, from $29,298 in 2012 to $1,918 in 2013 due to decreased activity in the Company;
- Decrease of $13,667 in consulting fees, from $23,917 in 2012 to $10,250 in 2013 as the previous year's costs were associated with the financings in the prior year;
- Increase of $13,705 in rent, from $1,694 in 2012 to $15,399 in 2013 due to newly acquired office space;
- Decrease of $60,426 in finance income from $61,251 in 2012 to $825 in 2013. Finance income is comprised of $824 in interest income;
- A write-down of exploration and evaluation costs for $1,499,380 in 2012 to $58,337 in 2013 was recorded as the Company terminated the option agreement for the Destiny Gold project.

Three-month period ended 31 March 2013 compared to the three-month period ended 31 December 2012

Comprehensive loss for the three-month period ended 31 March 2013 was $62,907 as compared to $73,690 for the three-month period ended 31 December 2012. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of $10,783 was mainly attributable to:

- An increase of $8,269 in accounting and audit fees, from $10,481 in 2012 to $18,750 in 2013 due to increased activity in the Company;
- A write-down of exploration and evaluation property for $58,337 was recorded as the Company terminated the option agreement for the Destiny Gold project.

For the year ended 31 March 2013 as compared to the year ended 31 March 2012

Comprehensive loss for the year ended 31 March 2013 was $476,267 as compared to $2,206,790 for the year ended 31 March 2012. Being at the exploration stage, the Company did not generate any revenue from operations. The decrease in comprehensive loss of $1,730,523 was mainly attributable to:

- Decrease of $103,095 in investor relations expenses, from $158,513 in 2012 to $55,418 in 2013 due to decreased activity in the Company;
- Decrease of $83,820 in administration and management fees, from $185,531 in 2012 to $101,711 in 2013 due to a reduction in administration and management fees;
- Decrease of $82,757 in share-based payments, from $101,495 in 2012 to $18,738 in 2013 in the total non-cash fair value of stock based compensation resulting from the vesting of 1,490,000 options to acquire common shares at $0.25 for a period of five years and 200,000 options to acquire common shares at $0.16 for a period of five years that vested using the Black-Scholes Option Pricing Model;
- Decrease of $56,771 in consulting fees, from $118,208 in 2012 to $61,437 in 2013 as the previous year's costs were associated with the financings in the prior year;
- Increase of $51,630 in rent, from $9,363 in 2012 to $60,993 in 2013 due to newly acquired office space;
- A write up of residual exploration and evaluation costs for $123,963 was recorded as the Company terminated the option agreement for the Destiny Gold project.

At 31 March 2013 the Company had working capital amounting to $461,139 (31 March 2012: $717,512) including cash of $306,796 (31 March 2012: $763,309). During the year ended 31 March 2013, operating activities have been principally funded through existing working capital.

Net decrease in cash during the year ended 31 March 2012 amounted to $466,735.

The Company has historically relied upon equity financings and loans from directors to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

The Company has limited financial resources, no source of operating income and no assurance that additional funding will be available to it for future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its exploration success. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

CAPITAL RESOURCES

At 31 March 2012, the Shareholders' equity of $957,116 (31 March 2012: $1,414,645) consisted of share capital of $5,636,155 (31 March 2012: $5,636,155), reserves of $487,126 (31 March 2012: $542,697), contributed surplus of $76,431 (31 March 2012: $Nil) and deficit of $5,242,596 (31 March 2011: $4,764,207).

RELATED PARTY TRANSACTIONS

Key management personnel compensation for the year ended 31 March 2013 was $133,264 (2012: $240,429) comprised of short-term benefits of $115,042 (2012: $160,670) and share-based payments of $18,222 (2012: $79,759).

During the year ended 31 March 2013, the Company paid $160,123 (2012: $289,310) to PFN, a company with directors in common, for shared office costs and purchase of office furniture and equipment. The expenses are broken down as follows:

Administration and management fees of $89,385 (2012: $139,672), office rent of $60,993 (2012: $9,363), consulting fees of $5,410 (2012: $36,080), insurance of $3,246 (2012:$3,917) and purchase of office furniture and equipment of $1,089 (2012: $7,716).

During the year ended 31 March 2013, the Company's due to PFN was $49,482 (2012:$102,525) while due to other related parties $249 (2012:$518).

The above transactions were recorded at exchange amounts agreed between the parties, which management asserts approximate fair values.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations and Deficit included in its Financial Statements for the years ended 31 March 2013 and 2012, which are available on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA AS AT 31 MARCH 2013

	Number issued and outstanding	Exercise Price	Expiry Date
Common shares	26,048,919		
Common shares issuable on exercise:			
Stock Options	1,300,000	$0.25	09 August 2016
Stock Options	68,000	$0.16	07 September 2014
Stock Options	66,000	$0.16	07 September 2015
Stock Options	66,000	$0.16	07 September 2016
Warrants	1,000,000	$0.25	26 September 2015
Warrants	1,000,000	$0.30	26 September 2015
Warrants	1,000,000	$0.35	26 September 2015
Warrants	1,000,000	$0.50	26 September 2015

Share Consolidation

On 30 June 2010, the Company consolidated its capital on the basis of 2 old common shares for 1 new common share.

INVESTOR RELATIONS

Total investor relations expense for the year ended 31 March 2013 was $55,418, a decrease of $103,095 from $158,513 2012 due to no equity financing having been raised and the termination of the option on the Destiny Gold property.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration, with the intent to further develop projects with sufficient financing. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, politics and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The high degree of volatility in the prices of metal and other resource commodities
- The demand of commodities can be dependent on global consumption
- An increasing competition to acquire resource properties throughout the world
- No assurance about the economic viability, it is speculative
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control
- Additional costs can be incurred such as availability of experts, work force and equipment
- Additional expenditures will be required to establish resources or reserves on mineral properties, if any resources or reserves exist on the properties
- The rights to the resource properties must be maintained in accordance with various regulations and agreements
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and judgments used in the preparation of these consolidated financial statements include, amongst other things, depreciation, determination of net recoverable value of assets, determination of fair value on taxes, and share-based payments. These estimates are reviewed periodically (at least annually), and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 to the consolidated financial statements for the year ended 31 March 2012.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Short term and long term investments in other companies are classified as available-for-sale, which is measured at fair value. Trade payables and amounts due to related parties are classified as other financial liabilities which are measured at amortized cost.

Credit risk

The Company does not believe it is subject to any significant credit risk although cash is held in excess of federally insured limits, with major financial institutions.

Liquidity risk

The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

MANAGEMENT OF CAPITAL

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

SUBSEQUENT EVENTS

On 31 May 2013, the Company announced the appointment of Mr. Robert Guanzon as the new Chief Financial Officer following the resignation of Mr. Gordon Steblin.

Subsequent to the year ended 31 March 2013, the Company received $197,849 from Revenue Quebec related to Resource Tax Credits for exploration expenses incurred on the Destiny Gold Property.

OUTLOOK

The Company currently has $461,139 in working capital and will need to obtain additional equity financing to fund any further mineral property projects. The Company is pursuing other potential acquisitions and opportunities as the Company terminated the option agreement for the Destiny Gold project.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

The accompanying consolidated financial statements of the Company have been prepared by management in accordance with IFRS, and contain estimates based on management's judgment. Management maintains an appropriate system of internal control to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

The Audit Committee of the Board of Directors has met with the Company's auditors to review the scope and results of the annual review and to review the consolidated financial statements and related financial reporting matters prior to submitting the consolidated financial statements to the Board for approval.

"Harry Barr"

Harry Barr
Chief Executive Officer and Director

"Robert Guanzon"

Robert Guanzon
Chief Financial Officer

APPENDIX "I"

Next Gen Metals Inc.

Condensed Consolidated Interim Financial Statements

Quarter 1 period ended 30 June 2015

(Unaudited)

(Expressed in Canadian dollars)

NOTICE TO READER OF THE INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, *Continuous Disclosure Obligations* ("NI 51-102"), Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Next Gen Metals Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Financial Position
As at 30 June 2015 and 31 March 2015
(Unaudited)
(Expressed in Canadian dollars)

	Notes	30 June 2015	31 March 2015 (Audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	**21,094**	18,285
Amounts receivable	6	**1,635**	14,776
Available-for-sale investments	7	**300**	300
Prepaid expenses		**9,074**	27,025
		32,102	60,386
Long-term investments	7	**1**	1
Property and equipment	9	**4,607**	4,982
Total assets		**36,711**	65,369
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	10	**42,297**	18,503
Due to related parties	17	**17,208**	21,038
Total liabilities		**59,505**	39,541
Equity			
Share capital	11	**6,002,112**	6,002,112
Reserves		**739,508**	739,508
Contributed surplus		**92,968**	92,968
Deficit		**(6,857,382)**	(6,808,760)
Total equity		**(22,793)**	25,828
Total equity and liabilities		**36,711**	65,369

APPROVED BY THE BOARD:

"Harry Barr"
Director

"Gary Moore"
Director

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

Next Gen Metals Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the Three months ended 30 June 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars)

	Notes	Three months ended 30 June 2015	2014
		$	$
Revenue		-	215,828
Cost of sales		-	150,282
Gross profit		-	65,546
Expenses			
Accounting and audit fees		**7,333**	5,333
Administration and management fees	17	**4,302**	42,755
Bank charges and interest		**227**	150
Consulting	17	**15,000**	12,333
Depreciation	9	**374**	2,476
Insurance		-	8,809
Investor relations		**17,591**	58,936
Legal and professional fees		-	55,691
Rent	17	**492**	12,137
Share-based payments	12, 17	-	42,149
Transfer agent and filing fees		**2,362**	3,275
Travel		**380**	25,343
Loss before other items		**(48,421)**	(269,388)
Other items			
Foreign exchange loss		**(201)**	(978)
Net loss for the period		**(48,622)**	(204,820)
Other comprehensive loss		-	-
Net comprehensive loss		**(48,622)**	(204,820)
Loss per share			
Basic	14	**(0.002)**	(0.012)
Diluted	14	**(0.002)**	(0.012)

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Cash Flows
For the Three months ended 30 June 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars)

		Three months ended 30 June	
	Notes	2015	2014
		$	$
OPERATING ACTIVITIES			
Net loss for the year		(48,622)	(204,820)
Adjustments for:			
Depreciation	9	374	2,476
Share-based payments	12	-	42,149
Shares issued for services	11,18	-	15,740
Operating cash flows before movements in working capital			
(Increase) decrease in amounts receivable		13,142	(32,154)
(Increase) decrease in prepaid expenses		17,951	37,317
Increase (decrease) in trade payables and accrued liabilities		40,403	30,144
Increase (decrease) in due to related parties		(20,438)	(13,246)
Cash used in operating activities		2,809	(122,394)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares, net	11	-	79,800
Cash from financing activities		-	79,800
Increase (decrease) in cash and cash equivalents		2,809	(42,594)
Cash and cash equivalents, beginning of period		18,285	167,866
Cash and cash equivalents, end of period		21,094	125,272

Supplemental cash flow information (Note 19)

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Changes in Equity
For the Three months ended 30 June 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars)

	Number of shares	Share capital	Stock option reserve	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Contributed surplus	Deficit	Total
		$	$	$	$	$	$	$	$
Balances, 1 April 2014	17,454,227	5,649,388	374,142	236,000	(89,346)	18,900	76,431	(5,557,410)	708,105
Shares issued for exercise of warrants	210,000	79,800	-	(13,388)	-	-	13,388	-	79,800
Shares issued for services	113,931	15,740	-	-	-	-	-	-	15,740
Share-based payments	-	-	42,149	-	-	-	-	-	42,149
Net loss for the period	-	-	-	-	-	-	-	(204,820)	(204,820)
Balances, 30 June 2014	17,778,158	5,744,928	416,291	222,612	(89,346)	18,900	89,819	(5,762,230)	640,974
Balances, 1 April 2015	21,730,896	6,002,112	459,626	283,217	(89,346)	86,511	92,968	(6,808,760)	25,828
Shares issued for cash	-	-	-	-	-	-	-	-	-
Shares issued for services	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	-	(48,622)	(48,622)
Balances, 30 June 2015	**21,730,896**	**6,002,112**	**459,626**	**283,217**	**(89,846)**	**86,511**	**92,968**	**(6,857,382)**	**(22,793)**

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

1. CORPORATE INFORMATION

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange (the "TSX-V").

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

The head office, principal address and registered and records office is located at 101 – 2148 West 38th Avenue, Vancouver, B.C. V6M 1R9.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the Company will obtain the necessary financing to complete the exploration and development of mineral property interests, or that the current or future exploration and development programs of the Company will result in profitable mining operations. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments, including paying for general and administrative expenses (Note 1.1).

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 11).

On 20 March 2014, Next Gen established its wholly owned subsidiary GreenRush Financial Conferences Inc., Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results. At this time the Company has decided not to pursue this business.

On 23 June 2014, the Company established its wholly owned business unit GreenRush Business Brokerage, a business brokerage advisory and consultancy business unit.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned minimal revenues and has experienced negative cash flows from operating activities. As at 30 June 2015, the Company had cash and cash equivalents of $21,094. Existing funds on hand at 30 June 2015 will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations during the coming year. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future.

Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations.

These financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

2. BASICS OF PREPARATION

2.1 Basis of consolidation

The Company consolidates subsidiaries controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements include the accounts of Next Gen and its wholly-owned subsidiaries, Next Gen USA Inc. ("Next Gen USA"), GreenRush Financial Conferences Inc. ("GFC") and Greenrush Analytical Laboratory Inc. ("GAL"). All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies, in all material aspects.

2.2 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 16, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The condensed consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") 34, '*Interim Financial Reporting*' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 New and revised standards and interpretations

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period ended 30 June 2015:

- IFRS 7 *'Financial Instruments: disclosures'*, clarifies whether a servicing contract is continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

  - Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
  - Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss

- All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
- The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.
- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 *'Consolidated Financial Statements'*, clarifies the conditions for a parent to present consolidated financial statements for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 '*Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 *'Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IFRS 16 '*Property, Plant and Equipment'* is an amendment that clarifies acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the consolidated financial statements of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand.

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance or straight-line method using the following rates:

Furniture and equipment	20% to 30%
Software	100%
Leasehold Improvements	10 years

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.6 Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional currencies of Next Gen, GFC and GAL are the Canadian dollar. The functional currency of Next Gen USA is the U.S. dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

On consolidation, each respective entity's financial statements are translated into the presentation currency, being the Canadian dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in other comprehensive income as a separate component of equity.

3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.9 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.10 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.11 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.12 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.13 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. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.14 Revenue recognition

Revenue is derived from the sale of registration/tickets to conferences hosted by the Company. Revenue is recognized when all of the following are met, when the risks and benefits of the registration/tickets to conferences are transferred to the conference participants, when the Company does not retain managerial involvement with the conference, when collection is reasonably assured and the price and associated costs are reasonably determinable. This corresponds to the date when the conference has occurred.

3.15 Taxation

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

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. Such 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.

The carrying amount of deferred tax assets is reviewed at each reporting date 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3.16 Comparative information

Certain comparative figures have been reclassified in accordance with the current period's presentation.

3.17 Changes in accounting policies

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 '*Financial instruments: disclosures*' and IAS 32 *'Financial instruments: presentation*' are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets'* are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is an amendment to include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's financial statements.

(Expressed in Canadian dollars)

4. SEGMENTED INFORMATION

At 30 June 2015, the Company operates in two geographical areas, being Canada and the United States, and has two reportable segments in exploration and conferences. The following is an analysis of the revenue earned, cost of sales, net loss, current assets and non-current assets by reportable segment and geographical area:

	Canada		United States	
	Conferences	Other	Exploration Activities	Total
		$	$	$
Revenue				
For the three months ended 30 June 2015	-	-	-	-
For the three months ended 30 June 2014	215,828	-	-	215,828
Cost of sales				
For the three months ended 30 June 2015	-	-	-	-
For the three months ended 30 June 2014	150,282	-	-	150,282
Net loss				
For the three months ended 30 June 2015	-	-	-	-
For the three months ended 30 June 2014	204,820	-	-	204,820
Current assets				
As at 30 June 2015	-	**32,102**	-	**32,102**
As at 31 March 2015	-	60,386	-	60,386
Long-term investments				
As at 30 June 2015	-	**1**	-	**1**
As at 31 March 2015	-	1	-	1
Exploration and evaluation properties				
As at 30 June 2015	-	-	-	-
As at 31 March 2015	-	-	-	-
Property and equipment				
As at 30 June 2015	-	**4,607**	-	**4,607**
As at 31 March 2015	-	4,981	-	4,981

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 30 June 2015	As at 31 March 2015
	$	$
Denominated in Canadian dollars	**8,267**	5,235
Denominated in U.S. dollars	**12,827**	13,050
Total cash and cash equivalents	**21,094**	18,285

6. AMOUNTS RECEIVABLE

As at 30 June 2015, the amounts receivable consist of $1,635 (31 March 2015: $2,776) related to Goods and Services Tax input tax credit.

7. INVESTMENTS

The Company's investments are as follows:

	As at 30 June 2015	As at 31 March 2015
	$	$
Short term available-for-sale investments		
Investment in AirTrona International Inc.	**300**	800
Long term available-for-sale investments		
Investment in Midland Exploration Corporation	**1**	1

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the period ended 30 June 2015 are as follows:

	Silver Chalice Property
	$
ACQUISITION COSTS	
Balance, 31 March 2015	-
Foreign currency translation	-
Impairment write-down	-
Balance, 30 June 2015	-
EXPLORATION AND EVALUATION COSTS	
Balance, 31 March 2015	-
Foreign currency translation	-
Impairment write-down	-
Balance, 30 June 2015	-
Total costs	-

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2015 are as follows:

	Silver Chalice Property
	$
ACQUISITION COSTS	
Balance, 31 March 2014	286,367
Foreign currency translation	42,670
Impairment write-down	(329,037)
Balance, 31 March 2015	-
EXPLORATION AND EVALUATION COSTS	
Balance, 31 March 2014	167,380
Foreign currency translation	24,941
Impairment write-down	(192,321)
Balance, 31 March 2015	-
Total costs	-

(Expressed in Canadian dollars)

Silver Chalice Property, Alaska, USA

By agreement dated 5 November 2009 and subsequent payments and share issuances, the Company acquired an option to earn a 100% interest in certain mineral claims located in west-central Alaska, known as the Silver Chalice Property as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 5 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 5 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before 31 December of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the property to a third party, subject to the issuance of 33,333 common shares of the Company.

During the previous year ended 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property.

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the year ended 30 June 2015 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2015	12,808	1,458	-	14,266
Additions	-	-	-	-
Disposals	-	-	-	-
As at 30 June 2015	**12,808**	**1,458**	**-**	**14,266**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2015	7,827	1,458	-	9,285
Depreciation	374	-	-	374
As at 30 June 2015	**8,201**	**1,458**	**-**	**9,959**
NET BOOK VALUE				
As 31 March 2015	-	-	-	-
Total changes during the period	-	-	-	-
As at 31 March 2015	**4,60**	**-**	**-**	**4,607**

(Expressed in Canadian dollars)

The changes in the Company's property and equipment for the year ended 31 March 2015 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2014	12,809	1,458	76,870	91,137
Additions	-	-	-	-
Disposals	-	-	-	-
Write-down	-	-	(76,870)	(76,870)
As at 31 March 2015	**12,809**	**1,458**	**-**	**14,267**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2014	5,609	1,458	15,374	22,441
Depreciation	2,218	-	7,687	9,905
Write-down	-	-	(23,061)	(23,061)
As at 31 March 2015	**7,827**	**1,458**	**-**	**9,285**
NET BOOK VALUE				
As 31 March 2014	7,200	-	61,496	68,696
Total changes during the period	(2,218)	-	(61,496)	(63,714)
As at 31 March 2015	**4,982**	**-**	**-**	**4,982**

During the previous year ended 31 March 2015, the Company recorded a write-down of $53,809 (2014 - $Nil) related to the abandonment of its leasehold improvements.

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILTIIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to general and administrative activities and amounts payable for financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. These are broken down as follows:

	As at 30 June 2015	As at 31 March 2015
	$	$
Trade payables	**34,797**	10,502
Accrued liabilities	**7,500**	8,000
Total trade and other payables	**42,297**	18,502

11. SHARE CAPITAL

11.1 Authorized share capital

The Company has authorized for issuance an unlimited number of common shares. At 30 June 2015, the Company had 21,730,896 common shares outstanding (31 March 2015: 21,730,896).

11.2 Share issuances

On 30 November 2014, the Company issued 107,619 common shares valued at $11,838 for online marketing services provided by a third party. (Note 18).

On 30 September 2014, the Company issued 550,000 non flow-through units at $0.08 per unit for gross proceeds of $44,000. Each unit consists of one common share and one-half of one non-transferable share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Company for a period of 24 months at a price of $0.16 per share during the first year, $0.20 during the second year. In connection with this private placement, the Company incurred cash share issue costs of $1,200 and issued 15,000 share purchase warrants in relation to finders' fees. The warrants are exercisable for a period for 24 months at a price of $0.16 per share during the first year and $0.20 during the second year.

On 15 August 2014, the Company issued 3,187,500 non flow-through units at $0.08 per unit for gross proceeds of $255,000. Each unit consists of one common share and one-half of one non-transferable share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Company for a period of 24 months at a price of $0.16 per share during the first year and $0.20 during the second year.

On 29 August 2014, the Company issued 107,619 common shares valued at $11,300 for online marketing services provided by a third party. (Note 18).

(Expressed in Canadian dollars)

On 23 June 2014, the Company issued 36,000 common shares valued at $5,220 for online marketing services provided by a third party (Note 18).

On 30 May 2014, the Company issued 77,931 common shares valued at $10,520 for online marketing services provided by a third party (Note 18).

On 23 April 2014, the Company issued 210,000 common shares in relation to the exercise of share purchase warrants at an exercise price of $0.38 per share.

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by a third party (Note 18).

11.3 Share consolidation

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 1).

11.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the three months ended 30 June 2015 and year ended 31 Mar 2015:

	30 June 2015		31 March 2015	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of period	**4,340,417**	**0.383**	2,666,667	0.525
Granted	-	-	1,883,750	0.180
Exercised	-	-	(210,000)	0.380
Forfeited	-	-	-	-
Outstanding, end of period	**4,340,417**	**0.383**	4,340,417	0.383

(Expressed in Canadian dollars)

The following table summarizes information regarding share purchase warrants outstanding as at 30 June 2015:

Date issued	Number of warrants	Exercise price	Expiry date
		$	
26 September 2011	456,666	0.38	26 September 2015
26 September 2011	666,667	0.45	26 September 2015
26 September 2011	666,667	0.53	26 September 2015
26 September 2011	666,667	0.75	26 September 2015
15 August 2014	1,593,750	0.18	15 August 2016
30 September 2014	290,000	0.18	30 September 2016
	4,340,417		

11.5 Stock options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the Discounted Market Price policies of the CSE. The aggregate number of common shares issuable pursuant to options granted under the plan is 4,214,660 common shares, being 20% of the Company's issued common shares under the plan. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

The following is a summary of the changes in the Company's stock option plan for the three months ended 30 June 2015 and year ended 31 March 2015:

	30 June 2015		31 March 2015	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Outstanding, beginning of period	**1,449,667**	**0.220**	1,675,000	0.230
Granted	-	-	70,000	0.250
Exercised	-	-	-	-
Expired	-	-	(45,333)	0.240
Forfeited	-	-	(250,000)	0.250
Outstanding, end of period	**1,449,667**	**0.220**	1,449,667	0.220

(Expressed in Canadian dollars)

The weighted average fair value of the options granted during the period ended 30 June 2015 was estimated at $0.211 (2014: $0.111) per option at the grant date using the Black-Scholes Option Pricing Model. The weighted average assumptions used for the calculation were:

	Three months ended 30 June 2015	Year ended 31 March 2015
Risk free interest rate	-	1.69%
Expected life	-	5 years
Expected volatility	-	162.45%
Expected dividend per share	-	0.00

The following table summarizes information regarding stock options outstanding and exercisable as at 30 June 2015:

Exercise price	Number of options outstanding	Weighted-average remaining contractual life (years)	Weighted average exercise price
			$
Options outstanding			
$0.100 - $0.290	933,000	3.64	0.140
$0.300 - $0.585	516,667	1.36	0.375
Total options outstanding	**1,449,667**	**2.83**	**0.221**
Options exercisable			
$0.100 - $0.290	933,000	3.64	0.140
$0.300 - $0.585	516,667	1.36	0.375
Total options exercisable	**1,449,667**	**2.83**	**0.221**

(Expressed in Canadian dollars)

11.6 Escrow shares

On 18 October 2010, the Company entered into an escrow agreement in connection with the listing of the Company's common shares on the TSX-V. The escrow shares are released over 36 months from the date the Company's common shares are listed on the TSX-V. As at 30 June 2015, a total of nil common shares were held in escrow.

12. SHARE-BASED PAYMENTS

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $Nil was recognized in the period ended 30 June 2015 (2014: $27,081):

Grant date	Fair value	**Amount vested in 2015**	Amount vested in 2014
	$	**$**	$
7 September 2011	18,732	-	3,638
26 February 2014	67,747	-	20,467
17 April 2014	10,609	-	2,392
21 April 2014	3,106	-	584
Total		-	27,081

13. FINANCE INCOME

The finance income for the Company is broken down as follows:

Three months ended 30 June	**2015**	2014
	$	$
Interest income	-	-
Total finance income	-	-

(Expressed in Canadian dollars)

14. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

Three months ended 30 June	2015	2014
	$	$
Net loss for the period	(48,622)	(204,820)
Weighted average number of shares – basic and diluted	21,730,896	17,640,467
Loss per share, basic and diluted	**(0.002)**	(0.012)

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 reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the periods ended 30 June 2015 and 2014.

15. CAPITAL SHARE MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

(Expressed in Canadian dollars)

16. FINANCIAL INSTRUMENTS

16.1 Categories of financial instruments

	As at 30 June 2015	As at 31 March 2015
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	**21,094**	18,285
Available-for-sale, at fair value		
Short term investments	**300**	300
Long term investments	**1**	1
Total financial assets	**21,395**	18,586
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	**42,297**	18,502
Due to related parties	**17,208**	21,038
Total financial liabilities	**59,505**	39,540

(Expressed in Canadian dollars)

16.2 Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at 30 June 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	21,094	-	-	21,094
Short-term investments	300	-	-	300
Long-term investments	-	-	1	1
Total	**21,394**	**-**	**1**	**21,395**

As at 31 March 2015	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	18,285	-	-	18,285
Short-term investments	300	-	-	300
Long-term investments	-	-	1	1
Total	18,585	-	1	18,586

There were no transfers between Level 1, 2 and 3 in the three months ended 30 June 2015 and year ended 31 March 2015.

16.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 June 2015, the Company had working capital deficit of $27,403 (31 March 2015 - $20,845 working capital).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

(Expressed in Canadian dollars)

17. RELATED PARTY TRANSACTIONS

For the three months ended 30 June 2015 and 2014, the Company had related party transactions with PFN and El Nino Ventures Inc. ("ELN"), companies with directors in common with the Company. The Company pays shared office costs to PFN on a month-to-month basis.

17.1 Related party expenses

The Company's related party expenses are broken down as follows:

Three months ended 30 June	2015	2014
	$	$
Administration and management fees	1,401	7,512
Rent	492	12,137
Consulting	1,125	23,538
Travel expenses	-	332
Total related party expenses to PFN	3,018	43,519
Accounting fees paid/accrued to the CFO	7,333	8,000
Consulting fees paid/accrued to the COO	5,833	5,000
Consulting fees paid/accrued to the Corporate Secretary	4,500	4,500
Total related party expenses	17,666	17,500

17.2 Due from/to related parties

The Company has the following amounts due to/from related parties:

	As at 30 June 2015	As at 31 March 2015
	$	$
PFN	17,208	14,038
Key management personnel	22,766	7,000
Total amount due to related parties	39,974	21,038

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

(Expressed in Canadian dollars)

17.3 Key management personnel compensation

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

Three months ended 30 June	**2015**	2014
	$	$
Short-term benefits	**17,666**	17,500
Share-based payments	**-**	13,658
Total key management personnel compensation	**17,666**	31,158

18. SUPPLEMENTAL CASH FLOW INFORMATION

Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Three months ended 30 June	**2015**	2014
	$	$
Interest paid	-	-
Taxes paid	-	-
Total cash payments	-	-

On 30 November 2014, the Company issued 107,619 common shares valued at $11,838 for online marketing services provided by a third party (Note 11).

On 29 August 2014, the Company issued 107,619 common shares valued at $11,300 for online marketing services provided by a third party (Note 11).

On 23 June 2014, the Company issued 36,000 common shares valued at $5,220 for online marketing services provided by a third party (Note 11).

On 30 May 2014, the Company issued 77,931 common shares valued at $10,520 for online marketing services provided by a third party (Note 11).

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by a third party (Note 11).

During the previous year ended 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property (Note 8).

19. EVENTS AFTER THE REPORTING PERIOD

There are no reportable subsequent events.

20. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the period ended 30 June 2015 were approved and authorized for issue by the Board of Directors on 26 August, 2015.

APPENDIX "J"

Next Gen

Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

NEXT GEN METALS INC.

For the three-month period ended 30 June 2015

NEXT GEN METALS INC.
Management's Discussion and Analysis of Financial Results
For the nine-month period ended 30 June 2015

This management discussion and analysis ("MD&A") includes a review of activities, results of operations, financial condition and outlook for Next Gen Metals Inc. and its subsidiaries (the "Company" or "Next Gen") for the nine-month period ended 30 June 2015, with comparisons to the period ended 30 June 2014. This MD&A is presented as of 27 August 2015 and should be read in conjunction with the Company's consolidated interim financial statements for the period ended 30 June 2015 and the related notes thereto. Next Gen's consolidated interim financial statements for the nine-month period ended 30 June 2015 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are in Canadian dollars unless otherwise stated. Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.nextgenmetalsinc.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CURRENT MARKET CONDITIONS

As a result of the uncertainty in the global economy, there is a serious shortage of available capital and significant exploration risk to the resource industry.

DESCRIPTION OF BUSINESS

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange.

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

OVERVIEW, SIGNIFICANT EVENTS, TRANSACTION AND ACTIVITIES

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation.

On 20 March 2014 Next Gen establishes its wholly owned subsidiary GreenRush Financial Conferences Inc.: Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results. At this time the Company has decided not to pursue this business.

On 23 June 2014, the Company established its wholly owned business unit GreenRush Business Brokerage, a business brokerage advisory and consultancy business unit.

PROPERTIES

Silver Chalice Property

On 05 November 2009, the Company entered into an agreement (the "Acquisition Agreement") with Anglo Alaska Gold Corp. ("AAG"), a privately owned Alaska corporation, to acquire a 100% interest in the Silver Chalice epithermal gold/silver project ("Silver Chalice Property"), consisting of 31 State of Alaska mining claims for 4,960 acres. The Silver Chalice Property is located in west-central Alaska approximately 345 miles northwest of Anchorage and 330 miles west southwest of Fairbanks.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 05 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 05 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before December 31 of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the Silver Chalice Property to a third party, subject to the issuance of 33,333 shares of the Company.

Geology

The Silver Chalice Property occurs immediately east of the eastern margin of the Poison Creek Caldera in west-central Alaska. Gold-silver bearing polyphase quartz veins are associated with northeast structures that radiate from the caldera margin. The epithermal gold-silver veins are hosted within a zone of outer propylitic alteration and an inner zone of weak to moderate argillic alteration. Weak silicification is also noted in the country rocks adjacent to the veins. Country rocks consist of Cretaceous flysch units including lithic sandstone, siltstone and shale.

The Poison Creek Caldera consists of bimodal Eocene to Paleocene volcanic units that range from andesite to rhyolite in composition. The epithermal veins at the project appear to be intimately associated with this volcanic activity. Rock chip samples from surface rubble-crops and boulder trains return values up to 10 grams of gold per tonne and 462 grams of silver per tonne. Average silver:gold ratio is approximately 40:1. The main Silver Chalice vein ranges from 1.32 feet (0.4 metres) up to 25 feet (7.6 metres) in estimated true width in two historic drill holes and the south vein ranges from 0.66 feet (0.2 metres) up to 27 feet (8.2 metres) estimated true width in one historic drill hole. Fluid inclusion analysis suggest that if the hydrothermal fluids contained significant amounts of gold and silver, it is likely that gold-silver mineralization precipitated at boiling levels somewhere in the epithermal system. There remains potential for ore-grade gold and silver mineralization below the exposed surface in the two veins drilled, in the broader altered areas, and in the covered areas along strike of the veins.

The Tertiary Volcanic Caldera which hosts the Silver Chalice Property represents an excellent exploration target with potential to host significant epithermal gold and silver mineralization. Stream sediment samples anomalous in gold and indicator minerals and pan concentrate samples with anomalous gold and mercury strongly support the gold and silver potential of the caldera and adjacent areas. There has been no past lode mining on the project and there are no other active mining claims in the project area.

As at 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property. No exploration expenditures were incurred for the current year.

Qualified Person Statement

"Properties" sections of this report have been reviewed and approved for technical content by Ali Hassanalizadeh MSc. P. Geo, MBA, Senior geologist advisor for Next Gen and a Qualified Person under the provisions of National Instrument 43-101, *Standards of Disclosure for Mineral Projects*.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the unaudited consolidated financial statements of the Company prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013
Total assets	$ 36,711	$ 65,369	$ 623,831	$ 723,166	$ 699,035	$ 749,268	$ 798,007	$ 839,186
Resource prop. & deferred costs	-	-	453,747	453,747	453,747	453,747	417,374	417,374
Working capital	(27,403)	20,845	91,544	181,020	121,006	185,660	308,658	335,482
Shareholders' equity	(22,793)	25,828	606,559	698,512	640,974	708,104	797,207	826,506
Total revenues	-	-	-	1,781	215,828	-	-	-
Net loss	(48,622)	(656,616)	(130,286)	(259,627)	(204,820)	(151,844)	(29,875)	(68,369)
Net comprehensive loss	(48,622)	(589,505)	(130,286)	(259,627)	(204,820)	(116,571)	(29,875)	(68,369)
Net loss per share	(0.002)	(0.033)	(0.005)	(0.013)	(0.012)	(0.008)	(0.002)	(0.004)

RESULTS OF OPERATIONS

For the three-month period ended 30 June 2015 compared to the three-month period ended 30 June 2014.

During the three-month period ended 30 June 2015, the Company operates in two geographical areas, being Canada and the United States. Revenue earned for the period ended 30 June 2015 from conferences is $Nil (2014: $215,828). Revenue was derived from the the sale of registration/tickets to conferences hosted by the Company.

Comprehensive loss for the three-month period ended 30 June 2015 was $48,622 as compared to $207,820 for the same period in 2014. The decrease in comprehensive loss of $156,198 was mainly attributable to the net effect of:

- Increase of $2,000 in accounting and audit fees, from $5,333 in 2014 to $7,333 in 2015;
- Decrease of $38,454 in administration and management fees, from $42,756 in 2014 to $4,302 in 2015;
- Increase of $2,667 in consulting, from $12,333 in 2014 to $15,000 in 2015;
- Decrease of $2,102 in depreciation, from $2,476 in 2014 to $374 in 2015;
- Decrease of $8,809 in insurance, from $8,809 in 2014 to $Nil in 2015;
- Decrease of $40,985 in investor relation expenses, from $58,936 in 2014 to $17,951 in 2015;
- Decrease of $55,691 in legal and professional fees, from $55,691 in 2014 to $Nil in 2015;
- Decrease of $913 in transfer agent and filing fees, from $3,275 in 2014 to $2,362 in 2015;
- Decrease of $24,963 in travel expenses, from $25,343 in 2014 to $380 in 2015;

At 30 June 2015 the Company had working capital deficit amounting to $27,403 (31 March 2015: $20,845) including cash of $21,094 (31 March 201: $18,285). During the three-month period ended 30 June 2015, operating activities have been principally funded through existing working capital.

Net increase in cash during the period ended 30 June 2015 amounted to $2,809 (31 March 2015: $149,581).

Selected Quarterly Information

The Company has historically relied upon equity financings and loans from directors to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

The Company has limited financial resources, limited source of operating income and no assurance that additional funding will be available to it for future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its exploration success. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

CAPITAL RESOURCES

As at 30 June 2015, the Shareholders' equity of ($22,793) (31 March 2015: $25,828) consisted of share capital of $6,002,112 (31 March 2015: $6,002,112), reserves of $739,508 (31 March 201: $739,508), contributed surplus of $92,968 (31 March 201: $92,968) and deficit of $6,857,382 (31 March 2015: $6,808,760).

RELATED PARTY TRANSACTIONS

The Company's related party expenses are broken down as follows:

Three months ended 30 June	**2015**	2014
	$	$
Administration and management fees	**1,401**	7,512
Rent	**492**	12,137
Consulting	**1,125**	23,538
Travel expenses	**-**	332
Total related party expenses to PFN	**3,018**	43,519
Accounting fees paid/accrued to the CFO	**7,333**	8,000
Consulting fees paid/accrued to the COO	**5,833**	5,000
Consulting fees paid/accrued to the Corporate Secretary	**4,500**	4,500
Total related party expenses	**17,666**	17,500

Due to related parties

The Company has the following amounts due to/from related parties:

	As at 30 June 2015	As at 31 March 2015
	$	$
PFN	17,208	14,038
Key management personnel	22,766	7,000
Total amount due to related parties	39,974	21,038

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

Key management personnel compensation

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

Three-month period ended 30 June	2015	2014
	$	$
Short-term benefits	17,666	17,500
Share-based payments	-	13,658
Total key management personnel compensation	17,666	31,158

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations and Deficit included in its Financial Statements for the three-month period ended 30 June 2015, which are available on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA AS AT 30 JUNE 2015

	Number issued and outstanding	Exercise Price	Expiry Date
Common shares	21,730,896		
Common shares issuable on exercise:			
Stock Options	516,667	$0.380	09 August 2016
Stock Options	44,000	$0.240	06 September 2015
Stock Options	44,000	$0.240	06 September 2016
Stock Options	720,000	$0.110	26 February 2019
Stock Options	50,000	$0.210	12 March 2019
Stock Options	25,000	$0.25	17 March 2019
Stock Options	50,000	$0.25	17 April 2019
Stock Options	-	$0.25	21 April 2019
Warrants	456,666	$0.375	26 September 2015
Warrants	666,667	$0.450	26 September 2015
Warrants	666,667	$0.525	26 September 2015
Warrants	666,667	$0.750	26 September 2015
Warrants	1,593,750	$0.180	15 August 2016
Warrants	290,000	$0.180	30 September 2016

Share Consolidation

On 25 February 2014, the Company consolidated its capital on the basis of one and half old common shares for one new common share.

INVESTOR RELATIONS

Total investor relations expense for the three-month period ended 30 June 2015 was $17,951, a decrease of $40,985 from $58,936 compared to the same period in 2014 due to the decrease in the activities of the Company.

RISKS AND UNCERTAINTIES

The Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources. The business of the Company is dependent upon many components of the success and failure of Health Canada's new Marijuana for Medical Purposes Regulations ("MMPR") to achieve new investment through the approvals of licenses and the implementation of operational facilities.

Despite the promising nature of the medical marijuana industry in Canada and the United States for that matter, failure to obtain such additional financing could delay further development of the Company's business.

Management is of the opinion the current industry is extremely large and based on its assessment of relative competitors; the Company holds an optimistic, yet cautious approach to implementation.

As well companies involved in mineral exploration are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, politics and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The Company's Medical Marijuana (MMJ) business is in the start-up stage only, and is unproven. We may not be successful in implementing our business plan to become profitable. There may be less demand for our services than we anticipate. There is no assurance that these businesses will succeed.
- *Competition and new rivals*: The Company plans to compete in an industry which there are few, but growing number of participants. The Company will have to prove its ability to compete against companies that have greater financial, technological and marketing resources.
- *Environmental effects*: We may suffer negative publicity if we, any third party contractors we may engage, are found to engage in any environmentally insensitive practices or other business practices that are viewed as unethical. The future growth and profitability MMJ sectors will be dependent in part on the effectiveness and efficiency of our advertising and promotional expenditures, including our ability to (i) create greater awareness of our services, (ii) determine the appropriate creative message and media mix for future advertising expenditures, and (iii) effectively manage advertising and promotional costs in order to maintain acceptable operating margins. There can be no assurance that we will experience benefits from advertising and promotional expenditures in the future. In addition, no assurance can be given that our planned advertising and promotional expenditures will result in increased revenues, will generate levels of service and name awareness or that we will be able to manage such advertising and promotional expenditures on a cost-effective basis.
- *Risks associated with Legislative effects; Compliance, Regulatory, and Licensing through Health Canada*: The Company's operations are subject to regulations promulgated by government regulatory agencies from time to time. The cost of compliance with changes in governmental

regulations has the potential to reduce the profitability of operations. Health Canada's application process to obtain and maintain a license under the Marijuana for Medical Purposes Regulations (MMPR) is extremely lengthy and detailed in its requirements and there can be no guarantee that the Company or its joint venture partners will receive their license under the MMPR and there is no assurances they will be able to obtain and maintain, at all times all necessary licenses and permits to carry out its business. For more information please view the Health Canada website (http://www.hc-sc.gc.ca/dhp-mps/marihuana/info/techni-eng.php). There is no assurance that the Company will be successful in completing prospective projects in the marijuana sector.

- Lack of sustainable financial backing
- The high degree of volatility in the prices of metal and other resource commodities
- The demand of commodities can be dependent on global consumption
- An increasing competition to acquire resource properties throughout the world
- No assurance about the economic viability, it is speculative
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control
- Additional costs can be incurred such as availability of experts, work force and equipment
- Additional expenditures will be required to establish resources or reserves on mineral properties, if any resources or reserves exist on the properties
- The rights to the resource properties must be maintained in accordance with various regulations and agreements
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 of the consolidated financial statements for the three-month period ended 30 June 2015.

CHANGES IN ACCOUNTING POLICIES

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period ended 30 June 2015:

- IFRS 7 *'Financial Instruments: disclosures'*, clarifies whether a servicing contract is continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

- Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
- Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
- All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
- The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.
- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 *'Consolidated Financial Statements'*, clarifies the conditions for a parent to present consolidated financial statements for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 *'Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 *'Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IFRS 16 *'Property, Plant and Equipment'* is an amendment that clarifies acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the consolidated financial statements of the Company.

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 '*Financial instruments: disclosures'* and IAS 32 *'Financial instruments: presentation'* are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets*' are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is an amendment to include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's financial statements.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Short term and long term investments in other companies are classified as available-for-sale, which is measured at fair value. Trade payables and amounts due to related parties are classified as other financial liabilities which are measured at amortized cost.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 June 2015, the Company had working capital of $20,845 (31 March 2015 - $20,845).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

MANAGEMENT OF CAPITAL

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties and continue to seek opportunities in the Medical Marijuana, Industrial Hemp Industries ("MMIH").

The Company is dependent on external financing to fund its activities. In order to continue to develop its business strategy in the MMIH and to carry out the planned exploration on its mineral properties and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess both opportunities in the MMHI as well as new mineral properties. The Company is seeking to acquire an interest in those businesses within the MMHI that meet the Company's criteria for investment, including additional mineral properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

SUBSEQUENT EVENTS

Following are events that occurred subsequent to 30 June 2015.

There are no reportable subsequent events.

OUTLOOK

The Company currently has $27,403 in working capital deficit and will need to obtain additional equity financing to fund its ongoing operations and any further mineral property projects. The Company is reviewing properties for acquisition on an ongoing basis.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

The accompanying condensed consolidated interim financial statements of the Company have been prepared by management in accordance with IFRS, and contain estimates based on management's judgment. Management maintains an appropriate system of internal control to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

"Harry Barr"

Harry Barr
Chief Executive Officer and Director

"Robert Guanzon"

Robert Guanzon
Chief Financial Officer

APPENDIX "K"

Next Gen

Next Gen Metals Inc.

Condensed Consolidated Interim Financial Statements

Quarter 2 period ended 30 September 2015

(Unaudited)

(Expressed in Canadian dollars)

NOTICE TO READER OF THE INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, *Continuous Disclosure Obligations* ("NI 51-102"), Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Next Gen Metals Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Financial Position
As at 30 September 2015 and 31 March 2015
(Unaudited)
(Expressed in Canadian dollars)

	Notes	30 September 2015	31 March 2015 (Audited)
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	5	10,229	18,285
Amounts receivable	6	1,281	14,776
Available-for-sale investments	7	300	300
Prepaid expenses		-	27,025
		11,810	60,386
Long-term investments	7	1	1
Property and equipment	9	4,234	4,982
Total assets		16,045	65,369
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	10	17,208	18,503
Due to related parties	17	46,646	21,038
Total liabilities		63,854	39,541
Equity			
Share capital	11	6,002,112	6,002,112
Reserves		739,508	739,508
Contributed surplus		92,968	92,968
Deficit		(6,882,398)	(6,808,760)
Total equity (deficit)		(47,809)	25,828
Total equity and liabilities		16,045	65,369

APPROVED BY THE BOARD:

"Harry Barr"
Director

"Gary Moore"
Director

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the six months ended 30 September 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars)

	Notes	Three months ended 30 September 2015	Three months ended 30 September 2014	Six months ended 30 September 2015	Six months ended 30 September 2014
		$	$	$	$
Revenue		-	1,781	-	217,609
Cost of Sales		-	47,592	-	197,874
Gross Profit		-	(45,810)	-	19,736
Expenses					
Accounting and audit fees		6,000	14,667	13,333	20,000
Administration and management fees		2,046	24,679	6,348	67,434
Bank charges and interest		189	72	416	222
Consulting		7,500	9,500	22,500	21,833
Depreciation	9	374	2,477	748	4,953
Insurance		-	3,265	-	12,074
Investor relations		9,074	35,160	27,025	94,096
Legal and professional fees		-	61,440	-	117,131
Rent		462	16,185	954	28,322
Share-based payments	12	-	26,863	-	69,012
Transfer agent and filing fees		2,020	3,318	4,382	6,593
Travel		-	17,951	380	43,294
Loss before other items		(27,666)	(215,578)	(76,087)	(465,229)
Other items					
Foreign exchange gain (loss)		720	1,761	519	783
Recovery of exploration and evaluation property		1,930	-	1,930	-
Net loss for the period		(25,016)	(259,627)	(73,638)	(464,446)
Other comprehensive loss		-	-	-	-
Net comprehensive loss		(25,016)	(259,627)	(73,638)	(464,446)
Loss per share					
Basic	14	(0.001)	(0.013)	(0.003)	(0.025)
Diluted	14	(0.001)	(0.013)	(0.003)	(0.025)

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Cash Flows
For the six months ended 30 September 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars)

	Notes	Six months ended 30 September 2015	2014
		$	$
OPERATING ACTIVITIES			
Net loss for the period		**(73,638)**	(464,446)
Adjustments for:			
Depreciation	9	**748**	4,953
Share-based payments	12	**-**	69,012
Shares issued for services	11	**-**	27,041
Operating cash flows before movements in working capital			
(Increase) decrease in amounts receivables		**13,495**	(3,753)
(Increase) decrease in prepaid expenses		**27,025**	(14,854)
Increase (decrease) in trade payables and accrued liabilities		**28,144**	(3,264)
Increase (decrease) in due to related parties		**(3,830)**	(13,246)
Cash used in operating activities		**(8,056)**	(398,558)
FINANCING ACTIVITIES			
Proceeds from issuance of common shares, net	11	**-**	358,800
Cash from financing activities		**-**	358,800
Decrease in cash and cash equivalents		**(8,056)**	(39,758)
Cash and cash equivalents, beginning of period		**18,285**	167,866
Cash and cash equivalents, end of period		**10,229**	128,108

Supplemental cash flow information (Note 19)

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

Next Gen Metals Inc.

Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)
For the six months ended 30 September 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars)

	Number of shares	Share capital	Stock option reserve	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Contributed surplus	Deficit	Total
		$	$	$	$	$	$	$	$
Balances, 1 April 2014	17,454,227	5,649,388	374,142	236,000	(89,346)	18,900	76,431	(5,557,410)	708,105
Shares issued for exercise of warrants	210,000	79,800	-	(13,388)	-	-	13,388	-	79,800
Shares issued for services	113,931	15,740	-	-	-	-	-	-	15,740
Share-based payments	-	-	42,149	-	-	-	-	-	42,149
Net loss for the period	-	-	-	-	-	-	-	(204,820)	(204,820)
Balances, 30 September 2014	21,623,277	5,919,581	443,154	338,259	(89,346)	18,900	89,819	(6,021,856)	698,512
Balances, 1 April 2015	21,730,896	6,002,112	459,626	283,217	(89,346)	86,511	92,968	(6,808,760)	25,828
Shares issued for cash	-	-	-	-	-	-	-	-	-
Shares issued for services	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	-	-	(73,638)	(73,638)
Balances, 30 September 2015	**21,730,896**	**6,002,112**	**459,626**	**283,217**	**(89,846)**	**86,511**	**92,968**	**(6,882,398)**	**(47,809)**

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

1. CORPORATE INFORMATION

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange (the "TSX-V").

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

The head office, principal address and registered and records office is located at 101 – 2148 West 38th Avenue, Vancouver, B.C. V6M 1R9.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the Company will obtain the necessary financing to complete the exploration and development of mineral property interests, or that the current or future exploration and development programs of the Company will result in profitable mining operations. In addition to ongoing working capital requirements, the Company must secure sufficient funding to meet its existing commitments, including paying for general and administrative expenses (Note 1.1).

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 11).

On 20 March 2014, Next Gen established its wholly owned subsidiary GreenRush Financial Conferences Inc., Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results. At this time the Company has decided not to pursue this business.

On 23 June 2014, the Company established its wholly owned business unit GreenRush Business Brokerage, a business brokerage advisory and consultancy business unit.

1.1 Going concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes that the Company will be able to continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

Several conditions cast significant doubt on the validity of this assumption and ultimately the appropriateness of the use of accounting principles related to a going concern. From inception to date, the Company has incurred losses from operations, earned minimal revenues and has experienced negative cash flows from operating activities. As at 30 September 2015, the Company had cash and cash equivalents of $10,229. Existing funds on hand at 30 September 2015 will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations during the coming year. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The ability of the Company to continue as a going concern is dependent on raising additional financing, retaining or attracting joint venture partners, developing its properties and/or generating profits from operations or the disposition of properties in the future.

Management has been successful in obtaining sufficient funding for operating, exploration and capital requirements from the inception of the Company to date. There is, however, no assurance that additional future funding will be available to the Company, or that it will be available on terms which are acceptable to the management of the Company.

If the Company is unable to raise additional capital in the immediate future, management expects that the Company will need to further curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures including ceasing operations.

These financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported amounts of expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate and such adjustments could be material.

2. BASICS OF PREPARATION

2.1 Basis of consolidation

The Company consolidates subsidiaries controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements include the accounts of Next Gen and its wholly-owned subsidiaries, Next Gen USA Inc. ("Next Gen USA"), GreenRush Financial Conferences Inc. ("GFC") and Greenrush Analytical Laboratory Inc. ("GAL"). All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies, in all material aspects.

2.2 Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 16, and are presented in Canadian dollars except where otherwise indicated.

2.3 Statement of compliance

The condensed consolidated financial statements of the Company and its subsidiaries (the "Group") have been prepared in accordance with International Accounting Standards ("IAS") 34, '*Interim Financial Reporting*' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2.4 New and revised standards and interpretations

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period ended 30 September 2015:

- IFRS 7 *'Financial Instruments: disclosures'*, clarifies whether a servicing contract is continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

  - Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
  - Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
  - All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss

- The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.
- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 *'Consolidated Financial Statements'*, clarifies the conditions for a parent to present consolidated financial statements for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 *'Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 *'Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IFRS 16 *'Property, Plant and Equipment'* is an amendment that clarifies acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the consolidated financial statements of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions (Note 1.1).

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand.

3.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write off the cost of property and equipment, less their estimated residual value, using the declining balance or straight-line method using the following rates:

Furniture and equipment	20% to 30%
Software	100%
Leasehold Improvements	10 years

3.4 Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Option payments received are treated as a reduction of the carrying value of the related exploration and evaluation properties and deferred costs until the receipts are in excess of costs incurred, at which time they are credited to income. Option payments are at the discretion of the optionee, and accordingly, are recorded on a cash basis.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

3.5 Decommissioning, restoration and similar liabilities

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties and retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future cost estimates arising from the decommissioning of plant, site restoration work and other similar retirement activities is added to the carrying amount of the related asset, and depreciated on the same basis as the related asset, along with a corresponding increase in the provision in the period incurred. Discount rates using a pre-tax rate that reflect the current market assessments of the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the provision.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of reclamation costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of reclamation projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation properties.

3.6 Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional currencies of Next Gen, GFC and GAL are the Canadian dollar. The functional currency of Next Gen USA is the U.S. dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

On consolidation, each respective entity's financial statements are translated into the presentation currency, being the Canadian dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in other comprehensive income as a separate component of equity.

3.7 Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

3.8 Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the financial asset classified in this category are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivable are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include short term investments in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.9 Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

3.10 Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

3.11 De-recognition of financial assets and liabilities

Financial assets are derecognized when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized directly in equity is recognized in profit or loss.

For financial liabilities, they are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.12 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss.

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 recoverable amount is estimated. 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.13 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. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.14 Revenue recognition

Revenue is derived from the sale of registration/tickets to conferences hosted by the Company. Revenue is recognized when all of the following are met, when the risks and benefits of the registration/tickets to conferences are transferred to the conference participants, when the Company does not retain managerial involvement with the conference, when collection is reasonably assured and the price and associated costs are reasonably determinable. This corresponds to the date when the conference has occurred.

3.15 Taxation

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

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. Such 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.

The carrying amount of deferred tax assets is reviewed at each reporting date 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3.16 Comparative information

Certain comparative figures have been reclassified in accordance with the current period's presentation.

3.17 Changes in accounting policies

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 *'Financial instruments: disclosures'* and IAS 32 *'Financial instruments: presentation'* are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets'* are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is an amendment to include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's financial statements.

(Expressed in Canadian dollars)

4. SEGMENTED INFORMATION

At 30 September 2015, the Company operates in two geographical areas, being Canada and the United States, and has two reportable segments in exploration and conferences. The following is an analysis of the revenue earned, cost of sales, net loss, current assets and non-current assets by reportable segment and geographical area:

	Canada	United States	Total
	$	$	$
Revenue			
For the six months ended 30 September 2015	-	-	-
For the six months ended 30 September 2014	217,609	-	217,609
Cost of sales			
For the six months ended 30 September 2015	-	-	-
For the six months ended 30 September 2014	197,874	-	197,874
Net loss			
For the six months ended 30 September 2015	**73,638**	-	73,638
For the six months ended 30 September 2014	464,446	-	464,446
Current assets			
As at 30 September2015	11,810	-	11,810
As at 31 March 2015	60,386	-	60,386
Long-term investments			
As at 30 September 2015	1	-	1
As at 31 March 2015	1	-	1
Exploration and evaluation properties			
As at 30 September 2015	-	-	-
As at 31 March 2015	-	-	-
Property and equipment			
As at 30 September 2015	4,234	-	4,234
As at 31 March 2015	4,981	-	4,981

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in the following currencies:

	As at 30 September 2015	As at 31 March 2015
	$	$
Denominated in Canadian dollars	9,874	5,235
Denominated in U.S. dollars	355	13,050
Total cash and cash equivalents	10,229	18,285

6. AMOUNTS RECEIVABLE

As at 30 September 2015, the amounts receivable consist of $1,281 (31 March 2015: $2,776) related to Goods and Services Tax input tax credit.

7. INVESTMENTS

The Company's investments are as follows:

	As at 30 September 2015	As at 31 March 2015
	$	$
Short term available-for-sale investments		
Investment in AirTrona International Inc.	300	300
Long term available-for-sale investments		
Investment in Midland Exploration Corporation	1	1

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES

The Company's exploration and evaluation properties expenditures for the period ended 30 September 2015 are as follows:

	Silver Chalice Property
	$
ACQUISITION COSTS	
Balance, 31 March 2015	-
Foreign currency translation	-
Impairment write-down	-
Balance, 30 September 2015	-
EXPLORATION AND EVALUATION COSTS	
Balance, 31 March 2015	-
Foreign currency translation	-
Impairment write-down	-
Balance, 30 September 2015	-
Total costs	-

The Company's exploration and evaluation properties expenditures for the year ended 31 March 2015 are as follows:

	Silver Chalice Property
	$
ACQUISITION COSTS	
Balance, 31 March 2014	286,367
Foreign currency translation	42,670
Impairment write-down	(329,037)
Balance, 31 March 2015	-
EXPLORATION AND EVALUATION COSTS	
Balance, 31 March 2014	167,380
Foreign currency translation	24,941
Impairment write-down	(192,321)
Balance, 31 March 2015	-
Total costs	-

(Expressed in Canadian dollars)

Silver Chalice Property, Alaska, USA

By agreement dated 5 November 2009 and subsequent payments and share issuances, the Company acquired an option to earn a 100% interest in certain mineral claims located in west-central Alaska, known as the Silver Chalice Property as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 5 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 5 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before 31 December of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the property to a third party, subject to the issuance of 33,333 common shares of the Company.

During the previous year ended 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property.

(Expressed in Canadian dollars)

9. PROPERTY AND EQUIPMENT

The changes in the Company's property and equipment for the period ended 30 September 2015 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2015	12,808	1,458	-	14,266
Additions	-	-	-	-
Disposals	-	-	-	-
As at 30 September 2015	**12,808**	**1,458**	**-**	**14,266**
DEPRECIATION AND IMPAIRMENT				
As 31 March 2015	7,827	1,458	-	9,285
Depreciation	748	-	-	748
As at 30 September 2015	**8,574**	**1,458**	**-**	**10,032**
NET BOOK VALUE				
As 31 March 2015	-	-	-	-
Total changes during the period	-	-	-	-
As at 30 September 2015	**4,234**	**-**	**-**	**4,234**

(Expressed in Canadian dollars)

The changes in the Company's property and equipment for the year ended 31 March 2015 is as follows:

	Office furniture and equipment	Computer software	Leasehold improvements	Total
	$	$	$	$
COST				
As at 31 March 2014	12,809	1,458	76,870	91,137
Additions	-	-	-	-
Disposals	-	-	-	-
Write-down	-	-	(76,870)	(76,870)
As at 31 March 2015	12,809	1,458	-	14,267
DEPRECIATION AND IMPAIRMENT				
As 31 March 2014	5,609	1,458	15,374	22,441
Depreciation	2,218	-	7,687	9,905
Write-down	-	-	(23,061)	(23,061)
As at 31 March 2015	7,827	1,458	-	9,285
NET BOOK VALUE				
As 31 March 2014	7,200	-	61,496	68,696
Total changes during the period	(2,218)	-	(61,496)	(63,714)
As at 31 March 2015	4,982	-	-	4,982

During the previous year ended 31 March 2015, the Company recorded a write-down of $53,809 (2014 - $Nil) related to the abandonment of its leasehold improvements.

(Expressed in Canadian dollars)

10. TRADE PAYABLES AND ACCRUED LIABILTIIES

The Company's trade payables and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to general and administrative activities and amounts payable for financing activities. The usual credit period taken for trade purchases is between 30 to 90 days. These are broken down as follows:

	As at 30 September 2015	As at 31 March 2015
	$	$
Trade payables	**17,208**	10,502
Accrued liabilities	**-**	8,000
Total trade and other payables	**17,208**	18,502

11. SHARE CAPITAL

11.1 Authorized share capital

The Company has authorized for issuance an unlimited number of common shares. At 30 September 2015, the Company had 21,730,896 common shares outstanding (31 March 2015: 21,730,896).

11.2 Share issuances

On 30 November 2014, the Company issued 107,619 common shares valued at $11,838 for online marketing services provided by a third party. (Note18).

On 30 September 2014, the Company issued 550,000 non flow-through units at $0.08 per unit for gross proceeds of $44,000. Each unit consists of one common share and one-half of one non-transferable share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Company for a period of 24 months at a price of $0.16 per share during the first year, $0.20 during the second year. In connection with this private placement, the Company incurred cash share issue costs of $1,200 and issued 15,000 share purchase warrants in relation to finders' fees. The warrants are exercisable for a period for 24 months at a price of $0.16 per share during the first year and $0.20 during the second year.

On 15 August 2014, the Company issued 3,187,500 non flow-through units at $0.08 per unit for gross proceeds of $255,000. Each unit consists of one common share and one-half of one non-transferable share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share of the Company for a period of 24 months at a price of $0.16 per share during the first year and $0.20 during the second year.

(Expressed in Canadian dollars)

On 29 August 2014, the Company issued 107,619 common shares valued at $11,300 for online marketing services provided by a third party. (Note 18).

On 23 June 2014, the Company issued 36,000 common shares valued at $5,220 for online marketing services provided by a third party (Note 18).

On 30 May 2014, the Company issued 77,931 common shares valued at $10,520 for online marketing services provided by a third party (Note 18).

On 23 April 2014, the Company issued 210,000 common shares in relation to the exercise of share purchase warrants at an exercise price of $0.38 per share.

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by a third party (Note 18).

11.3 Share consolidation

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation (Note 1).

11.4 Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for the six months ended 30 September 2015 and year ended 31 Mar 2015:

	30 September 2015		31 March 2015	
	Number of warrants	**Weighted average exercise price**	Number of warrants	Weighted average exercise price
		$		$
Outstanding, beginning of period	**4,340,417**	**0.383**	2,666,667	0.525
Granted	-	-	1,883,750	0.180
Exercised	-	-	(210,000)	0.380
Forfeited	**(2,456,667)**	-	-	-
Outstanding, end of period	**1,883,750**	**0.383**	4,340,417	0.383

(Expressed in Canadian dollars)

The following table summarizes information regarding share purchase warrants outstanding as at 30 September 2015:

Date issued	Number of warrants	Exercise price	Expiry date
		$	
15 August 2014	1,593,750	0.18	15 August 2016
30 September 2014	290,000	0.18	30 September 2016
	1,883,750		

11.5 Stock options

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the Discounted Market Price policies of the CSE. The aggregate number of common shares issuable pursuant to options granted under the plan is 4,214,660 common shares, being 20% of the Company's issued common shares under the plan. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

The following is a summary of the changes in the Company's stock option plan for the three months ended 30 September 2015 and year ended 31 March 2015:

	30 September 2015		31 March 2015	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
		$		$
Outstanding, beginning of period	**1,449,667**	**0.220**	1,675,000	0.230
Granted	-	-	70,000	0.250
Exercised	-	-	-	-
Expired	-	-	(45,333)	0.240
Forfeited	-	-	(250,000)	0.250
Outstanding, end of period	**1,449,667**	**0.220**	1,449,667	0.220

The weighted average fair value of the options granted during the period ended 30 September 2015 was estimated at $0.221 (2014: $0.111) per option at the grant date using the Black-Scholes

(Expressed in Canadian dollars)

Option Pricing Model. The weighted average assumptions used for the calculation were:

	Three months ended 30 September 2015	Year ended 31 March 2015
Risk free interest rate	-	1.69%
Expected life	-	5 years
Expected volatility	-	162.45%
Expected dividend per share	-	0.00

The following table summarizes information regarding stock options outstanding and exercisable as at 30 September 2015:

Exercise price	**Number of options outstanding**	**Weighted-average remaining contractual life (years)**	**Weighted average exercise price**
			$
Options outstanding			
$0.100 - $0.290	933,000	3.64	0.140
$0.300 - $0.585	516,667	1.36	0.375
Total options outstanding	**1,449,667**	**2.83**	**0.221**
Options exercisable			
$0.100 - $0.290	933,000	3.64	0.140
$0.300 - $0.585	516,667	1.36	0.375
Total options exercisable	**1,449,667**	**2.83**	**0.221**

(Expressed in Canadian dollars)

11.6 Escrow shares

On 18 October 2010, the Company entered into an escrow agreement in connection with the listing of the Company's common shares on the TSX-V. The escrow shares are released over 36 months from the date the Company's common shares are listed on the TSX-V. As at 30 September 2015, a total of nil common shares were held in escrow.

12. SHARE-BASED PAYMENTS

	Fair value	**Three months ended 30 September 2015**	Three months ended 30 September 2014	**Six months ended 30 September 2015**	Six months ended 30 September 2014
	$	$	$	$	$
7 September 2011	18,732	-	-	-	1,005
26 February 2014	67,747	-	25,070	-	65,615
17 April 2014	10,609	-	1,093	-	2,392
21 April 2014	3,106	-	700	-	584
Total		-	26,863	-	69,012

Share-based payments for the following options granted by the Company will be amortized over the vesting period, of which $Nil was recognized in the period ended 30 September 2015 (2014: $69,012):

13. FINANCE INCOME

The finance income for the Company is broken down as follows:

Six months ended 30 September	**2015**	2014
	$	$
Interest income	-	-
Total finance income	-	-

(Expressed in Canadian dollars)

14. LOSS PER SHARE

The calculation of basic and diluted loss per share is based on the following data:

	Three months ended 30 September 2015	Three months ended 30 September 2014	**Six months ended 30 September 2015**	Six months ended 30 September 2014
	$	$	**$**	$
Net loss for the period	**25,016**	259,627	**73,938**	464,446
Weighted average number of shares-basic and diluted	**21,730,896**	18,529,738	**21,730,896**	18,529,738
Loss per share, basic and diluted	**(0.001)**	(0.013)	**(0.003)**	(0.025)

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants were anti-dilutive for the periods ended 30 September 2015 and 2014.

15. CAPITAL SHARE MANAGEMENT

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. 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.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

(Expressed in Canadian dollars)

16. FINANCIAL INSTRUMENTS

16.1 Categories of financial instruments

	As at 30 September 2015	As at 31 March 2015
	$	$
FINANCIAL ASSETS		
FVTPL, at fair value		
Cash and cash equivalents	10,229	18,285
Available-for-sale, at fair value		
Short term investments	300	300
Long term investments	1	1
Total financial assets	10,530	18,586
FINANCIAL LIABILITIES		
Other liabilities, at amortized cost		
Trade payables	17,208	18,502
Due to related parties	46,646	21,038
Total financial liabilities	63,854	39,540

(Expressed in Canadian dollars)

16.2 Fair value

The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

As at 30 September 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	10,229	-	-	10,229
Short-term investments	300	-	-	300
Long-term investments	-	-	1	1
Total	**10,529**	**-**	**1**	**10,530**

As at 31 March 2015	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets at fair value				
Cash and cash equivalents	18,285	-	-	18,285
Short-term investments	300	-	-	300
Long-term investments	-	-	1	1
Total	18,585	-	1	18,586

There were no transfers between Level 1, 2 and 3 in the three months ended 30 September 2015 and year ended 31 March 2015.

16.3 Management of financial risks

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due (Note 1.1). The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 September 2015, the Company had working capital deficit of $52,044 (31 March 2015 - $20,845 working capital).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

(Expressed in Canadian dollars)

17. RELATED PARTY TRANSACTIONS

For the three months ended 30 September 2015 and 2014, the Company had related party transactions with PFN and El Nino Ventures Inc. ("ELN"), companies with directors in common with the Company. The Company pays shared office costs to PFN on a month-to-month basis.

17.1 Related party expenses

The Company's related party expenses are broken down as follows:

	Three months ended 30 September 2015	Three months ended 30 September 2014	Six months ended 30 September 2015	Six months ended 30 September 2014
	$	$	$	$
Administration and management fees	**1,007**	14,883	**2,439**	22,395
Rent	**462**	16,185	**923**	28,322
Consulting	-	31,644	**1,125**	55,182
Travel expenses	-	-	-	332
Total related party expenses to PFN	**1,469**	62,711	**4,487**	106,231
Accounting fees paid/accrued to the CFO	**8,000**	8,000	**13,333**	16,000
Consulting fees paid/accrued to the COO	**2,500**	5,000	**5,833**	10,000
Consulting fees paid/accrued to the Corporate Secretary	**8,000**	4,500	**11,000**	9,000
Total related party expenses	**18,500**	17,500	**30,166**	35,000

17.2 Due from/to related parties

The Company has the following amounts due to/from related parties:

	As at 30 September 2015	As at 31 March 2015
	$	$
PFN	**12,621**	14,038
Key management personnel	**34,025**	7,000
Total amount due to related parties	**46,646**	21,038

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

(Expressed in Canadian dollars)

17.3 Key management personnel compensation

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

	Three months ended 30 September 2015	Three months ended 30 September 2014	**Six months ended 31 September 2015**	Six months ended 31 Septembe r 2014
	$	$	**$**	$
Short-term benefits	**18,500**	17,500	**30,167**	35,000
Share-based payments	**-**	7,163	**-**	20,821
Total key management personnel compensation	**18,500**	24,663	**30,167**	55,821

18. SUPPLEMENTAL CASH FLOW INFORMATION

Cash payments for interest and taxes

The Company made the following cash payments for interest and income taxes:

Six months ended 30 September	**2015**	2014
	$	$
Interest paid	**-**	-
Taxes paid	**-**	-
Total cash payments	**-**	-

On 30 November 2014, the Company issued 107,619 common shares valued at $11,838 for online marketing services provided by a third party (Note 11).

On 29 August 2014, the Company issued 107,619 common shares valued at $11,300 for online marketing services provided by a third party (Note 11).

On 23 June 2014, the Company issued 36,000 common shares valued at $5,220 for online marketing services provided by a third party (Note 11).

On 30 May 2014, the Company issued 77,931 common shares valued at $10,520 for online marketing services provided by a third party (Note 11).

On 7 March 2014, the Company issued 88,281 common shares valued at $13,233 for online marketing services provided by a third party (Note 11).

During the previous year ended 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property (Note 8).

19. EVENTS AFTER THE REPORTING PERIOD

3 November 2015, Further to its announcement on 24 September 2015, the Company has signed a Business Combination Agreement dated 30 October 2015 with Dollinger Enterprises Ltd. ("Dollinger Enterprises") and Dollinger Enterprises USA Inc. ("Dollinger USA") (the "Agreement"), collectively a market leading organization in the distribution and manufacturing of products including vaporizers, accessories and herbs with a presence in 25 countries (herein after referred to as "NamasteVapes").

Commercial Terms and Conditions to Closing

Next Gen will acquire all of the issued and outstanding shares of an entity to be formed under the name of Namaste Technologies Holdings Inc. ("Namaste Holdings"), through a three-cornered amalgamation whereby Next Gen's wholly-owned subsidiary GreenRush Analytical Laboratories will amalgamate with Namaste Holdings upon Closing (as defined below) and the shareholders of Namaste Holdings will receive post-consolidated shares of Next Gen in exchange for their shares of Namaste Holdings, upon and subject to the terms and conditions set forth in this Agreement (the "Transaction"). The Transaction is deemed to be a Fundamental Change as that term is defined in the CSE's policies. The Agreement supersedes and replaces the Binding Letter of Intent entered into between the parties.

Material commercial terms of the Transaction include:

- Consolidation of Next Gen's stock on a 3:1 basis;
- 36,218,202 post-consolidated Next Gen shares (the "Acquisition Shares") to be issued in connection with the Transaction;
- 8,692,368 post-consolidated Next Gen shares to be held in an escrow account for distribution to the post-Transaction management of Next Gen over a period of 3-years, subject to the attainment of certain revenue and profitability, corporate finance and administrative milestones to be monitored by the post-Transaction Compensation Committee of Next Gen (the "Earn-out Shares"); and
- finder`s fee equal to 4% of the Acquisition Shares from the Transaction.

Conditions to Closing include:

- Receipt of all director, shareholder and requisite regulatory approvals relating to the Transaction, including, without limitation, CSE approval;

- preparation and filing of a Listing Statement outlining the definitive terms of the Transaction in accordance with the policies of the CSE;
- incorporation and organization of Namaste Technologies Holdings Inc. and completion of the share transfer of the Dollinger USA shares from Dollinger Enterprises to Namaste Technologies Holdings Inc.;
- execution of consulting agreements for material members of the post-Transaction management team;
- completion of one or more financings for minimum gross proceeds of $500,000;
- change of corporate name to Namaste Technologies Inc.;
- amendment of the current stock option plan of Next Gen to a 10% rolling plan;
- execution of lock-up agreements for certain material shareholders of Next Gen; and
- completion of documentation for a shareholder inventory loan of US$265,000 over 24-months and inventory investment recovery, as products are sold, for any inventory greater than US$325,000 as at the date of Closing.

As of the date hereof, Next Gen has 21,730,921 common shares issued and outstanding. There are also 1,883,750 warrants and 1,495,000 stock options to acquire common shares. The current outstanding options and warrants will be cancelled prior to Closing. Unless these conditions to closing have been 3 fulfilled by the parties, there can be no assurance that the Transaction will be completed as proposed or at all. The Transaction is currently scheduled to close on 15 December 2015 (the "Closing"). The shares of Next Gen will remain halted from trading on the CSE until Closing.

Post-Transaction Management

Sean Dollinger, President, Chief Executive Officer and Director

Mr. Sean Dollinger is an experienced entrepreneur having successfully founded, developed and monetized multiple business ventures. As co-founder of NamasteVapes, Mr. Dollinger is the visionary responsible for the strategic direction of a start-up company that has achieved over $4.5 million of sales in the last twelve month period. His core areas of expertise include concept and market creation through international ecommerce marketing channels and the formation of strategic supply and distribution partnerships to secure and develop products, open logistics channels, and improve customer service. As an expert in vaporizers, accessories and aromatherapy, he has done business with companies and customers in nearly every continent around the world. Mr. Dollinger previously played baseball with one of the top 10 NJCAA Division One baseball programs in the United States.

Kory Zelickson, Chief Operating Officer

Mr. Kory Zelickson is an experienced engineer focused on designing, developing, manufacturing and distributing new products and concepts internationally. As co□founder of NamasteVapes, Mr. Zelickson has been responsible for execution of the business plan by developing a market for the company's products in more than 25 countries, bringing to market multiple vaporizers and accessories, providing industry recognized reviews to consumers, and engineering fresh new product ideas, such as the Guru, a dry-herb vaporizer that adapts to work with resins and liquids. Mr. Zelickson is also highly experienced in online marketing and e□commerce and has been involved in developing multiple companies from scratch. He holds a Bachelor of Engineering in electrical and electronics from University of Manitoba. While representing the University of Manitoba, Mr. Zelickson and his team won an international engineering competition hosted by the Massachusetts Institute of Technology (MIT).

Blair Henderson, CGA, Chief Financial Officer

Mr. Blair Henderson is an accountant with a diverse array of experience in multiple industries. His areas of expertise include financial reporting and analysis, business planning, internal control implementation and monitoring, internal and external audits, and corporate financial planning and tax. Mr. Henderson is currently the principal of Virtus Consulting, a consulting and accounting firm offering a full□suite of services to small and medium sized businesses, and was previously a Senior Auditor with the Investors Group Financial Services Inc., a large financial organization with a presence across Canada. While at Investors Group, Mr. Henderson oversaw the completion of multiple large scale projects aimed at improving business efficiency and ensuring regulatory and reporting compliance. He holds a Bachelor of Commerce (hons) degree in accounting and entrepreneurship from the University of Manitoba and is a Certified General Accountant.

Darren Collins, Executive Vice President, Corporate Development

Mr. Darren Collins is a financial professional focused on developing growth companies globally and has over eight years of experience as an advisor and executive of public companies. Mr. Collins was previously professionally engaged by a number of advisory and investment firms, including Alegro Capital, LP in London, England, and Dalvay Capital Inc., Scotia Capital Inc. and Quest Capital Corp. (currently Sprott Resource Lending Corp.) in Toronto, Canada. While engaged by these companies, Mr. Collins has been involved in upwards of a billion dollars of transactions, spanning mergers and acquisitions, debt and equity 4 financings, and joint venture partnerships. Mr. Collins holds a Bachelor of Commerce in finance from Dalhousie University.

Adam Potts, Industry Advisor

Mr. Adam Potts is an experienced sales professional and is recognized by physicians as one of the leading field representatives for medical cannabinoids in Canada. In his more than 15 years of professional sales experience, Mr. Potts has worked with multiple global corporations, including pharmaceutical companies such as Pfizer and Bayer, as well as office supply companies such as Xerox. While at these companies, he has developed external sales and marketing skills that have driven revenue growth and forged long term client relationships. Mr. Potts is currently a Sales Manager at Tilray, a leading licensed producer in Canada. He holds a Bachelor of Science from Queen's University. He is also an active volunteer with Camp Ooch, an organization and summer camp for children with cancer and their siblings.

Tina Whyte, Corporate Secretary

Ms. Tina Whyte is an experienced corporate secretary and has over 15 years of experience in the corporate and securities industry. Her expertise spans to areas of corporate governance, continuous disclosure, financing transactions and regulatory filings. Ms. Whyte has formerly held director and officer positions in publicly traded companies.

Post-Transaction Board of Directors

Harr Barr, Chairman of the Board

Mr. Harry Barr has over 30 years of public/private company experience in the mining, technology and real estate industries with a focus on acquisition, finance and development of projects on an international scale. He has guided his management teams to complete over 300 option joint venture agreements with major, mid-tier, and junior companies. Mr. Barr has raised over $250 million to advance their projects throughout 9 countries. Mr. Barr holds a diploma in agriculture from the University of Guelph.

Peter Simeon, Independent Director

Mr. Peter Simeon is an experienced corporate commercial and securities lawyer. As a partner in Gowlings' Toronto office, Mr. Simeon focuses his practice on corporate finance, mergers and acquisitions, and structured products. Working closely with issuers, underwriters, and other corporate clients, Mr. Simeon delivers practical, effective advice to help businesses move their transactions forward. He has acted forclients across a range of industries. Mr. Simeon is on the board of directors of Tolima Gold Inc. (TSXV:TOM) and Cluny Capital Corp. (TSXV:CLN.P). He holds an LLB from Osgoode Hall Law School at York University and a BA from Queen's University.

Sefi Dollinger, Independent Director

Mr. Sefi Dollinger is an experienced entrepreneur and business development professional with a track record of building profitable and sustainable business ventures. His core areas of expertise include sales management, new business development, contract negotiation, and product procurement. Mr. Dollinger is currently one of the principals of DZD Hardwood, a successful family owned business located in Montreal, Canada that specializes in hardwood lumber handling, drying and remanufacturing. He is a graduate of Concordia University.

Gary Moore, Independent Director

Mr. Moore's has an extensive background in finance and accounting. His core areas of expertise include corporate governance and regulatory compliance, risk management and internal control management, and 5 corporate transactions including, but not limited to, the raising of debt and equity capital, joint ventures and mergers and acquisitions. He has held junior and senior executive positions with various companies, including Trionics Technology Ltd., Trivest Management Inc., Global Securities Corporation, Pacific International Securities Inc., and HTI Ventures Corp. He is a graduate from the University of British Columbia from the Faculty of Commerce and from the Masters of Business Administration program.

Non-Brokered Private Placements

Next Gen announces that it has arranged, subject to the acceptance of the CSE and on a Post-Consolidated basis, a non-brokered private placement financing of up to 10,000,000 subscription receipts (the "Subscription Receipts") at a price of $0.10 per Subscription Receipt for gross proceeds of up to $1.0 million (the "Post-Consolidation Private Placement"). The Subscription Receipts are being issued in connection with the proposed Transaction between Next Gen and NamasteVapes. Each Subscription Receipt will be automatically convertible, for no additional consideration, into one unit of the Company (a "Unit") upon satisfaction of certain conditions relating to the Company's completion of the Transaction. Each Unit will consist of one common share and one-half of one common share purchase warrant (a "Warrant"), each whole Warrant entitling the holder thereof to purchase one additional common share of the Company at a price of $0.15 for a period of 24 months. Should the Transaction not close by 15 February 2015, the Subscription Receipts shall be cancelled and the subscription funds shall be distributed to the holders of Subscription Receipts, without interest and deduction for reasonable accounting and legal fees. Upon closing of the Transaction and the conversion of the Subscription Receipts, the proceeds from the Post-Consolidation Private Placement will be used to fund inventory expansion, commercialization of new products, entering new markets, and for general corporate purposes. The common shares issued under the Post-Consolidated Private Placement will be subject to a contractual one year hold period pursuant to a pooling agreement and released from escrow each four months over a period of 12 months from the date of completion of the Transaction. Finder's fees comprised of 7% cash and 7% warrants may be paid in connection with the Post-Consolidation Private Placement. Any finders' fees will be payable in accordance with the policies of the CSE. The Post-Consolidation Private Placement is anticipated to close on or before 15 December 2015.

In addition to the Post-Consolidation Private Placement, Next Gen also announces the completion of a non-brokered private placement financing of 3,200,000 Unit on a pre-consolidated basis (1,066,667 Units post-consolidation) at a price of $0.025 per Pre-Consolidation Unit (a “Pre-Consolidation Unit”) for gross proceeds of $80,000 (the "Pre-Consolidation Private Placement"). Each Pre-Consolidation Unit will consist of one common share and one-half of one common share purchase warrant (a "Pre-Consolidation Warrant"), each whole Warrant entitling the holder thereof to purchase one additional common share of the Company at a price of $0.05 for a period of 24 months. The common shares issued under the Pre- Consolidated Private Placement will be subject to a contractual one year holder period pursuant to a pooling agreement and released from escrow each four months over a period of 12 months from the date of completion of the Transaction. The proceeds from the Pre-Consolidation Private Placement will be used to fund transaction costs, settle historic payables of Next Gen and for general corporate purposes. The common shares forming part of the Pre-Consolidation Units shall be consolidated on a 3:1 basis upon completion of the Transaction. Insiders of Next Gen and close business associates have subscribed for the Pre-Consolidation Units.

Selection of Transaction Auditor

Next Gen reports that NamasteVapes has appointed and is currently working with MNP sencrl, srl as independent auditors of its audited annual financial statements as required by the CSE. MNP is a leading national accounting, tax and business consulting firm in Canada. MNP has offices across Canada and is headquartered in Calgary. The firm has approximately 4,000 staff.

20. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the period ended 30 September 2015 were approved and authorized for issue by the Board of Directors on 16 November, 2015.

APPENDIX "L"

Next Gen

Form 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS

FOR

NEXT GEN METALS INC.

For the six-month period ended 30 September 2015

NEXT GEN METALS INC.
Management's Discussion and Analysis of Financial Results
For the six-month period ended 30 September 2015

This management discussion and analysis ("MD&A") includes a review of activities, results of operations, financial condition and outlook for Next Gen Metals Inc. and its subsidiaries (the "Company" or "Next Gen") for the six-month period ended 30 September 2015, with comparisons to the period ended 30 September 2014. This MD&A is presented as of 16 November, 2015 and should be read in conjunction with the Company's consolidated interim financial statements for the period ended 30 September 2015 and the related notes thereto. Next Gen's consolidated interim financial statements for the six-month period ended 30 September 2015 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are in Canadian dollars unless otherwise stated. Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.nextgenmetalsinc.com.

FORWARD-LOOKING STATEMENTS

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CURRENT MARKET CONDITIONS

As a result of the uncertainty in the global economy, there is a serious shortage of available capital and significant exploration risk to the resource industry.

DESCRIPTION OF BUSINESS

Next Gen Metals Inc. ("Next Gen" or the "Company") was incorporated on 3 March 2005 under the British Columbia *Business Corporations Act* as "Copper Belt Resources Ltd.". The Company changed its name to CB Resources Ltd. effective 8 August 2008 and changed its name to Next Gen Metals Inc. effective 14 August 2009. The Company is a reporting issuer in British Columbia, Alberta and Ontario, listed (since 19 February 2014) on the Canadian Securities Exchange ("CSE") under the trading symbol "N", and listed (since 23 September 2011) on the OTC Pink (United States) under the symbol "NXTTF". The Company was listed on the TSX Venture Exchange under the trading symbol "N" until 24 February 2014, when the Company voluntarily delisted its shares from trading on the TSX Venture Exchange.

The Company is a diversified public company focused on investments in the medical marijuana, industrial hemp and alternative medicine industries and in the acquisition, exploration and development of mineral resource properties in North America.

OVERVIEW, SIGNIFICANT EVENTS, TRANSACTION AND ACTIVITIES

On 25 February 2014, the Company consolidated its share capital on one (1) new common share without par value for every one and half (1.5) existing common shares without par value basis. All common shares and per share amounts have been restated to give retroactive effect to the share consolidation.

On 20 March 2014 Next Gen establishes its wholly owned subsidiary GreenRush Financial Conferences Inc.: Canada's first Medical Marijuana, Industrial Hemp and Alternative Medicine Investment Conference.

On 6 May 2014, the Company established a wholly owned subsidiary, GreenRush Analytical Laboratories Inc. The mission of GreenRush Analytical Laboratories Inc. is to provide analytical testing for the Legal Cannabis Industry in North America by delivering customized solutions and accurate analytical results. At this time the Company has decided not to pursue this business.

On 23 June 2014, the Company established its wholly owned business unit GreenRush Business Brokerage, a business brokerage advisory and consultancy business unit.

On 23 September 2015, the Company signed a binding letter of intent ("LOI") with Dollinger Enterprises Ltd., a market leader in the distribution and manufacturing of products including vaporizers, accessories and herbs with a presence in 25 countries (hereinafter referred to as "NamasteVapes"). In the first year of business ending 31 August 2015, NamasteVapes has achieved an initial unaudited revenue of over US$3.3 million and positive net earnings of over US$180 thousand, which demonstrates the market and growth potential for the company as it further expands into the production and distribution of high margin proprietary products, including the upcoming launch of the Guru, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herbs from a single portable unit. Consistent with Next Gen`s business model and subject to the closing of the Transaction, the resulting entity will represent the realization of Next Gen's strategic objective to form an operating business with significant revenue growth and earnings potential, established brand and growing customer base, pipeline of expansion opportunities, and align with highly knowledgeable industry professionals that will leverage the decades of public markets experience provided by Next Gen.

Transaction Structure and Terms

Pursuant to the terms of the Transaction, it is anticipated Next Gen will acquire all of the issued and outstanding shares of Dollinger Enterprises USA Ltd from Dollinger Enterprises Ltd. and/or an entity designated to hold all of the issued and outstanding shares of Dollinger Enterprises USA Ltd. upon the closing date on or before 15 December 2015, subject to the parties further considering all applicable tax, securities law and accounting efficiencies. The Transaction terms outlined in the LOI are binding on the parties and the LOI is expected to be superseded by a definitive agreement to be signed by the parties. The transaction is deemed to be a Fundamental Change as that term is defined in the CSE's policies. The LOI was negotiated at arm's length and is effective as of 23 September 2015.

Material terms of the Transaction include

- Consolidation of Next Gen`s share capital on a 3:1 basis; Issuance of 36,218,202 post consolidated shares by Next Gen in exchange for all of the outstanding shares of and/or existing assets of NamasteVapes;
- Issuance of 8,692,368 post consolidated shares by Next Gen to be held in an escrow account for distribution to the post-Transaction management of Next Gen over a period of 3-years, subject to the attainment of certain performance milestones to be further defined in the Definitive Agreement and monitored by the post-Transaction Compensation Committee of Next Gen (the "Earn-out Shares";
- Assumption of a shareholder loan to the benefit of NamasteVapes in the amount of US$262,500 secured against an estimated inventory amount of US$420,000. The shareholder loan will be paid out over time and further defined in the Definitive Agreement;
- Next Gen stock options being cancelled and reallocated at least 30 days after cancellation; and Finder`s fee, equal to 4% of the Acquisition Shares from the Transaction, will also be paid in common shares of Next Gen.

Transaction Conditions

The Transaction is subject to the approval of the shareholders and the CSE, including the approval of the Definitive Agreement by the directors of Next Gen and NamasteVapes and completion of due diligence investigations that satisfy Next Gen and NamasteVapes, as well as the conditions set forth below. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. It is currently expected that the Company will seek shareholder approval of the Fundamental Change, name change, consolidation and proposed directors, by way of obtaining consents from shareholders holding 50% or more of the Company's issued and outstanding common shares.

Conditions to completion of the Transaction include:

- Receipt of all director, shareholder and requisite regulatory approvals relating to the Transaction, including, without limitation, CSE approval;
- Preparation and filing of a Listing Statement outlining the definitive terms of the Transaction in accordance with the policies of the CSE;
- Negotiation and execution of a Definitive Agreement in respect of the Transaction;
- Receipt of acceptable audited and unaudited financial statement for NamasteVapes; Election of up to five individuals to the post-Transaction board of Next Gen, as proposed and supported by Next Gen and NamasteVapes;
- Execution of acceptable management contracts covering the required skillsets for the commercial and financial operations of Next Gen post-Transaction;
- Completion of one or more private placements for total gross proceeds and terms mutually acceptable to Next Gen and NamasteVapes; and
- Changing of the post-Transaction name of Next Gen, as mutually supported by Next Gen and NamasteVapes.

PROPERTIES

Silver Chalice Property

On 05 November 2009, the Company entered into an agreement (the "Acquisition Agreement") with Anglo Alaska Gold Corp. ("AAG"), a privately owned Alaska corporation, to acquire a 100% interest in the Silver Chalice epithermal gold/silver project ("Silver Chalice Property"), consisting of 31 State of Alaska mining claims for 4,960 acres. The Silver Chalice Property is located in west-central Alaska approximately 345 miles northwest of Anchorage and 330 miles west southwest of Fairbanks.

In order to earn a 100% interest in the property, the Company, at its option, must issue shares and warrants, make payments and incur exploration expenditures as follows:

		Payments	Shares	Warrants	Exploration Expenditures
On regulatory approval	(paid/issued)	US$5,000	166,667	100,000	-
On or before 31 December 2009	(completed)	-	-	-	US$24,800
On or before 05 November 2010	(paid)	US$20,000	-	-	-
On or before 31 December 2010*	(completed)	-	-	-	US$12,400
On or before 05 November 2011	(paid)	US$25,000	-	-	-
On or before 31 December 2011*	(completed)	-	-	-	US$12,400
		US$50,000	166,667	100,000	

* Exploration expenditures of US$12,400 are required on or before December 31 of each succeeding year the agreement is in effect. Excess work completed during the current calendar year shall be applicable to work commitments in any subsequent calendar year.

The property is subject to a 1.5% net smelter return royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for US$1,000,000.

The Company has the right to option all or part of the Silver Chalice Property to a third party, subject to the issuance of 33,333 shares of the Company.

Geology

The Silver Chalice Property occurs immediately east of the eastern margin of the Poison Creek Caldera in west-central Alaska. Gold-silver bearing polyphase quartz veins are associated with northeast structures that radiate from the caldera margin. The epithermal gold-silver veins are hosted within a zone of outer propylitic alteration and an inner zone of weak to moderate argillic alteration. Weak silicification is also noted in the country rocks adjacent to the veins. Country rocks consist of Cretaceous flysch units including lithic sandstone, siltstone and shale.

The Poison Creek Caldera consists of bimodal Eocene to Paleocene volcanic units that range from andesite to rhyolite in composition. The epithermal veins at the project appear to be intimately associated with this volcanic activity. Rock chip samples from surface rubble-crops and boulder trains return values up to 10 grams of gold per tonne and 462 grams of silver per tonne. Average silver:gold ratio is approximately 40:1. The main Silver Chalice vein ranges from 1.32 feet (0.4 metres) up to 25 feet (7.6 metres) in estimated true width in two historic drill holes and the south vein ranges from 0.66 feet (0.2 metres) up to 27 feet (8.2 metres) estimated true width in one historic drill hole. Fluid inclusion analysis suggest that if the hydrothermal fluids contained significant amounts of gold and silver, it is likely that gold-silver mineralization precipitated at boiling levels somewhere in the epithermal system. There remains potential for ore-grade gold and silver mineralization below the exposed surface in the two veins drilled, in the broader altered areas, and in the covered areas along strike of the veins.

The Tertiary Volcanic Caldera which hosts the Silver Chalice Property represents an excellent exploration target with potential to host significant epithermal gold and silver mineralization. Stream sediment samples anomalous in gold and indicator minerals and pan concentrate samples with anomalous gold and mercury strongly support the gold and silver potential of the caldera and adjacent areas. There has been no past lode mining on the project and there are no other active mining claims in the project area.

As at 31 March 2015, due to prevailing junior resource market conditions, the uncertainty associated with the Company's ability to exploit any future economic benefits from the property and the Company not having sufficient funds to spend on its exploration program, the Company recorded an impairment write-down of $521,358 (2014 - $Nil) with respect to the Silver Chalice Property. No exploration expenditures were incurred for the current period.

Qualified Person Statement

"Properties" sections of this report have been reviewed and approved for technical content by Ali Hassanalizadeh MSc. P. Geo, MBA, Senior geologist advisor for Next Gen and a Qualified Person under the provisions of National Instrument 43-101, *Standards of Disclosure for Mineral Projects.*

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the unaudited consolidated financial statements of the Company prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013
Total assets	$ 16,045	$ 36,711	$ 65,369	$ 623,831	$ 723,166	$ 699,035	$ 749,268	$ 798,007
Resource prop. & deferred costs	-	-	-	453,747	453,747	453,747	453,747	417,374
Working capital	(52,044)	(27,403)	20,845	91,544	181,020	121,006	185,660	308,658
Shareholders' Equity (Deficit)	(47,809)	(22,793)	25,828	606,559	698,512	640,974	708,104	797,207
Total revenues	-	-	-	-	1,781	215,828	-	-
Net loss	(27,666)	(48,622)	(656,616)	(130,286)	(259,627)	(204,820)	(151,844)	(29,875)
Net comprehensive loss	(25,016)	(48,622)	(589,505)	(130,286)	(259,627)	(204,820)	(116,571)	(29,875)
Net loss per share	(0.001)	(0.002)	(0.033)	(0.005)	(0.013)	(0.012)	(0.008)	(0.002)

RESULTS OF OPERATIONS

For the six-month period ended 30 September 2015 compared to the six-month period ended 30 September 2014.

During the six-month period ended 30 September 2015, the Company operates in two geographical areas, being Canada and the United States. Revenue earned for the period ended 30 September 2015 from conferences is $Nil (2014: $217,609). Revenue was derived from the the sale of registration/tickets to conferences hosted by the Company.

Comprehensive loss for the six-month period ended 30 September 2015 was $73,638 as compared to $464,446 for the same period in 2014. The decrease in comprehensive loss of $390,808 was mainly attributable to the net effect of:

- Decrease of $6,667 in accounting and audit fees, from $20,000 in 2014 to $13,333 in 2015;
- Decrease of $61,086 in administration and management fees, from $67,434 in 2014 to $6,348 in 2015;
- Decrease of $4,206 in depreciation, from $4,953 in 2014 to $748 in 2015;
- Decrease of $12,074 in insurance, from $12,074 in 2014 to $Nil in 2015;
- Decrease of $67,071 in investor relation expenses, from $94,096 in 2014 to $27,025 in 2015;
- Decrease of $117,131 in legal and professional fees, from $117,131 in 2014 to $Nil in 2015;
- Decrease of $27,368 in rent, from $28,322 in 2014 to $954 in 2015;
- Decrease of $69,012 in share-based payments, from $69,012 in 2014 to $Nil in 2015;
- Decrease of $2,211 in transfer agent and filing fees, from $6,593 in 2014 to $4,382 in 2015;
- Decrease of $42,914 in travel, from $43,294 in 2014 to $380 in 2015;

At 30 September 2015 the Company had working capital deficit amounting to $52,044 (31 March 2015: $20,845) including cash of $10,229 (31 March 2015: $18,285). During the six-month period ended 30 September 2015, operating activities have been principally funded through existing working capital.

Net decrease in cash during the period ended 30 September 2015 amounted to $8,056 (31 March 2015: $149,581).

The Company has historically relied upon equity financings and loans from directors to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms.

The Company has limited financial resources, limited source of operating income and no assurance that additional funding will be available to it for future projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and its exploration success. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

CAPITAL RESOURCES

As at 30 September 2015, the Shareholders' equity (deficit) of ($47,809) (31 March 2015: $25,828) consisted of share capital of $6,002,112 (31 March 2015: $6,002,112), reserves of $739,508 (31 March 2015: $739,508), contributed surplus of $92,968 (31 March 201: $92,968) and deficit of $6,882,398 (31 March 2015: $6,808,760).

RELATED PARTY TRANSACTIONS

The Company's related party expenses are broken down as follows:

	Three months ended 30 September 2015	Three months ended 30 September 2014	Six months ended 30 September 2015	Six months ended 30 September 2014
	$	$	$	$
Administration and management fees	**1,007**	14,883	**2,439**	22,395
Rent	**462**	16,185	**923**	28,322
Consulting	-	31,644	**1,125**	55,182
Travel expenses	-	-	-	332
Total related party expenses to PFN	**1,469**	62,711	**4,487**	106,231
Accounting fees paid/accrued to the CFO	**8,000**	8,000	**13,333**	16,000
Consulting fees paid/accrued to the COO	**2,500**	5,000	**5,833**	10,000
Consulting fees paid/accrued to the Corporate Secretary	**8,000**	4,500	**11,000**	9,000
Total related party expenses	**18,500**	17,500	**30,166**	35,000

Due to related parties

The Company has the following amounts due to/from related parties:

	As at 30 September 2015	As at 31 March 2015
	$	$
PFN	12,621	14,038
Key management personnel	34,025	7,000
Total amount due to related parties	46,646	21,038

The balances are non-interest bearing, unsecured and have no fixed terms of repayment.

Key management personnel compensation

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

	Three months ended 30 September 2015	Three months ended 30 September 2014	Six months ended 31 September 2015	Six months ended 31 September 2014
	$	$	$	$
Short-term benefits	18,500	17,500	30,167	35,000
Share-based payments	-	7,163	-	20,821
Total key management personnel compensation	18,500	24,663	30,167	55,821

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations and Deficit included in its Financial Statements for the six-month period ended 30 September 2015, which are available on SEDAR at www.sedar.com.

OUTSTANDING SHARE DATA AS AT 30 SEPTEMBER 2015

	Number issued and outstanding	Exercise Price	Expiry Date
Common shares	21,730,896		
Common shares issuable on exercise:			
Stock Options	516,667	$0.380	09 August 2016
Stock Options	44,000	$0.240	06 September 2015
Stock Options	44,000	$0.240	06 September 2016
Stock Options	720,000	$0.110	26 February 2019
Stock Options	50,000	$0.210	12 March 2019
Stock Options	25,000	$0.25	17 March 2019
Stock Options	50,000	$0.25	17 April 2019
Stock Options	-	$0.25	21 April 2019
Warrants	1,593,750	$0.180	15 August 2016
Warrants	290,000	$0.180	30 September 2016

Share Consolidation

On 25 February 2014, the Company consolidated its capital on the basis of one and half old common shares for one new common share.

INVESTOR RELATIONS

Total investor relations expense for the six-month period ended 30 September 2015 was $27,025, a decrease of $67,071 from $94,096 compared to the same period in 2014 due to the decrease in the activities of the Company.

RISKS AND UNCERTAINTIES

The Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources. The business of the Company is dependent upon many components of the success and failure of Health Canada's new Marijuana for Medical Purposes Regulations ("MMPR") to achieve new investment through the approvals of licenses and the implementation of operational facilities.

Despite the promising nature of the medical marijuana industry in Canada and the United States for that matter, failure to obtain such additional financing could delay further development of the Company's business.

Management is of the opinion the current industry is extremely large and based on its assessment of relative competitors; the Company holds an optimistic, yet cautious approach to implementation.

As well companies involved in mineral exploration are subject to many and varied kinds of risks, including but not limited to, environmental, fluctuating metal prices, politics and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The Company's Medical Marijuana (MMJ) business is in the start-up stage only, and is unproven. We may not be successful in implementing our business plan to become profitable. There may be less demand for our services than we anticipate. There is no assurance that these businesses will succeed.
- *Competition and new rivals*: The Company plans to compete in an industry which there are few, but growing number of participants. The Company will have to prove its ability to compete against companies that have greater financial, technological and marketing resources.
- *Environmental effects*: We may suffer negative publicity if we, any third party contractors we may engage, are found to engage in any environmentally insensitive practices or other business practices that are viewed as unethical. The future growth and profitability MMJ sectors will be dependent in part on the effectiveness and efficiency of our advertising and promotional expenditures, including our ability to (i) create greater awareness of our services, (ii) determine the appropriate creative message and media mix for future advertising expenditures, and (iii) effectively manage advertising and promotional costs in order to maintain acceptable operating margins. There can be no assurance that we will experience benefits from advertising and promotional expenditures in the future. In addition, no assurance can be given that our planned advertising and promotional expenditures will result in increased revenues, will generate levels of service and name awareness or that we will be able to manage such advertising and promotional expenditures on a cost-effective basis.
- *Risks associated with Legislative effects; Compliance, Regulatory, and Licensing through Health Canada*: The Company's operations are subject to regulations promulgated by government regulatory agencies from time to time. The cost of compliance with changes in governmental

regulations has the potential to reduce the profitability of operations. Health Canada's application process to obtain and maintain a license under the Marijuana for Medical Purposes Regulations (MMPR) is extremely lengthy and detailed in its requirements and there can be no guarantee that the Company or its joint venture partners will receive their license under the MMPR and there is no assurances they will be able to obtain and maintain, at all times all necessary licenses and permits to carry out its business. For more information please view the Health Canada website (http://www.hc-sc.gc.ca/dhp-mps/marihuana/info/techni-eng.php). There is no assurance that the Company will be successful in completing prospective projects in the marijuana sector.

- Lack of sustainable financial backing
- The high degree of volatility in the prices of metal and other resource commodities
- The demand of commodities can be dependent on global consumption
- An increasing competition to acquire resource properties throughout the world
- No assurance about the economic viability, it is speculative
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control
- Additional costs can be incurred such as availability of experts, work force and equipment
- Additional expenditures will be required to establish resources or reserves on mineral properties, if any resources or reserves exist on the properties
- The rights to the resource properties must be maintained in accordance with various regulations and agreements
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for decommissioning liabilities, the carrying value of exploration and evaluation properties, the valuation of all liability and equity instruments including warrants and stock options, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of mineral exploration properties and deferred exploration assets requires management's judgment regarding the following factors, among others: the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amounts of the exploration assets are unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The Company allocates values to share capital and to warrants according to their fair value using the proportional method when the two are issued together as a unit.

These consolidated financial statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

A detailed summary of all of the Company's significant accounting policies is included in Note 3 of the consolidated financial statements for the six-month period ended 30 September 2015.

CHANGES IN ACCOUNTING POLICIES

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period ended 30 September 2015:

- IFRS 7 *'Financial Instruments: disclosures'*, clarifies whether a servicing contract is continuing involvement in a transferred financial asset. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IFRS 9, *'Financial Instruments'*: The IASB has undertaken a three-phase project to replace IAS 39 *'Financial Instruments: Recognition and Measurement'* with IFRS 9 *'Financial Instruments'*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

- Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
- Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
- All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
- The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.
- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2018.

- IFRS 10 *'Consolidated Financial Statements'*, clarifies the conditions for a parent to present consolidated financial statements for investment entities, and treatment for loss of control of a subsidiary that does not contain a business. The amendments are effective for annual periods beginning on or after 1 January 2016.

- IAS 1 *'Presentation of Financial Statements'* is an amendment to clarify certain aspects focused on the areas of clarification of concept of materiality and aggregation of items in the financial statements, the use and presentation of subtotals in the statement of loss and comprehensive loss, and providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandability. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IAS 24 *'Related Party Disclosures'* is an amendment to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IAS 8 *'Operating Segments'* is an amendment to clarify aggregation criteria. The amendment is applicable to annual periods beginning on or after 1 July 2014.

- IFRS 11 *'Joint Arrangements'* is an amendment to clarify accounting for acquisition of interest in a joint operation. The amendment is applicable to annual periods beginning on or after 1 January 2016.

- IFRS 16 *'Property, Plant and Equipment'* is an amendment that clarifies acceptable methods of depreciation and amortization whereby a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amendment is applicable to annual periods beginning on or after 1 January 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the consolidated financial statements of the Company.

The Company has adopted the following new and revised accounting standards, amendments and interpretations, effective 1 April 2014:

- IFRS 2 (Amendment) *'Share-based Payment'* clarifies the definition of "vesting condition" and separately defines a performance condition and a service condition. The amendments are effective for stock options granted beginning on or after 1 July 2014.

- IFRS 7 '*Financial instruments: disclosures*' and IAS 32 *'Financial instruments: presentation*' are amendments to clarify that financial assets and financial liabilities may be offset, with the net amount presented in the statement of financial position, only when there is a legally enforceable right to set off and when there is either an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The amendments to IAS 32, issued in December 2011, clarify the meaning of the offsetting criterion "currently has a legally enforceable right to set off" and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. The amendments will only affect disclosure and are effective for annual periods beginning on or after 1 January 2014.

- IAS 36 *'Impairment of Assets*' are amendments issued in May 2013 that require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The amendment is effective for annual periods beginning on or after 1 January 2014.

- IFRS 10 *'Consolidated Financial Statements'* is an amendment to include an exception to specific consolidation requirements for investment entities and are effective for annual periods beginning on or after 1 January 2014, with earlier adoption permitted.

- IAS 32 (Amendment) *'Financial Instruments: Presentation'* is effective for annual periods beginning on or after 1 January 2014 that establishes principles for presenting financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.

The adoption of the above standards did not result in a significant impact on the Company's financial statements.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income or loss. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Short term and long term investments in other companies are classified as available-for-sale, which is measured at fair value. Trade payables and amounts due to related parties are classified as other financial liabilities which are measured at amortized cost.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and amounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. As a result, the Company is not subject to a significant credit risk. The Company does not consider any of its financial assets to be impaired.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no steady source of revenue and has obligations to meet its administrative overheads, maintain its mineral investments and to settle amounts payable to its creditors. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future. As at 30 September 2015, the Company had working capital deficit of $52,044 (31 March 2015 - $20,845 working capital).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is limited.

Currency risk

The Company is exposed to currency risk by incurring certain expenditures and holding assets denominated in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk. Assuming all other variables remain constant, a 1% change in the Canadian dollar against the US dollar would not result in a significant change to the Company's operations.

Commodity price risk

The Company is not exposed to commodity price risk as it is still in exploration stage.

MANAGEMENT OF CAPITAL

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties and continue to seek opportunities in the Medical Marijuana, Industrial Hemp Industries ("MMIH").

The Company is dependent on external financing to fund its activities. In order to continue to develop its business strategy in the MMIH and to carry out the planned exploration on its mineral properties and pay for general administration costs, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. The Company will continue to assess both opportunities in the MMHI as well as new mineral properties. The Company is seeking to acquire an interest in those businesses within the MMHI that meet the Company's criteria for investment, including additional mineral properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

SUBSEQUENT EVENTS

Following are events that occurred subsequent to 30 September 2015.

3 November 2015, Further to its announcement on 24 September 2015, the Company has signed a Business Combination Agreement dated 30 October 2015 with Dollinger Enterprises Ltd. ("Dollinger Enterprises") and Dollinger Enterprises USA Inc. ("Dollinger USA") (the "Agreement"), collectively a market leading organization in the distribution and manufacturing of products including vaporizers, accessories and herbs with a presence in 25 countries (herein after referred to as "NamasteVapes").

Commercial Terms and Conditions to Closing

Next Gen will acquire all of the issued and outstanding shares of an entity to be formed under the name of Namaste Technologies Holdings Inc. ("Namaste Holdings"), through a three-cornered amalgamation whereby Next Gen's wholly-owned subsidiary GreenRush Analytical Laboratories will amalgamate with Namaste Holdings upon Closing (as defined below) and the shareholders of Namaste Holdings will receive post-consolidated shares of Next Gen in exchange for their shares of Namaste Holdings, upon and subject to the terms and conditions set forth in this Agreement (the "Transaction"). The Transaction is deemed to be a Fundamental Change as that term is defined in the CSE's policies. The Agreement supersedes and replaces the Binding Letter of Intent entered into between the parties.

Material commercial terms of the Transaction include:

- Consolidation of Next Gen's stock on a 3:1 basis;
- 36,218,202 post-consolidated Next Gen shares (the "Acquisition Shares") to be issued in connection with the Transaction;
- 8,692,368 post-consolidated Next Gen shares to be held in an escrow account for distribution to the post-Transaction management of Next Gen over a period of 3-years, subject to the attainment of certain revenue and profitability, corporate finance and administrative milestones to be monitored by the post-Transaction Compensation Committee of Next Gen (the "Earn-out Shares"); and
- finder`s fee equal to 4% of the Acquisition Shares from the Transaction.

Conditions to Closing include:

- Receipt of all director, shareholder and requisite regulatory approvals relating to the Transaction, including, without limitation, CSE approval;
- preparation and filing of a Listing Statement outlining the definitive terms of the Transaction in accordance with the policies of the CSE;
- incorporation and organization of Namaste Technologies Holdings Inc. and completion of the share transfer of the Dollinger USA shares from Dollinger Enterprises to Namaste Technologies Holdings Inc.;
- execution of consulting agreements for material members of the post-Transaction management team;
- completion of one or more financings for minimum gross proceeds of $500,000;

- change of corporate name to Namaste Technologies Inc.;
- amendment of the current stock option plan of Next Gen to a 10% rolling plan;
- execution of lock□up agreements for certain material shareholders of Next Gen; and
- completion of documentation for a shareholder inventory loan of US$265,000 over 24-months and inventory investment recovery, as products are sold, for any inventory greater than US$325,000 as at the date of Closing.

As of the date hereof, Next Gen has 21,730,921 common shares issued and outstanding. There are also 1,883,750 warrants and 1,495,000 stock options to acquire common shares. The current outstanding options and warrants will be cancelled prior to Closing. Unless these conditions to closing have been 3 fulfilled by the parties, there can be no assurance that the Transaction will be completed as proposed or at all. The Transaction is currently scheduled to close on 15 December 2015 (the "Closing"). The shares of Next Gen will remain halted from trading on the CSE until Closing.

Post-Transaction Management

Sean Dollinger, President, Chief Executive Officer and Director

Mr. Sean Dollinger is an experienced entrepreneur having successfully founded, developed and monetized multiple business ventures. As co□founder of NamasteVapes, Mr. Dollinger is the visionary responsible for the strategic direction of a start□up company that has achieved over $4.5 million of sales in the last twelve month period. His core areas of expertise include concept and market creation through international ecommerce marketing channels and the formation of strategic supply and distribution partnerships to secure and develop products, open logistics channels, and improve customer service. As an expert in vaporizers, accessories and aromatherapy, he has done business with companies and customers in nearly every continent around the world. Mr. Dollinger previously played baseball with one of the top 10 NJCAA Division One baseball programs in the United States.

Kory Zelickson, Chief Operating Officer

Mr. Kory Zelickson is an experienced engineer focused on designing, developing, manufacturing and distributing new products and concepts internationally. As co□founder of NamasteVapes, Mr. Zelickson has been responsible for execution of the business plan by developing a market for the company's products in more than 25 countries, bringing to market multiple vaporizers and accessories, providing industry recognized reviews to consumers, and engineering fresh new product ideas, such as the Guru, a dry-herb vaporizer that adapts to work with resins and liquids. Mr. Zelickson is also highly experienced in online marketing and e□commerce and has been involved in developing multiple companies from scratch. He holds a Bachelor of Engineering in electrical and electronics from University of Manitoba. While representing the University of Manitoba, Mr. Zelickson and his team won an international engineering competition hosted by the Massachusetts Institute of Technology (MIT).

Blair Henderson, CGA, Chief Financial Officer

Mr. Blair Henderson is an accountant with a diverse array of experience in multiple industries. His areas of expertise include financial reporting and analysis, business planning, internal control implementation and monitoring, internal and external audits, and corporate financial planning and tax. Mr. Henderson is currently the principal of Virtus Consulting, a consulting and accounting firm offering a full□suite of services to small and medium sized businesses, and was previously a Senior Auditor with the Investors Group Financial Services Inc., a large financial organization with a presence across Canada. While at Investors Group, Mr. Henderson oversaw the completion of multiple large scale projects aimed at improving business efficiency and ensuring regulatory and reporting compliance. He holds a Bachelor of

Commerce (hons) degree in accounting and entrepreneurship from the University of Manitoba and is a Certified General Accountant.

Darren Collins, Executive Vice President, Corporate Development

Mr. Darren Collins is a financial professional focused on developing growth companies globally and has over eight years of experience as an advisor and executive of public companies. Mr. Collins was previously professionally engaged by a number of advisory and investment firms, including Alegro Capital, LP in London, England, and Dalvay Capital Inc., Scotia Capital Inc. and Quest Capital Corp. (currently Sprott Resource Lending Corp.) in Toronto, Canada. While engaged by these companies, Mr. Collins has been involved in upwards of a billion dollars of transactions, spanning mergers and acquisitions, debt and equity 4 financings, and joint venture partnerships. Mr. Collins holds a Bachelor of Commerce in finance from Dalhousie University.

Adam Potts, Industry Advisor

Mr. Adam Potts is an experienced sales professional and is recognized by physicians as one of the leading field representatives for medical cannabinoids in Canada. In his more than 15 years of professional sales experience, Mr. Potts has worked with multiple global corporations, including pharmaceutical companies such as Pfizer and Bayer, as well as office supply companies such as Xerox. While at these companies, he has developed external sales and marketing skills that have driven revenue growth and forged long term client relationships. Mr. Potts is currently a Sales Manager at Tilray, a leading licensed producer in Canada. He holds a Bachelor of Science from Queen's University. He is also an active volunteer with Camp Ooch, an organization and summer camp for children with cancer and their siblings.

Tina Whyte, Corporate Secretary

Ms. Tina Whyte is an experienced corporate secretary and has over 15 years of experience in the corporate and securities industry. Her expertise spans to areas of corporate governance, continuous disclosure, financing transactions and regulatory filings. Ms. Whyte has formerly held director and officer positions in publicly traded companies.

Post-Transaction Board of Directors

Harr Barr, Chairman of the Board

Mr. Harry Barr has over 30 years of public/private company experience in the mining, technology and real estate industries with a focus on acquisition, finance and development of projects on an international scale. He has guided his management teams to complete over 300 option joint venture agreements with major, mid-tier, and junior companies. Mr. Barr has raised over $250 million to advance their projects throughout 9 countries. Mr. Barr holds a diploma in agriculture from the University of Guelph.

Peter Simeon, Independent Director

Mr. Peter Simeon is an experienced corporate commercial and securities lawyer. As a partner in Gowlings' Toronto office, Mr. Simeon focuses his practice on corporate finance, mergers and acquisitions, and structured products. Working closely with issuers, underwriters, and other corporate clients, Mr. Simeon delivers practical, effective advice to help businesses move their transactions forward. He has acted forclients across a range of industries. Mr. Simeon is on the board of directors of Tolima Gold Inc. (TSXV:TOM) and Cluny Capital Corp. (TSXV:CLN.P). He holds an LLB from Osgoode Hall Law School at York University and a BA from Queen's University.

Sefi Dollinger, Independent Director

Mr. Sefi Dollinger is an experienced entrepreneur and business development professional with a track record of building profitable and sustainable business ventures. His core areas of expertise include sales management, new business development, contract negotiation, and product procurement. Mr. Dollinger is currently one of the principals of DZD Hardwood, a successful family owned business located in Montreal, Canada that specializes in hardwood lumber handling, drying and remanufacturing. He is a graduate of Concordia University.

Gary Moore, Independent Director

Mr. Moore's has an extensive background in finance and accounting. His core areas of expertise include corporate governance and regulatory compliance, risk management and internal control management, and 5 corporate transactions including, but not limited to, the raising of debt and equity capital, joint ventures and mergers and acquisitions. He has held junior and senior executive positions with various companies, including Trionics Technology Ltd., Trivest Management Inc., Global Securities Corporation, Pacific International Securities Inc., and HTI Ventures Corp. He is a graduate from the University of British Columbia from the Faculty of Commerce and from the Masters of Business Administration program.

Non-Brokered Private Placements

Next Gen announces that it has arranged, subject to the acceptance of the CSE and on a Post-Consolidated basis, a non-brokered private placement financing of up to 10,000,000 subscription receipts (the "Subscription Receipts") at a price of $0.10 per Subscription Receipt for gross proceeds of up to $1.0 million (the "Post-Consolidation Private Placement"). The Subscription Receipts are being issued in connection with the proposed Transaction between Next Gen and NamasteVapes. Each Subscription Receipt will be automatically convertible, for no additional consideration, into one unit of the Company (a "Unit") upon satisfaction of certain conditions relating to the Company's completion of the Transaction. Each Unit will consist of one common share and one-half of one common share purchase warrant (a "Warrant"), each whole Warrant entitling the holder thereof to purchase one additional common share of the Company at a price of $0.15 for a period of 24 months. Should the Transaction not close by 15 February 2015, the Subscription Receipts shall be cancelled and the subscription funds shall be distributed to the holders of Subscription Receipts, without interest and deduction for reasonable accounting and legal fees. Upon closing of the Transaction and the conversion of the Subscription Receipts, the proceeds from the Post-Consolidation Private Placement will be used to fund inventory expansion, commercialization of new products, entering new markets, and for general corporate purposes. The common shares issued under the Post-Consolidated Private Placement will be subject to a contractual one year hold period pursuant to a pooling agreement and released from escrow each four months over a period of 12 months from the date of completion of the Transaction. Finder's fees comprised of 7% cash and 7% warrants may be paid in connection with the Post-Consolidation Private Placement. Any finders' fees will be payable in accordance with the policies of the CSE. The Post-Consolidation Private Placement is anticipated to close on or before 15 December 2015.

In addition to the Post-Consolidation Private Placement, Next Gen also announces the completion of a non-brokered private placement financing of 3,200,000 Unit on a pre-consolidated basis (1,066,667 Units post-consolidation) at a price of $0.025 per Pre-Consolidation Unit (a "Pre-Consolidation Unit") for gross proceeds of $80,000 (the "Pre-Consolidation Private Placement"). Each Pre-Consolidation Unit will consist of one common share and one-half of one common share purchase warrant (a "Pre-Consolidation Warrant"), each whole Warrant entitling the holder thereof to purchase one additional common share of the Company at a price of $0.05 for a period of 24 months. The common shares issued under the Pre-Consolidated Private Placement will be subject to a contractual one year holder period pursuant to a pooling agreement and released from escrow each four months over a period of 12 months from the date of completion of the Transaction. The proceeds from the Pre-Consolidation Private Placement will be used to fund transaction costs, settle historic payables of Next Gen and for general corporate purposes. The common shares forming part of the Pre-Consolidation Units shall be consolidated on a 3:1 basis upon completion of the Transaction. Insiders of Next Gen and close business associates have subscribed for the Pre-Consolidation Units.

Selection of Transaction Auditor

Next Gen reports that NamasteVapes has appointed and is currently working with MNP sencrl, srl as independent auditors of its audited annual financial statements as required by the CSE. MNP is a leading national accounting, tax and business consulting firm in Canada. MNP has offices across Canada and is headquartered in Calgary. The firm has approximately 4,000 staff.

About NamasteVapes

NamasteVapes™ is a global leader in vaporizer product distribution and manufacturing. The company has over 30 e□commerce retail stores in 25 countries and aims to provide the best in class and most professional customer experience possible. This is supported by the leading independent consumer review authority, TrustPilot, which presently ranks NamasteVapes™ as #1 in Vaporizer category, scoring a 9.7/10. NamasteVapes™ also owns and operates a separate retail site called GreenVapes.co.uk which is presently expanding internationally as well. The company's retail sites offer the largest range of brand name vaporizers products on the market, which includes distribution partnerships with over 30 manufacturers providing some of the latest and most innovative products in this fast□growing industry. In addition to its e-commerce distribution business, NamasteVapes™ is actively manufacturing and launching multiple unique proprietary products for retail and wholesale distribution, including vaporizers, accessories and herbs. Recognized as a source of information and reviews on aromatherapy products, NamasteVapes™ has a unique market perspective and ability design and engineer products that align with the current direction of the market and customer needs. This business segment will be banded under the tradename GrizzlyOriginals™ and will include the upcoming launch of the Guru™, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herds from a single portable unit. NamasteVapes™ is managed by a group of industry experts focused on continued global expansion and providing the best products and service available. Further information on the company and its products can be accessed through the links below:

http://www.namastevapes.co.uk

https://www.trustpilot.com/review/namastevapes.co.uk

OUTLOOK

The Company currently has $52,044 in working capital deficit and will need to obtain additional equity financing to fund its ongoing operations and any further mineral property projects. The Company is reviewing properties for acquisition on an ongoing basis.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

The accompanying condensed consolidated interim financial statements of the Company have been prepared by management in accordance with IFRS, and contain estimates based on management's judgment. Management maintains an appropriate system of internal control to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

Appendix M

Dollinger Enterprises USA Ltd.
(Namaste Vapes Division)
Carve-Out Financial Statements
From commencement of operations
on September 3, 2014 to August 31, 2015

Contents

From commencement of operations on September 3, 2014 to August 31, 2015

Independent Auditors' Report

To the Directors of Dollinger Enterprises USA Ltd. (Namaste Vapes Division):

We have audited the accompanying carve-out financial statements of Dollinger Enterprises USA Ltd (Namaste Vapes Division), which comprise the carve-out statement of financial position as at August 31, 2015 and the carve-out statements of earnings and comprehensive income, changes in equity and cash flows for the period from the Commencement of operations on September 3, 2014 to August 31, 2015 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the carve-out financial statements:
Management is responsible for the preparation and fair presentation of these carve-out financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of these carve-out 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 carve-out financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the carve-out 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 carve-out financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the carve-out 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 Corporation'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 carve-out financial statements.

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

Opinion:
In our opinion the carve-out financial statements present fairly, in all material respects, the carve-out financial position of Dollinger Enterprises USA Ltd (Namaste Vapes Division) as at August 31, 2015 and its carve-out financial performance and its carve out cash flows for the period from the Commencement of operations on September 3, 2014 to August 31, 2015 in accordance with International Financial Reporting Standards.

Emphasis of matter:
Without modifying our opinion, we draw attention to Note 2 to the carve-out financial statements which describes the basis of preparation used in these carve-out financial statements. The carve-out financial statements have been prepared on a carve-out basis and the results do not necessarily reflect what the financial position, results of operations, and cash flows would have been had the assets been included within a separate legal entity, nor are they indicative of future results in respect of the assets as they exist after the completion of the arrangement agreement, which is described in Note 1.

MNP SENCRL, srl[1]

Montréal, Québec
January 29, 2016

1 CPA CA permit No. A122514

Dollinger Enterprises USA Ltd. (Namaste Vapes Division)
Carve-Out Statement of Financial Position
As at August 31, 2015
(Expressed in US dollars)

	2015
Assets	
Current	
Cash	**128,536**
Prepaids and deposits	**4,735**
Inventory *(Note 4)*	**375,903**
Divisional receivable	**60,976**
Due from related party *(Note 5)*	**115,938**
Total assets	**686,088**
Liabilities	
Current	
Accounts payable and accrued liabilities *(Note 6)*	**138,934**
Taxes payable	**176,304**
Total Liabilities	**315,238**
Equity	
Net investment	**370,850**
Total Equity	**370,850**
	686,088

Approved on behalf of the Board of Directors on January 26, 2016:

("Sean Dollinger")
Director

The accompanying notes are an integral part of these Carve-Out Financial Statements

Dollinger Enterprises USA Ltd. (Namaste Vapes Division)
Carve-Out Statement of Earnings and Comprehensive Income
From commencement of operations on September 3, 2014 to August 31, 2015
(Expressed in US dollars)

	2015
Sales	**3,447,235**
Cost of goods sold	**1,935,746**
Gross profit	**1,511,489**
Operating expenses	
Advertising and promotion	**351,931**
Consulting fees	**298,131**
Salaries	**141,488**
Bank and credit card fees	**94,388**
Professional fees	**38,620**
Communications	**33,985**
General and administrative	**30,854**
Rent and rental services	**31,318**
Travel and vehicles	**15,611**
Repairs and maintenance	**3,846**
Foreign exchange loss	**26,955**
	1,067,127
Income before income taxes	**444,362**
Provision for income taxes	**176,304**
Net earnings and comprehensive income for the period	**268,058**

The accompanying notes are an integral part of these Carve-Out Financial Statements

Dollinger Enterprises USA Ltd. (Namaste Vapes Division)
Carve-Out Statement of Changes in Equity
From commencement of operations on September 3, 2014 to August 31, 2015
(Expressed in US dollars)

	Total net investment
Balance as at September 3, 2014	**-**
Due to shareholder *(Note 7)*	**102,792**
Net earnings and comprehensive income for the period	**268,058**
Balance as at August 31, 2015	**370,850**

The accompanying notes are an integral part of these Carve-Out Financial Statements

Dollinger Enterprises USA Ltd. (Namaste Vapes Division)
Carve-Out Statement of Cash Flows
From commencement of operations on September 3, 2014 to August 31, 2015
(Expressed in US dollars)

	2015
Cash provided by (used for) the following activities	
Operating activities	
Net earnings and comprehensive income	**268,058**
Changes in non-cash working capital items:	
Increase in current assets	**(557,552)**
Increase in accounts payable and accrued liabilities	**138,934**
Increase in taxes payable	**176,304**
	25,744
Financing activities	
Due to shareholder	**102,792**
Increase in cash resources	**128,536**
Cash resources, beginning of period	**-**
Cash resources, end of period	**128,536**

The accompanying notes are an integral part of these Carve-Out Financial Statements

1. Nature of operations

The Namaste Vapes Division ("Namaste" or the "Division") as presented in these carve-out financial statements is not a legal entity. The operations and related assets and liabilities are currently owned by Dollinger Enterprises USA Inc. (the "Company"), a company incorporated under the laws of the state of Florida on September 3, 2014. The Company's head office is located at 601 Heritage, Suite 212, Jupiter, Florida, USA 33458.

The Namaste Vapes Division of Dollinger Enterprises USA Inc. is an e-commerce business that distributes vaporizers and accessories for aromatherapy purposes. The Division is also designing with the intention to commercialize its own proprietary vaporizer products.

These financial statements have been prepared on a carve-out basis and present the financial position, financial performance and cash flows of the Division had the Division been accounted for on a stand-alone basis, and includes the Division's share of assets, liabilities, revenues and expenses. The carve-out financial statements have been prepared due to the anticipated arrangement agreement that is being contemplated by the Dollinger Enterprises USA.

The arrangement agreement will result in the three cornered amalgamation of Dollinger Canada, a newly incorporated entity that will comprise the Namaste Vapes Division of Dollinger Enterprises USA (hereinafter referred to as "Namaste"), Greenrush Analytical Laboratories Inc., a wholly owned subsidiary of Next Gen, and Next Gen (the "Transaction")

Pursuant to the Definitive Agreement (the "Agreement") dated October 30, 2015, and extended and revised on December 15, 2015, between Next Gen, Dollinger Enterprises Ltd. ("Dollinger Enterprises"), Dollinger Enterprises USA Inc. ("Dollinger USA"), and Green Rush Analytical Laboratories Inc. ("Green Rush"), Next Gen will acquire all of the issued and outstanding shares of Dollinger Canada, through a three-cornered amalgamation whereby prior to the Transaction, Dollinger Enterprises will transfer all of the shares it holds in Dollinger USA (its wholly owned subsidiary) to a newly incorporated company, Dollinger Canada. Next Gen will then acquire all of the issued and outstanding shares of Dollinger Canada through a three cornered amalgamation whereby Dollinger Canada and Green Rush will amalgamate and the shareholders of Dollinger Canada will receive post consolidated shares of Next Gen in exchange for their shares of Dollinger Canada.

Because the Division was part of a corporate group, these carve-out financial statements depict the Parent Company's net investment in net assets, representing the amount associated specifically with this Division. Management estimates, where necessary, have been used to prepare such allocations.

These carve-out financial statements are not necessarily indicative of the results that would have been attained if the Division had been operated as a separate legal entity during the period presented and therefore are not necessarily indicative of future operating results.

These financial statements were approved and authorized by the Board of Directors of the Company on January 26, 2016.

2. Basis of preparation

2.1. Basis of presentation and statement of compliance

The principal accounting policies adopted in the preparation of the carve-out financial statements are set out below. The carve-out financial statements are presented in US dollars, which is also the Division's functional currency.

These carve-out financial statement have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board which also comprise International Accounting Standards and Interpretations (collectively IFRSs as issued by the IASB).

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Division's accounting policies. The areas where significant judgments and estimates have been made in preparing the carve-out financial statements and their effect are disclosed below.

The carve-out financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3.

2. Basis of preparation (continued)

2.2. Use of management estimates, judgments and measurement uncertainty

The preparation of these carve-out financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the carve-out financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these carve-out financial statements include:

Working capital assets such as current assets and liabilities which were specifically identifiable based on the nature of the products purchased and sold were specifically attributable to the Division.

Taxes payable was estimated based on the size of the Namaste Division's operations and the contribution of the Division's estimated earnings.

General and administrative expenses were allocated based on management's best estimate of the Division's contribution to the overall operations of the Company as a whole and the amount of time spent operating this Division.

Where costs were specifically attributable to the Namaste Division, they were allocated directly. Equity in the net assets is shown as a net investment in place of Shareholder's Equity because a direct ownership by shareholders in the Division does not exist.

All excess cash flows are assumed to be distributed to the Parent Company and all cash flow deficiencies are assumed to be funded by the Parent Company through the net investment.

Management has determined the above judgments, estimates and assumptions reflected in these carve-out financial statements are reasonable.

2.3 New and revised standards

New standards and interpretations to be adopted in future periods

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

IAS 1 "Presentation of Financial Statements" was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The effective date is for annual periods beginning or after January 1, 2016. Entities may still choose to apply IAS 1 immediately, but are not required to do so. The Division is currently assessing the impact, if any, of adopting these amendments to IAS 1.

IFRS 9 "Financial Instruments" was issued in final form in July 2014 by the IASB and will replace IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however early adoption is permitted. The Division has not yet determined the impact of the amendments on its financial statements. The Division is currently assessing the impact, if any, of adopting IFRS 9.

2. Basis of preparation (continued)

2.3 New and revised standards (continued)

IFRS 15 Revenue from Contracts with Customers. In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 specifies how and when to recognize revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18, Revenue, IAS 11, Construction Contracts, and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 must be applied in an entity's first annual IFRS financial statements for periods beginning on or after January 1, 2018. Application of the standard is mandatory and early adoption is permitted. The Division has not yet determined the impact of the amendments on its financial statements. The Division is currently assessing the impact, if any, of adopting IFRS 15.

3. Summary of significant accounting policies

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short term deposits with original maturities of three months or less. As at August 31, 2015, there were no cash equivalents.

3.2 Inventory

Inventory is valued at the lower of cost and net realizable value. The Division uses the weighted average method to track and cost inventory items. The inventory consists of vaporizers, vaporizer accessories, and therapeutic herbs. The inventory consists solely of goods currently available for sale and does not include any unfinished goods or work-in-progress.

Inventory is written down to net realizable value by item when a decline in the price of items indicates that the cost is higher than the net realizable value. When events having caused a decline in the valuation of inventories no longer exist, the amount of the write-down is reversed so that the new carrying amount is the lower of the cost and the revised net realizable value.

3.3 Accounts payable and accrued liabilities

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. Provisions are recognized when the Division has an obligation (legal or constructive) arising from a past event, and the Division has a present obligation, and the costs to settle this obligation are both probable and able to be reliably measured.

3.4 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 policy decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.5 Revenue recognition

The Division derives its revenues from the online sales of vaporizers and accessories through e-commerce platforms. Revenue is recognized when goods are delivered and the significant risks and rewards of ownership and control have been transferred, the amount of revenue can be measured reliably, the receipt of economic benefits is probable and costs incurred can be measured reliably.

Revenues billed before date of delivery are accounted for as deferred.

3. Summary of significant accounting policies (continued)

3.6 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. As of August 31, 2015, the Division did not have any finance leases.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.7 Income taxes

Tax expense is recognized in the statement of profit and loss, except to the extent it relates to items directly in equity, in which case the related tax is recognized in equity.

Current 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.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Division does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

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 Division intends to settle its current tax assets and liabilities on a net basis.

3.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

Financial assets of the Division are comprised of cash, divisional receivable and due from related parties. The financial liabilities of the Division are comprised of accounts payable and accrued liabilities, and due to shareholder.

Financial assets and financial liabilities are recognized in the carve-out statement of financial position initially at fair value when the Division becomes a party to the contractual provisions of the financial instrument.

3.9 Financial assets

Financial assets are classified, at initial recognition, into one of the following categories:

- fair value through profit or loss;
- held-to-maturity investments;
- loans and receivables;
- available-for-sale financial assets; or
- derivatives designated as hedging instruments in an effective hedge.

3. Summary of significant accounting policies (continued)

3.9 Financial assets (continued)

Financial assets at fair value through profit or loss ("FVTPL") include financial assets held for trading, and are classified as such if they are acquired for the purpose of selling or repurchasing in the near term, and those that are designated as such upon initial recognition when doing so results in more relevant information being presented. This category also includes derivative financial instruments entered into by the Division that are not designated as hedging instruments in an effective hedging relationship.

Financial assets are initially and subsequently measured at fair value with the exception of loans and receivables and investments that are held-to-maturity, which are subsequently measured at amortized cost using the effective interest rate method, less impairment.

Subsequent recognition of changes in fair value of financial assets re-measured at each reporting date at fair value depend on their initial classification. Financial assets at fair value through profit or loss are measured at fair value with all gains and losses included in net income in the period in which they arise. Available-for-sale financial assets are measured at fair value with gains and losses included in other comprehensive income until the asset is removed from the consolidated statement of financial position or until impaired.

3.10 Impairment of financial assets

At each reporting date, the Division assesses whether its financial assets are impaired. Impairment losses are recognized in the consolidated income statement when there is objective evidence that the financial assets are impaired. Financial assets are deemed to be impaired if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset(s) that can be reliably estimated.

3.11 Derecognition of financial assets

Financial assets are derecognized when the Division's contractual rights to the cash flows from the respective assets have expired or have been transferred and the Division has neither exposure to the risks inherent in those assets nor entitlement to rewards from them.

3.12 Financial liabilities and equity instruments

Debt and equity instruments issued by the Division are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, into one of the following categories:

- fair value through profit or loss;
- other financial liabilities measured at amortized cost; or
- derivatives designated as hedging instruments in an effective hedge.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term, and those that are designated as such upon initial recognition when doing so results in more relevant information being provided. This category includes derivative financial instruments entered into by the Division that are not designated as hedging instruments in an effective hedging relationship. Otherwise, they are considered as an other financial liability.

Financial liabilities at fair value through profit or loss are measured at fair value with all gains and losses included in net income in the period in which they arise. Other financial liabilities are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Division are recognized at the proceeds received, net of direct issue costs and applicable income taxes.

3. Summary of significant accounting policies (continued)

3.13 Foreign currency transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction or valuation where items are re-measured. Foreign denominated monetary assets and liabilities are translated to their US dollar equivalents using foreign exchange rates prevailing at the financial position reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. The carve-out financial statements are presented in US dollars, which is also the Division's functional currency.

4. Inventory

All inventory consists of finished goods.

The cost of inventory recognized as an expense and included in cost of goods sold for the period ended August 31, 2015 is $1,470,510.

5. Due from related party

Due from related party is non-interest bearing, unsecured, and receivable within the upcoming fiscal year. The related party is an entity that is controlled by a family relationship of a Director of the Company.

6. Accounts payable and accrued liabilities

	As at August 31, 2015
Consulting accrual	**48,500**
Employee contributions payable	**34,706**
Audit accrual	**26,600**
Rent payable and leasehold inducements	**9,860**
Payroll accrual	**5,698**
Deferred revenue	**4,424**
Other accounts payable	**9,146**
Total	**138,934**

7. Due to Shareholder

Due to shareholder is non-interest bearing, unsecured, and payable within the upcoming fiscal year.

8. Capital Management

Capital structure financial policy

The Division's capital is composed of debt and equity. As at August 31, 2015, the Division has $102,792 of shareholder debt.

The Division's objective for managing capital are: (i) to maintain a flexible capital structure which optimizes the cost/risk equation; and (ii) to manage capital in a manner which maximizes the interests of shareholders.

The Division manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Division's capital structure is managed in conjunction with the capital structure and financial needs of the day-to-day operations. The Division currently funds the working capital requirements out of its internally-generated cash flows and the periodic use of credit facilities.

Management does not establish quantitative return on capital criteria, however management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Division, is appropriate. As at August 31, 2015, the Division is not subject to any externally imposed capital requirements.

9. Financial instruments

Fair value of financial instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level Two includes inputs that are observable other than quoted prices included in Level One.
- Level Three includes inputs that are not based on observable market data.

The Division has designated its cash as FVTPL and its divisional receivable and due from related parties as loans and receivables. Its accounts payable and accrued liabilities and due to shareholder have been designated as other financial liabilities.

As at August 31, 2015, both the carrying and fair value amounts of all of the Division's financial instruments are approximately equivalent due to their short term nature.

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Division's credit risk is primarily attributable to cash, accounts receivable and due from related parties. The Division has no significant concentration of credit risk arising from operations. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and due from related parties is minimal. The Division's maximum exposure to credit risk as at August 31, 2015 is the carrying value of cash.

Liquidity risk

Liquidity risk is the risk that the Division will encounter difficulty in satisfying its financial obligations. The Division manages its liquidity risk by forecasting it operations and anticipating its operating and investing activities. As at August 31, 2015, the Division had current assets of $686,088 compared to current liabilities of $315,238. All amounts in current liabilities are due within one year.

9. Financial instruments (continued)

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Division's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Division's monetary assets and liabilities. The Division is not exposed to interest rate price risk.

Foreign currency risk

The Division buys inventory and sells products in several countries. The Division is exposed to foreign currency risk from fluctuations in foreign exchange rates and the degree of volatility in these rates due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Division does not use derivative instruments to reduce its exposure to foreign currency risk.

Transactions in foreign currencies are translated to the respective functional currencies at the spot rate on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in income.

The Division's exposure to foreign exchange risk of transactions and the effects on revenue as a result of a strengthening of 1% in the relevant foreign currencies against the US dollar as at August 31, 2015, would be $34,484. A weakening of 1% in the relevant foreign currencies against the US dollar would have an equal and opposite impact on revenue.

Other price risk

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

10. Related parties and key management

Key management includes the Division's directors, senior officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

	From commencement of operations on September 3, 2014 to August 31, 2015
Balances:	
Cash compensation	**19,493**
Total compensation to key management	**19,493**

(Expressed in US dollars)

11. Income taxes

The reconciliation of the combined US federal and state statutory income tax rate of 39% to the effective tax rate is as follows:

	2015
Net income before income taxes	**444,362**
Expected income tax expense	**173,301**
Decrease in income taxes resulting from:	
Permanent differences	**3,003**
Income tax expense	**176,304**

Deferred tax

As of August 31, 2015, there were no material temporary differences.

12. Commitments and contingencies

Commitments

a) The Division has commitments under operating leases for its office space. The minimum lease payments due are as follows:

Fiscal year	
2016	**27,725**
2017	**28,787**
2018	**19,634**

13. Segmented information

Product information

The Division has one reportable segment as the Division's operations are substantially all related to the sales of vaporizers and accessories through ecommerce platforms.

Geographic information

The Division markets its products globally. Sales are attributed to countries based on the location of customers. Current assets other than financial instruments and deferred taxes are attributed to countries based on the location of the assets.

(Expressed in US dollars)

13. Segmented information (continued)

	From commencement of operations on September 3, 2014 to August 31, 2015
Revenue from external customers	
UK	**1,499,497**
Germany	**407,590**
Australia	**290,403**
Brazil	**226,696**
New Zealand	**157,991**
France	**143,847**
Italy	**142,195**
Netherlands	**127,570**
Sweden	**106,069**
Spain	**70,234**
Ireland	**62,442**
Austria	**58,361**
Denmark	**34,656**
US	**32,753**
South Africa	**26,846**
Israel	**26,089**
Other	**33,996**
Total	**3,447,235**

	As at August 31, 2015
Inventory by location	
UK	**312,335**
United States	**63,568**
Total	**375,903**

Customer information

The Division does not have any major customers representing more than 10% of total sales for the reporting segment.

14. Subsequent events

Pursuant to a Business Combination Agreement dated October 30, 2015 between Next Gen Metal Corp. (“Next Gen”), Dollinger Enterprises Ltd. (“Dollinger Enterprises”) and Dollinger Enterprises USA Inc. (“Dollinger USA”), Next Gen will acquire all of the issued and outstanding shares of Dollinger Canada, which will be entirely comprised of the Namaste Division, through a three-cornered amalgamation whereby Dollinger Canada, a company to be formed by Dollinger Enterprises to acquire all of the shares of Dollinger USA prior to the closing date, and Greenrush Analytical Laboratories Inc., a wholly owned subsidiary of Next Gen, will amalgamate upon the closing and the shareholders of Dollinger Canada will receive post-consolidated shares of Next Gen in exchange for their shares in Dollinger Canada.

The Business Combination Agreement was extended and revised on December 15, 2015.

Subsequent to the reporting period ended August 31, 2015, the Division reimbursed $95,000 of outstanding shareholder loan amount.

APPENDIX "N"

MANAGEMENT DISCUSSION AND ANALYSIS
DOLLINGER ENTERPRISES USA LTD. (NAMASTE VAPES DIVISION)
FOR THE PERIOD FROM THE COMMENCEMENT OF OPERATIONS ON SEPTEMBER 3, 2014 TO AUGUST 31, 2015

This "Management's Discussion and Analysis" ("MD&A") has been prepared as of January 26, 2016, and should be read in conjunction with the audited carve-out financial statements of the Namaste Vapes Division (the "Division") of Dollinger Enterprises USA Ltd. (the "Company") for the period from the commencement of operations on September 3, 2014 to August 31, 2015.

The Division's audited carve-out financial statements and the notes thereto have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in US dollars unless otherwise stated. All financial analysis, data and information set out in this MD&A are unaudited.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management's Discussion and Analysis for the Division is the responsibility of management and has been reviewed and approved by its Board of Directors. The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving Management's Discussion and Analysis.

FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements that are based upon current expectations which involve risks and uncertainties associated with the Division's business and the economic environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements, which are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. The forward- looking statements are not historical facts, but reflect the Division's current expectations regarding future results or events. Forward-looking statements contained in this MD&A are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed in the section "Risks and Uncertainties" below.

Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: management's goal of creating shareholder value; ability to fund future operating costs, and timing for future research and development of the Division's current and future technologies; management's outlook regarding commercialization of its Guru vaporizer; sensitivity analysis on financial instruments that may vary from amounts disclosed; prices and price volatility of the Company's products; and general business and economic conditions.

Readers are cautioned that the above factors are not exhaustive. Although management has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated.

Management believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.

The forward-looking information contained in this MD&A is provided as of the date hereof and management undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

DESCRIPTION OF THE BUSINESS

The Division is a global leader in vaporizer product distribution and manufacturing. The Division has over 30 e-commerce retail stores in 20 countries and aims to provide the best in class and most professional customer experience possible. NamasteVapes™'s retail sites offers one of the largest ranges of brand name vaporizers products on the market, which includes distribution partnerships with over 30 manufacturers providing some of the latest and most innovative products.

In addition to its e-commerce distribution business, the Division is actively developing and commercializing unique proprietary products for retail and wholesale distribution, including vaporizers, accessories and herbs. Recognized as a source of information and reviews on aromatherapy products, the Division has a unique market perspective and ability to design and engineer products that align with the current direction of the market. This business segment will be branded under the tradename GrizzlyOriginals™ and will include the upcoming launch of the Guru™, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herbs from a single portable unit.

Business Strategy of the Division

Management's business strategy is currently focused on a multi-pronged approach to diversify revenue streams including e-commerce distribution, product development and manufacturing, and wholesale activities. Management believes there is established and growing consumer demand for its products internationally and has developed strong sales channels in the United Kingdom and Continental Europe. The current expansion focus is as follows:

- The Division is currently entering into exclusive distribution agreements with leading manufactures of vaporizers. As the Division has arrangements with multiple warehouse facilities and an established e-commerce distribution network, this is a natural vertical for expansion on a wholesale and retail basis. The Division also will be expanding its e-commerce platform in new and established markets, including Mexico, Australia, Brazil and others.

- The Division has completed development and is proceeding with commercialization of its own proprietary product, the Guru™. This is the first vaporizer to seamlessly provide a solution to vaporize dry-herbs, concentrates and liquids. The product will be distributed through the Division's e-commerce platform as well as distribution agreements with international wholesalers that will provide entrance into the US market through established distribution channels. After this initial launch, the Division also plans on commercializing additional products to expand its propriety portfolio.

- The Division has identified several opportunities to expand by acquisition and is further evaluating opportunities with the objective of securing additional revenue and earnings as well as market and product exposure.

Operational Highlights

- Generated e-commerce revenue of $3,447,235 and net income of $268,058. Gross profit for the period was $1,511,489, a gross profit margin of 43.8%;

- Developed and launched over 30 e-commerce sites in over 20 countries, including customer support and service hubs with technical and language skills;

- Established fulfillment and logistics centers in key markets, including the United States, United Kingdom, and Australia;

- Established commercial relationships with over 30 manufactures and wholesale distributors of the leading vaporizer products globally;

- Designed and developed the Guru, a proprietary vaporizer unlike existing products currently on the market. The Guru is unique in that it functions with dry-herbs, waxes and concentrates and liquids; and

- Gained a reputation as a leading source of information and reviews on vaporizer products. Established a collection of Youtube videos and other social media blogs outlining the positives and negatives of the world's top vaporizers.

BASIS OF PRESENTATION

Basis of presentation and statement of compliance

The principal accounting policies adopted in the preparation of the carve-out financial statements are set out below.

These carve-out financial statement have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board which include International Accounting Standards and Interpretations (collectively IFRSs as issued by the IASB).

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also required management to exercise judgment in applying the Division's accounting policies. The areas where significant judgments and estimates have been made in preparing the carve-out financial statements and their effect are disclosed below.

The carve-out financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as explained in the accounting policies set out in *"Summary of Significant Accounting Polices"*.

Use of management estimates, judgments and measurement uncertainty

The preparation of these carve-out financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the carve-out financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these carve-out financial statements include:

- Working capital assets such as current assets and liabilities which were specifically identifiable based on the nature of the products purchased and sold were specifically attributable to the Division.
- Taxes payable was estimated based on the size of the Namaste Division's operations and the contribution of the Division's estimated earnings.
- General and administrative expenses were allocated based on management's best estimate of the Division's contribution to the overall operations of the Company as a whole and the amount of time spent operating this Division.
- Where costs were specifically attributable to the Namaste Division, they were allocated directly.
- Equity in the net assets is shown as a net investment in place of Shareholder's Equity because a direct ownership by shareholders in the Division does not exist.
- All excess cash flows are assumed to be distributed to the Parent Company and all cash flow deficiencies are assumed to be funded by the Parent Company through the net investment.

Management has determined the above judgments, estimates and assumptions reflected in these carve-out financial statements are reasonable.

New and revised standards

<u>New standards and interpretations to be adopted in future periods</u>

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

IAS 1 "Presentation of Financial Statements" was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The effective date is for annual periods beginning or after January 1, 2016. Entities may still choose to apply IAS 1 immediately, but are not required to do so. The Division is currently assessing the impact, if any, of adopting these amendments to IAS 1.

IFRS 9 “Financial Instruments” was issued in final form in July 2014 by the IASB and will replace IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however early adoption is permitted. The Division has not yet determined the impact of the amendments on its financial statements. The Division is currently assessing the impact, if any, of adopting IFRS 9.

IFRS 15 Revenue from Contracts with Customers. In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 specifies how and when to recognize revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18, Revenue, IAS 11, Construction Contracts, and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 must be applied in an entity’s first annual IFRS financial statements for periods beginning on or after January 1, 2018. Application of the standard is mandatory and early adoption is permitted. The Division has not yet determined the impact of the amendments on its financial statements. The Division is currently assessing the impact, if any, of adopting IFRS 15.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short term deposits with original maturities of three months or less. As at August 31, 2015, there were no cash equivalents.

Inventory

Inventory is valued at the lower of cost and net realizable value. The Division uses the weighted average method to track and cost inventory items. The inventory consists of vaporizers, vaporizer accessories, and therapeutic herbs. The inventory consists solely of goods currently available for sale and does not include any unfinished goods or work-in-progress.

Inventory is written down to net realizable value by item when a decline in the price of items indicates that the cost is higher than the net realizable value. When events having caused a decline in the valuation of inventories no longer exist, the amount of the write-down is reversed so that the new carrying amount is the lower of the cost and the revised net realizable value.

Accounts payable and accrued liabilities

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. Provisions are recognized when the Division has an obligation (legal or constructive) arising from a past event, and the Division has a present obligation, and the costs to settle this obligation are both probable and able to be reliably measured.

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 policy decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Revenue recognition

The Division derives its revenues from the online sales of vaporizers and accessories through e-commerce platforms. Revenue is recognized when goods are delivered and the significant risks and rewards of ownership and control have been transferred, the amount of revenue can be measured reliably, the receipt of economic benefits is probable and costs incurred can be measured reliably.

Revenues billed before date of delivery are accounted for as deferred.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. As of August 31, 2015, the Division did not have any finance leases.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Income taxes

Tax expense is recognized in the statement of profit and loss, except to the extent it relates to items directly in equity, in which case the related tax is recognized in equity.

Current 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.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Division does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

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 Division intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

Financial assets of the Division are comprised of cash, divisional receivable and due from related parties. The financial liabilities of the Division are comprised of accounts payable and accrued liabilities, and due to shareholder.

Financial assets and financial liabilities are recognized in the carve-out statement of financial position initially at fair value when the Division becomes a party to the contractual provisions of the financial instrument.

Financial assets

Financial assets are classified, at initial recognition, into one of the following categories:

- fair value through profit or loss;
- held-to-maturity investments;
- loans and receivables;
- available-for-sale financial assets; or
- derivatives designated as hedging instruments in an effective hedge.

Financial assets at fair value through profit or loss (“FVTPL”) include financial assets held for trading, and are classified as such if they are acquired for the purpose of selling or repurchasing in the near term, and those that are designated as such upon initial recognition when doing so results in more relevant information being presented. This category also includes derivative financial instruments entered into by the Division that are not designated as hedging instruments in an effective hedging relationship.

Financial assets are initially and subsequently measured at fair value with the exception of loans and receivables and investments that are held-to-maturity, which are subsequently measured at amortized cost using the effective interest rate method, less impairment.

Subsequent recognition of changes in fair value of financial assets re-measured at each reporting date at fair value depend on their initial classification. Financial assets at fair value through profit or loss are measured at fair value with all gains and losses included in net income in the period in which they arise. Available-for-sale financial assets are measured at fair value with gains and losses included in other comprehensive income until the asset is removed from the consolidated statement of financial position or until impaired.

Impairment of financial assets

At each reporting date, the Division assesses whether its financial assets are impaired. Impairment losses are recognized in the consolidated income statement when there is objective evidence that the financial assets are impaired. Financial assets are deemed to be impaired if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset(s) that can be reliably estimated.

Derecognition of financial assets

Financial assets are derecognized when the Division’s contractual rights to the cash flows from the respective assets have expired or have been transferred and the Division has neither exposure to the risks inherent in those assets nor entitlement to rewards from them.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Division are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, into one of the following categories:

- fair value through profit or loss;
- other financial liabilities measured at amortized cost; or
- derivatives designated as hedging instruments in an effective hedge.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term, and those that are designated as such upon initial recognition when doing so results in more relevant information being provided. This category includes derivative financial instruments entered into by the Division that are not designated as hedging instruments in an effective hedging relationship. Otherwise, they are considered as an other financial liability.

Financial liabilities at fair value through profit or loss are measured at fair value with all gains and losses included in net income in the period in which they arise. Other financial liabilities are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Division are recognized at the proceeds received, net of direct issue costs and applicable income taxes.

Foreign currency transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction or valuation where items are re-measured. Foreign denominated monetary assets and liabilities are translated to their US dollar equivalents using foreign exchange rates prevailing at the financial position reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. The carve-out financial statements are presented in US dollars, which is also the Division’s functional currency.

RESULTS OF OPERATIONS

The Company and Division commenced commercial operations on September 3, 2014.

During the period from the commencement of operations on September 3, 2014 to August 31, 2015, the Division focused on the e-commerce distribution and sale of vaporizers and accessories for aromatherapy purposes, with the objective of developing international distribution channels and producing a sustainable increase in inventory.

The table below sets forth selected annual information for the Division during the period from the commencement of operations on September 3, 2014 to August 31, 2015.

	From commencement of operations on September 3, 2014 to August 31, 2015 $
Revenue	3,447,235
Cost of goods sold	1,935,746
Gross profit	1,511,489
Advertising and promotion	351,931
Consulting fees	298,131
Salaries	141,488
Bank and credit card fees	94,388
Professional fees	38,620
Communications	33,985
General and administrative	30,854
Rent and rental services	31,318
Travel and vehicles	15,611
Repairs and maintenance	3,846
Net income (loss)	268,058
Total assets	686,088
Non-current liabilities	-
Current liabilities	315,238
Net investment	370,850

Revenue

The Division's revenue for the period from the commencement of operations on September 3, 2014 to August 31, 2015 was $3,447,235. This was period of commercial operations for the Division, with revenue first being recognized in September of 2014. Since then, revenue resulted from a steady customer base over the period. The majority of revenue was generated by several key markets, including the United Kingdom and Germany, which accounted for 55.3% of total revenue.

The table below summarizes the Division's revenue by country:

		Period from the Date of Incorporation (September 3, 2014) to August 31, 2015	Country Percentage of Total Revenue
Revenue from external customers			
UK	$	1,499,497	43.50%
Germany		407,590	11.82%
Australia		290,403	8.42%
Brazil		226,696	6.58%
New Zealand		157,991	4.58%
France		143,847	4.17%
Italy		142,195	4.12%
Netherlands		127,570	3.70%
Sweden		106,069	3.08%
Spain		70,234	2.04%
Ireland		62,442	1.81%
Austria		58,361	1.69%
Denmark		34,656	1.01%
US		32,753	0.95%
South Africa		26,846	0.78%
Israel		26,089	0.76%
Other		33,996	0.99%
Total	**$**	**3,447,235**	100.00%

Cost of Sales

Cost of sales includes all expenditures to purchase the product and deliver the product to the customer. This includes the purchase price less any discounts, import duties, shipment fees, storage and insurance. The Division uses the weighted average method to track and cost inventory items. The inventory consists of vaporizers, vaporizer accessories, and therapeutic herbs. The inventory consists solely of goods currently available for sale and does not include any unfinished goods or work-in-progress.

The Division's cost of sales for the period from the commencement of operations on September 3, 2014 to August 31, 2015 was $1,935,746, which resulted in a gross margin of $1,511,489. The gross margin generated by the Division is due to the mark-up of products sold to retail customers compared to the cost of securing the products from wholesale distributors and manufactures.

Operating Expenses

Advertising and promotion expenses for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $351,931. These expenditures relate to online search services provided by Google AdWords as well as other online promotional and social media tools utilized by the Division to generate sales. These costs further represent the Division's significant investment into search engine optimization and its ongoing customer acquisition strategy.

Consulting fees for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $298,131. These expenditures relate to compensation amounts paid to various companies and individuals for marketing and distribution services, customer service activities, and product development and research.

Salaries for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $141,488. These expenditures relate to management and administrative salaries in support of the operations of the Division, managing fulfillment and procurement, and general operating activities.

Bank and credit card fees for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $94,388. These expenditures include service and transaction fees to PayPal, Amex and commercial banks for processing incoming and outgoing orders from customers, suppliers and service providers, foreign transaction fees, and other bank service charges.

Professional fees for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $38,620. The expenditures relate to fees paid to accountants, lawyers and other professionals that provided services to the Division during the period.

Communication expenses for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $33,985. These expenditures relate to phone, internet and computer expenses.

General and administrative expenses for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $30,854. These expenditures relate to office supplies, licensing fees and other general operating expenses.

Rent and rental services for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $31,318. These expenditures relate to the Division's share of costs associated with the leasing of office space, janitorial services and utilities.

Travel and vehicles for the period from the commencement of operations on September 3, 2014 to August 31, 2015 were $15,611. These expenditures relate to costs associated with airfare, meals, fuel and other travel and vehicle related expenses.

Foreign exchange expense for the period from the commencement of operations on September 3, 2014 to August 31, 2015 was $26,955.

Financing

During the period from the commencement of operations on September 3, 2014 to August 31, 2015, the Division funded operations without any equity financing. As at August 31, 2015, the Division has an amount of $102,792 due to shareholder, which the Division utilized to fund near term liquidity requirements of the Division. Due to shareholder is non-interest bearing, unsecured, and payable within the upcoming fiscal year.

Liquidity

The Division's objective when managing its liquidity and capital structure are to generate sufficient cash to fund operating and organic growth requirements.

As at August 31, 2015, the Division has cash available of $128,536 as a result of profitable operations and shareholder loans to the Division. Working capital for the Division consists of current assets less current liabilities. As at August 31, 2015, the Division has suffice capital resources to satisfy its near term financial obligations.

The table below sets forth the cash and working capital position of the Division as at August 31, 2015.

	As at August 31, 2015 **$**
Cash	128,536
Working capital	370,850

The table below sets forth the Division's cash flows during the period from the commencement of operations on September 3, 2014 to August 31, 2015.

Net cash provided by:	**From commencement of operations on September 3, 2014 to August 31, 2015** **$**
Operating activities	25,744
Investing activities	-
Financing activities	102,792

Cash Provided by Operating Activities

The cash generated by operating activities of $25,744 was due to the profitable sale of products during the period from the commencement of operations on September 3, 2014 to August 31, 2015. During the period, changes in current assets resulted in a decline in operational of cash flow by $557,552 and changes in current liabilities generated an increase of $315,238, a net change in working capital of $(242,314). The majority of the increase in current assets consisted of an ending inventory balance increase of $375,903 and an amount due from a related party of $115,938. The majority of the increase in current liabilities consisted of income taxes payable of $176,304, consulting accruals of $48,500, and employee contributions of $34,706.

Cash Provided by Investing Activities

The Division did not have any cash provided by or used in investing activities for the period from the commencement of operations on September 3, 2014 to August 31, 2015.

Cash Provided by Financing Activities

The Division's cash provided by financing activities for the period from the commencement of operations on September 3, 2014 to August 31, 2015 consists of a due to shareholder amount of $102,792 as at August 31, 2015.

LIQUIDITY, FINANCING AND CAPITAL RESOURCES

The Division's capital is composed of debt and shareholders' equity. The Division utilizes cash flow from operations and shareholder loans to support development and continued operations and to meet liabilities and commitments as they come due. Specifically, the Division has accumulated earnings of $268,058 and working capital of $370,850 as at August 31, 2015. As at August 31, 2015, the Division has $102,792 of shareholder debt.

Capital Activities

The Division's objective for managing capital are: (i) to maintain a flexible capital structure which optimizes the cost/risk equation; and (ii) to manage capital in a manner which maximizes the interests of shareholders.

The Division manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Division's capital structure is managed in conjunction with the capital structure and financial needs of the day-to-day operations.

Management does not establish quantitative return on capital criteria, however management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Division, is appropriate. As at August 31, 2015, the Division is not subject to any externally imposed capital requirements.

The Division's principal capital needs are for funds to expand its market presence, design and develop propriety products, and general working capital requirements to support growth. Since formation of the Division, these capital needs have been funding utilizing internally-generated cash flows and the periodic use of credit facilities.

Related Party Transactions

The Division has an outstanding amount due from related party that is non-interest bearing, unsecured, and receivable within the upcoming fiscal year. As at August 31, 2015, due from related party totaled $115,938.

Compensation awarded to key management was $19,493 during the period. Key management includes the Division's directors, senior officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Financial Instruments

Fair value of financial instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level Two includes inputs that are observable other than quoted prices included in Level One.
- Level Three includes inputs that are not based on observable market data.

The Division has designated its cash as FVTPL, its due from related parties as loans and receivables, and its accounts payable and accrued liabilities and due to shareholder as other financial liabilities. All are recognized as Level One measurements.

As at August 31, 2015, both the carrying and fair value amounts of all of the Division's financial instruments are approximately equivalent due to their short term nature.

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

Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Division's credit risk is primarily attributable to cash, accounts receivable and due from related parties. The Division has no significant concentration of credit risk arising from operations. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and due from related parties is minimal. The Division’s maximum exposure to credit risk as at August 31, 2015 is the carrying value of cash.

Liquidity risk

Liquidity risk is the risk that the Division will encounter difficulty in satisfying its financial obligations. The Division manages its liquidity risk by forecasting it operations and anticipating its operating and investing activities. As at August 31, 2015, the Division has a current assets of $686,088 compared to current liabilities of $315,238. All amounts in current liabilities are due within one year.

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Division’s monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Division’s monetary assets and liabilities. The Division is not exposed to interest rate price risk.

Foreign currency risk

The Division buys inventory and sells products in several countries. The Division is exposed to foreign currency risk from fluctuations in foreign exchange rates and the degree of volatility in these rates due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Division does not use derivative instruments to reduce its exposure to foreign currency risk.

Transactions in foreign currencies are translated to the respective functional currencies at the spot rate on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in income.

The Division's exposure to foreign exchange risk of transactions and the effects on revenue as a result of a strengthening of 1% in the relevant foreign currencies against the US dollar as at August 31, 2015, would be $34,484. A weakening of 1% in the relevant foreign currencies against the US dollar would have an equal and opposite impact on revenue.

Other price risk

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

Off-Balance Sheet Arrangements

The Division does not have any off-balance sheet arrangements.

Seasonality

The Division does not consider its business to be seasonal.

Inflation and Changing Prices

Neither inflation nor changing prices for the period from the commencement of operations on September 3, 2014 to August 31, 2015 has a material impact on operations of the Division.

RECENT DEVELOPMENTS AND SUBSEQUENT EVENTS

Pursuant to a Business Combination Agreement dated October 30, 2015 between Next Gen Metal Corp. ("Next Gen"), Dollinger Enterprises Ltd. ("Dollinger Enterprises") and Dollinger Enterprises USA Inc. ("Dollinger USA"), Next Gen will acquire all of the issued and outstanding shares of Dollinger Canada through a three-cornered amalgamation whereby Dollinger Canada, a company to be formed by Dollinger Enterprises to acquire all of the shares of Dollinger USA prior to the closing date, and Greenrush Analytical Laborotories Inc., a wholly owned subsidiary of Next Gen, will amalgamate upon the closing and the shareholders of Dollinger Canada will receive post-consolidated shares of Next Gen in exchange for their shares in Dollinger Canada.

The Business Combination Agreement was extended and revised on December 15, 2015.

Subsequent to the reporting period ended August 31, 2015, the Division reimbursed $95,000 of outstanding shareholder loan amount.

RISK FACTORS

There are risks relating to the business carried on by the Division which prospective investors should carefully consider before deciding whether to purchase shares of the Division. The Division will face a number of challenges in the development of its business. Due to the nature of the Division's business and present stage of the business, the Division may be subject to significant risks. Readers should carefully consider all such risks and readers are strongly encouraged to review in its entirety the section in this Listing Statement entitled *Risk Factors.*

Appendix 0

Dollinger Enterprises USA Inc.
(Namaste Vapes Division)
Carve-Out Condensed Interim Financial Statements
For the three month period ended November 30, 2015
(Unaudited)

Dollinger Enterprises USA Inc. (Namaste Vapes Division)

Contents

For the three month period ended November 30, 2015
(Unaudited)

Page

Dollinger Enterprises USA Inc. (Namaste Vapes Division)
Carve-Out Condensed Interim Statements of Financial Position

For the three month period ended November 30, 2015
(Expressed in US dollars)
(Unaudited)

	November 30, 2015	***August 31, 2015***
Assets		
Current		
Cash	**115,633**	**128,536**
Prepaids and deposits	**29,735**	**4,735**
Inventory *(Note 4)*	**329,319**	**375,903**
Divisional receivable	**-**	**60,976**
Due from Dollinger Enterprises Ltd.	**119,000**	
Due from related party *(Note 5)*	**22,680**	**115,938**
Total assets	**616,367**	**686,088**
Liabilities		
Current		
Accounts payable and accrued liabilities *(Note 6)*	**121,618**	**138,934**
Taxes payable	**139,663**	**176,304**
Total Liabilities	**261,281**	**315,238**
Equity		
Net investment	**355,086**	**370,850**
Total Equity	**355,086**	**370,850**
	616,367	**686,088**

Approved on behalf of the Board of Directors on February 25, 2016:

"Sean Dollinger"
Director

The accompanying notes are an integral part of these Carve-Out Financial Statements

Dollinger Enterprises USA Inc. (Namaste Vapes Division)
Carve-Out Condensed Interim Statement of Loss and Comprehensive Loss
For the three months ended
(Expressed in US dollars)
(Unaudited)

	November 30, 2015	***November 30, 2014*** *(note 1)*
Sales	**878,361**	**840,191**
Cost of goods sold	**642,282**	**688,703**
Gross profit	**236,079**	**151,488**
Operating expenses		
Advertising and promotion	**87,713**	**95,957**
Consulting fees	**51,532**	**17,479**
Salaries	**49,907**	**40,882**
Bank and credit card fees	**33,484**	**43,901**
Professional fees	**56,367**	**11,265**
Communications	**35,926**	**14,913**
General and administrative	**5,071**	**14,266**
Rent and rental services	**11,398**	**7,226**
Travel and vehicles	**12,409**	**2,425**
Foreign exchange gain	**(16,580)**	**-**
	327,227	**248,314**
Loss before income taxes	**(91,148)**	**(96,826)**
Provision for income taxes (*Note 11*)	**36,641**	**37,762**
Net loss and comprehensive loss for the period	**(54,507)**	**(59,064)**

The accompanying notes are an integral part of these Carve-Out Financial Statements

Dollinger Enterprises USA Inc. (Namaste Vapes Division)
Carve-Out Condensed Interim Statement of Changes in Equity

For the period ended
(Expressed in US dollars)
(Unaudited)

	November 30, 2015	***August 31, 2015***
Balance at beginning of period	**370,850**	**-**
Due to shareholder *(Note 7)*	**38,743**	**102,792**
Net earnings (loss) and comprehensive income (loss) for the period	**(54,507)**	**268,058**
Balance at end of period	**355,086**	**370,850**

The accompanying notes are an integral part of these Carve-Out Financial Statements

Dollinger Enterprises USA Inc. (Namaste Vapes Division)
Carve-Out Condensed Interim Statement of Cash Flows

For the three months ended
(Expressed in US dollars)
(Unaudited)

	November 30, 2015	***November 30, 2014*** *(note 1)*
Cash provided by (used for) the following activities		
Operating activities		
Net earnings and comprehensive income	**(54,507)**	**(59,064)**
Changes in non-cash working capital items:		
Increase in current assets	**82,560**	**(454,805)**
Increase in accounts payable and accrued liabilities	**(17,316)**	**2,375**
Increase in taxes payable	**(36,641)**	**(31,036)**
	(25,904)	**(445,704)**
Financing activities		
Due to shareholder	**38,743**	**542,530**
Due from parent company	**(119,000)**	
Due to related party	**93,258**	
Increase in cash resources	**(12,903)**	**-**
Cash resources, beginning of period	**128,536**	**-**
Cash resources, end of period	**115,633**	**-**

The accompanying notes are an integral part of these Carve-Out Financial Statements

1. Nature of operations

The Namaste Vapes Division ("Namaste" or the "Division") as presented in these carve-out condensed interim financial statements is not a legal entity. The operations and related assets and liabilities are currently owned by Dollinger Enterprises USA Inc. (the "Company"), a company incorporated under the laws of the state of Florida on September 3, 2014. The Company's head office is located at 601 Heritage, Suite 212, Jupiter, Florida, USA 33458.

The Namaste Vapes Division of Dollinger Enterprises USA Inc. is an e-commerce business that distributes vaporizers and accessories for aromatherapy purposes. The Division is also designing with the intention to commercialize its own proprietary vaporizer products.

These condensed interim financial statements have been prepared on a carve-out basis and present the interim financial position, interim financial performance and interim cash flows of the Division had the Division been accounted for on a stand-alone basis, and includes the Division's share of assets, liabilities, revenues and expenses. The carve-out interim financial statements have been prepared due to the anticipated business combination agreement.

Pursuant to the business combination agreement (the "Agreement") dated October 30, 2015, and extended and revised on December 15, 2015, and again on February 12, 2016 between Next Gen Metals Inc. ("Next Gen"), Dollinger Enterprises Ltd. ("Dollinger Enterprises"), Dollinger Enterprises USA Inc. ("Dollinger USA"), and Green Rush Analytical Laboratories Inc. ("Green Rush"), Next Gen will acquire all of the issued and outstanding shares of Dollinger Canada, through a three-cornered amalgamation whereby prior to the Transaction, Dollinger Enterprises will transfer all of the shares it holds in Dollinger USA (its wholly owned subsidiary) and in Dollinger Enterprises Bahamas Ltd. (its wholly owned subsidiary) to a newly incorporated company, Dollinger Canada. Next Gen will then acquire all of the issued and outstanding shares of Dollinger Canada through a three cornered amalgamation whereby Dollinger Canada and Green Rush will amalgamate and the shareholders of Dollinger Canada will receive post consolidated shares of Next Gen in exchange for their shares of Dollinger Canada (the "Transaction").

Because the Division was part of a corporate group, these carve-out interim financial statements depict the Parent Company's net investment in net assets, representing the amount associated specifically with this Division. Management estimates, where necessary, have been used to prepare such allocations.

These carve-out condensed interim financial statements are not necessarily indicative of the results that would have been attained if the Division had been operated as a separate legal entity during the period presented and therefore are not necessarily indicative of future operating results.

The comparative period ended November 30, 2014 reflects the results of operations and cash flows for the period from the commencement of operations September 3, 2014 to November 30, 2014.

These carve-out condensed interim financial statements were approved and authorized by the Board of Directors of the Company on February 25, 2016.

2. Basis of preparation

2.1. Basis of presentation and statement of compliance

The principal accounting policies adopted in the preparation of the carve-out condensed interim financial statements are set out below. The carve-out condensed interim financial statements are presented in US dollars, which is also the Division's functional currency.

These carve-out condensed interim financial statements have been prepared in accordance with IAS 34, Interim reporting using accounting policies consistent with International Financial Reporting Standards, as issued by the International Accounting Standards Board and International Financing Reporting Interpretations Committee. These carve-out condensed interim financial statements should be read in conjunction with the Division's annual audited carve-out financial statements and notes thereto prepared for the period from commencement of operations on September 3, 2014 to August 31, 2015.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Division's accounting policies. The areas where significant judgments and estimates have been made in preparing the carve-out interim financial statements and their effect are disclosed below.

The carve-out condensed interim financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3.

2.2. Use of management estimates, judgments and measurement uncertainty

The preparation of these carve-out condensed interim financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the carve-out condensed interim financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these carve-out condensed interim financial statements include:

Working capital assets such as current assets and liabilities which were specifically identifiable based on the nature of the products purchased and sold were specifically attributable to the Division.

Taxes payable was estimated based on the size of the Division’s operations and the contribution of the Division’s estimated earnings.

General and administrative expenses were allocated based on management’s best estimate of the Division’s contribution to the overall operations of the Company as a whole and the amount of time spent operating this Division.

Where costs were specifically attributable to the Division, they were allocated directly. Equity in the net assets is shown as a net investment in place of Shareholder’s Equity because a direct ownership by shareholders in the Division does not exist.

All excess cash flows are assumed to be distributed to the Parent Company and all cash flow deficiencies are assumed to be funded by the Parent Company through the net investment.

Management has determined the above judgments, estimates and assumptions reflected in these carve-out condensed interim financial statements are reasonable.

2.3 New and revised standards

New standards and interpretations to be adopted in future periods

At the date of authorization of these carve-out condensed interim financial statements, the IASB and IFRS Interpretations Committee (IFRIC) have issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Division has not early adopted. However, the Division is currently assessing what impact the application of these standards or amendments will have on the carve-out interim financial statements.

IAS 1 “Presentation of Financial Statements” was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The effective date is for annual periods beginning or after January 1, 2016. Entities may still choose to apply IAS 1 immediately, but are not required to do so.

IFRS 9 “Financial Instruments” was issued in final form in July 2014 by the IASB and will replace IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages

2. Basis of preparation (continued)

its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial

2.3 New and revised standards (continued)

statements. The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however early adoption is permitted.

IFRS 15 Revenue from Contracts with Customers. In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. IFRS 15 specifies how and when to recognize revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18, Revenue, IAS 11, Construction Contracts, and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 must be applied in an entity's first annual IFRS financial statements for periods beginning on or after January 1, 2018.

3. Summary of significant accounting policies

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and short term deposits with original maturities of three months or less. As at November 30, 2015 and as at August 31, 2015, there were no cash equivalents.

3.2 Inventory

Inventory is valued at the lower of cost and net realizable value. The Division uses the weighted average method to track and cost inventory items. The inventory consists of vaporizers, vaporizer accessories, and therapeutic herbs. The inventory consists solely of goods currently available for sale and does not include any unfinished goods or work-in-progress.

Inventory is written down to net realizable value by item when a decline in the price of items indicates that the cost is higher than the net realizable value. When events having caused a decline in the valuation of inventories no longer exist, the amount of the write-down is reversed so that the new carrying amount is the lower of the cost and the revised net realizable value.

3.3 Accounts payable and accrued liabilities

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. Provisions are recognized when the Division has an obligation (legal or constructive) arising from a past event, and the Division has a present obligation, and the costs to settle this obligation are both probable and able to be reliably measured.

3.4 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 policy decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

3.5 Revenue recognition

The Division derives its revenues from the online sales of vaporizers and accessories through e-commerce platforms. Revenue is recognized when goods are delivered and the significant risks and rewards of ownership and control have been transferred, the amount of revenue can be measured reliably, the receipt of economic benefits is probable and costs incurred can be

measured reliably.

Revenues billed before date of delivery are accounted for as deferred.

3.6 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. As of November 30, 2015 and August 31, 2015, the Division did not have any finance leases.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.7 Income taxes

Tax expense is recognized in the statement of profit and loss, except to the extent it relates to items directly in equity, in which case the related tax is recognized in equity.

Current 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.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Division does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

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 Division intends to settle its current tax assets and liabilities on a net basis.

3.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

Financial assets of the Division are comprised of cash, divisional receivable and due from related parties. The financial liabilities of the Division are comprised of accounts payable and accrued liabilities, and due to shareholder.

Financial assets and financial liabilities are recognized in the carve-out statement of financial position initially at fair value when the Division becomes a party to the contractual provisions of the financial instrument.

3.9 Financial assets

Financial assets are classified, at initial recognition, into one of the following categories:

- fair value through profit or loss;
- held-to-maturity investments;

3. Summary of significant accounting policies (continued)

3.9 Financial assets (continued)

- loans and receivables;
- available-for-sale financial assets; or
- derivatives designated as hedging instruments in an effective hedge.

Financial assets at fair value through profit or loss ("FVTPL") include financial assets held for trading, and are classified as such if they are acquired for the purpose of selling or repurchasing in the near term, and those that are designated as such upon initial recognition when doing so results in more relevant information being presented. This category also includes derivative financial instruments entered into by the Division that are not designated as hedging instruments in an effective hedging relationship.

Financial assets are initially and subsequently measured at fair value with the exception of loans and receivables and investments that are held-to-maturity, which are subsequently measured at amortized cost using the effective interest rate method, less impairment.

Subsequent recognition of changes in fair value of financial assets re-measured at each reporting date at fair value depend on their initial classification. Financial assets at fair value through profit or loss are measured at fair value with all gains and losses included in net income in the period in which they arise. Available-for-sale financial assets are measured at fair value with gains and losses included in other comprehensive income until the asset is removed from the consolidated statement of financial position or until impaired.

3.10 Impairment of financial assets

At each reporting date, the Division assesses whether its financial assets are impaired. Impairment losses are recognized in the consolidated income statement when there is objective evidence that the financial assets are impaired. Financial assets are deemed to be impaired if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset(s) that can be reliably estimated.

3.11 Derecognition of financial assets

Financial assets are derecognized when the Division's contractual rights to the cash flows from the respective assets have expired or have been transferred and the Division has neither exposure to the risks inherent in those assets nor entitlement to rewards from them.

3.12 Financial liabilities and equity instruments

Debt and equity instruments issued by the Division are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, into one of the following categories:

- fair value through profit or loss;
- other financial liabilities measured at amortized cost; or
- derivatives designated as hedging instruments in an effective hedge.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term, and those that are designated as such upon initial recognition when doing so results in more relevant information being provided. This category includes derivative financial instruments entered into by the Division that are not designated as hedging instruments in an effective hedging relationship. Otherwise, they are considered as an other financial liability.

Financial liabilities at fair value through profit or loss are measured at fair value with all gains and losses included in net income

3. Summary of significant accounting policies (continued)

3.13 Foreign currency transactions

in the period in which they arise. Other financial liabilities are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Division are recognized at the proceeds received, net of direct issue costs and applicable income taxes.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction or valuation where items are re-measured. Foreign denominated monetary assets and liabilities are translated to their US dollar equivalents using foreign exchange rates prevailing at the financial position reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. The carve-out condensed interim financial statements are presented in US dollars, which is also the Division's functional currency.

4. Inventory

All inventory consists of finished goods.

The cost of inventory recognized as an expense and included in cost of goods sold for the period ended November 30, 2015 is $497,514 (November 30, 2014 - $607,956).

5. Due from related party

Due from related party is non-interest bearing, unsecured, and receivable within the upcoming fiscal year. The related party is an entity that is controlled by a family relationship of a Director of the Company.

6. Accounts payable and accrued liabilities

	As at November 30, 2015	***As at August 31, 2015***
Consulting accrual	**-**	**48,500**
Employee contributions payable	**34,706**	**34,706**
Vendor payable	**33,366**	**-**
Audit accrual	**41,500**	**26,600**
Rent payable and leasehold inducements	**9,860**	**9,860**
Payroll accrual	**1,389**	**5,698**
Deferred revenue	**797**	**4,424**
Other accounts payable	**-**	**9,146**

(Expressed in US dollars)

Total	**121,618**	**138,934**

7. Due to Shareholder

Due to shareholder is non-interest bearing, unsecured, and payable within the upcoming fiscal year.

8. Capital Management

Capital structure financial policy

The Division's capital is composed of debt and equity. As at November 30, 2015, the Division has $141,535 (August 31, 2015 - $102,792) of shareholder debt.

The Division's objective for managing capital are: (i) to maintain a flexible capital structure which optimizes the cost/risk equation; and (ii) to manage capital in a manner which maximizes the interests of shareholders.

The Division manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Division's capital structure is managed in conjunction with the capital structure and financial needs of the day-to-day operations. The Division currently funds the working capital requirements out of its internally-generated cash flows and the periodic use of credit facilities.

Management does not establish quantitative return on capital criteria, however management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Division, is appropriate. As at November 30, 2015, the Division is not subject to any externally imposed capital requirements.

9. Financial instruments

Fair value of financial instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level Two includes inputs that are observable other than quoted prices included in Level One.
- Level Three includes inputs that are not based on observable market data.

The Division has designated its cash as FVTPL and its divisional receivable and due from related parties as loans and receivables. Its accounts payable and accrued liabilities and due to shareholder have been designated as other financial liabilities.

As at November 30, 2015, both the carrying and fair value amounts of all of the Division's financial instruments are approximately equivalent due to their short term nature.

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Division's credit risk is primarily attributable to cash, accounts receivable and due from related parties. The Division has no significant concentration of credit risk arising from operations. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and due from related parties is minimal. The Division's maximum exposure to credit risk as at November 30, 2015 is the carrying value of cash.

Liquidity risk

Liquidity risk is the risk that the Division will encounter difficulty in satisfying its financial obligations. The Division manages its liquidity risk by forecasting it operations and anticipating its operating and investing activities. As at November 30, 2015, the Division had current assets of $616,367 compared to current liabilities of $261,281. All amounts in current liabilities are due within one year.

(Expressed in US dollars)

9. Financial instruments (continued)

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Division's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Division's monetary assets and liabilities. The Division is not exposed to interest rate price risk.

Foreign currency risk

The Division buys inventory and sells products in several countries. The Division is exposed to foreign currency risk from fluctuations in foreign exchange rates and the degree of volatility in these rates due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Division does not use derivative instruments to reduce its exposure to foreign currency risk.

Transactions in foreign currencies are translated to the respective functional currencies at the spot rate on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in income.

The Division's exposure to foreign exchange risk of transactions and the effects on revenue as a result of a strengthening of 1% in the relevant foreign currencies against the US dollar as at November 30, 2015, would be $8,784. A weakening of 1% in the relevant foreign currencies against the US dollar would have an equal and opposite impact on revenue.

Other price risk

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

10. Related parties and key management

Key management includes the Division's directors, senior officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

	November 30, 2015	November 30, 2014
Balances:		
Cash compensation	**22,120**	**-**
Total compensation to key management	**22,120**	**-**

(Expressed in US dollars)

11. Income taxes

The reconciliation of the combined US federal and state statutory income tax rate of 39% to the effective tax rate is as follows:

	November 30, 2015	*November 30, 2014*
Net loss before income taxes	**(91,148)**	**(96,826)**
Expected income tax expense (recovery)	**(36,641)**	**(37,762)**
Decrease in income taxes resulting from:		
Permanent differences	**-**	**-**
Income tax expense	**(36,641)**	**(37,762)**

Deferred tax

As of November 30, 2015, there were no material temporary differences.

12. Commitments and contingencies

Commitments

a) The Division has commitments under operating leases for its office space. The minimum lease payments due are as follows:

Fiscal year	
2016	**27,725**
2017	**28,787**
2018	**19,634**

13. Segmented information

Product information

The Division has one reportable segment as the Division's operations are substantially all related to the sales of vaporizers and accessories through ecommerce platforms.

Geographic information

The Division markets its products globally. Sales are attributed to countries based on the location of customers. Current assets other than financial instruments and deferred taxes are attributed to countries based on the location of the assets.

(Expressed in US dollars)

13. Segmented information (continued)

	November 30, 2015	November 30, 2014
Revenue from external customers		
UK	**486,464**	**274,834**
Germany	**65,575**	**97,511**
Australia	**30,039**	**93,833**
Brazil	**62,378**	**-**
New Zealand	**69,850**	**40,982**
France	**23,143**	**58,472**
Italy	**22,877**	**44,274**
Netherlands	**20,524**	**32,325**
Sweden	**15,154**	**28,049**
Austria	**-**	**13,043**
Ireland	**-**	**-**
Canada	**5,078**	**8,765**
Denmark	**3,601**	**-**
US	**62,115**	**10,058**
South Africa	**1,812**	**4,604**
Israel	**5,891**	**-**
Other	**3,860**	**133,441**
Total	**878,361**	**840,191**

	November 30, 2015	*August 31, 2015*
Inventory by location		
UK	**261,182**	**312,335**
Australia	**29,672**	
United States	**38,465**	**63,568**
Total	**329,319**	**375,903**

Customer information

The Division does not have any major customers representing more than 10% of total sales for the reporting segment.

14. Subsequent events

Pursuant to a Business Combination Agreement dated October 30, 2015 between Next Gen Metal Corp. ("Next Gen"), Dollinger Enterprises Ltd. ("Dollinger Enterprises") and Dollinger Enterprises USA Inc. ("Dollinger USA"), Next Gen will acquire all of the issued and outstanding shares of Dollinger Canada, which will be entirely comprised of the Namaste Division, through a three-cornered amalgamation whereby Dollinger Canada, a company to be formed by Dollinger Enterprises to acquire all of the shares of Dollinger USA prior to the closing date, and Greenrush Analytical Laboratories Inc., a wholly owned subsidiary of Next Gen, will amalgamate upon the closing and the shareholders of Dollinger Canada will receive post-consolidated shares of Next Gen in exchange for their shares in Dollinger Canada.

The Business Combination Agreement was extended and revised on December 15, 2015 and again on February 12, 2016.

As of December 24, 2015, Next Gen completed a non-brokered private placement of subscription receipts, consisting of a unit

14. Subsequent events (continued)

offering and concurrent common share offering for total gross proceeds of CA$1,213,975.

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

DOLLINGER ENTERPRISES USA INC. (NAMASTE VAPES DIVISION)

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This "Management's Discussion and Analysis" ("MD&A") has been prepared as at February 8, 2016, and should be read in conjunction with the carve-out condensed interim financial statements of the Namaste Vapes Division (the "Division") of Dollinger Enterprises USA Inc. (the "Company") for the period from September 1, 2015 to November 30, 2015.

The Division's carve-out condensed interim financial statements and the notes thereto have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in US dollars unless otherwise stated. All financial analysis, data and information set out in this MD&A are unaudited.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management's Discussion and Analysis for the Division is the responsibility of management and has been reviewed and approved by its Board of Directors. The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving Management's Discussion and Analysis.

FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements that are based upon current expectations which involve risks and uncertainties associated with the Division's business and the economic environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements, which are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. The forward- looking statements are not historical facts, but reflect the Division's current expectations regarding future results or events. Forward-looking statements contained in this MD&A are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed in the section "Risks and Uncertainties" below.

Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: management's goal of creating shareholder value; ability to fund future operating costs, and timing for future research and development of the Division's current and future technologies; management's outlook regarding commercialization of its Guru vaporizer; sensitivity analysis on financial instruments that may vary from amounts disclosed; prices and price volatility of the Company's products; and general business and economic conditions.

Readers are cautioned that the above factors are not exhaustive. Although management has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated.

Management believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.

The forward-looking information contained in this MD&A is provided as of the date hereof and management undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

DESCRIPTION OF THE BUSINESS

The Division is a global leader in vaporizer product distribution and manufacturing. The Division has over 30 e-commerce retail stores in 20 countries and aims to provide the best in class and most professional customer experience possible. NamasteVapes™'s retail sites offers one of the largest ranges of brand name vaporizers products on the market, which includes distribution partnerships with over 30 manufacturers providing some of the latest and most innovative products.

In addition to its e-commerce distribution business, the Division is actively developing and commercializing unique proprietary products for retail and wholesale distribution, including vaporizers, accessories and herbs. Recognized as a source of information and reviews on aromatherapy products, the Division has a unique market perspective and ability design and engineer products that align with the current direction of the market. This business segment will be branded under the tradename GrizzlyOriginals™ and includes the current commercialization of the Guru™, an enhanced vaporizer capable of seamlessly vaporizing liquids, concentrates and dry herbs from a single portable unit. The Division has pre-sold approximately 50 units of the Guru.

Business Strategy of the Division

Management's business strategy is currently focused on a multi-pronged approach to diversify revenue streams including e-commerce distribution, product development and manufacturing, and wholesale activities. Management believes there is established and growing consumer demand for its products internationally and has developed strong sales channels in the United Kingdom and Continental Europe. The current expansion focus is as follows:

- The Division is currently entering into exclusive distribution agreements with leading manufactures of vaporizers. As the Division has arrangements with multiple warehouse facilities and an established e-commerce distribution network, this is a natural vertical for expansion on a wholesale and retail basis. The Division also will be expanding its e-commerce platform in new and established markets, including Mexico, Australia, Brazil and others.

- The Division has completed development and is proceeding with commercialization of its own proprietary product, the Guru™. This is the first vaporizer to seamlessly provide a solution to vaporize dry-herbs, concentrates and liquids. The product will be distributed through the Division's e-commerce platform as well as distribution agreements with international wholesalers that will provide entrance into the US market through established distribution channels. After this initial launch, the Division also plans on commercializing additional products to expand its propriety portfolio.

- The Division has identified several opportunities to expand by acquisition and is further evaluating opportunities with the objective of securing additional revenue and earnings as well as market and product exposure.

Operational Highlights

- Generated e-commerce revenue of $878,361 and a net loss of $54,507. Gross profit for the period was $236,079, a gross profit margin of 27%;

- Maintained and further enhanced over 30 e-commerce sites in 20 countries, including enhancement of customer support and service hubs with technical and language skills;

- Further streamlined fulfillment and logistics centers in key markets, including the United States, United Kingdom, and Australia;

- Negotiated commercial relationships with select manufactures and wholesale distributors of the leading vaporizer products globally;

- Launched the commercialization process for the Guru, a proprietary vaporizer unlike existing products currently on the market. The Guru is unique in that it functions with dry-herbs, waxes and concentrates and liquids; and

- Generated dozens of reviews on vaporizer products. Established a collection of Youtube videos and other social media blogs outlining the positives and negatives of the world's top vaporizers.

RESULTS OF OPERATIONS

The Company and Division commenced commercial operations on September 3, 2014. Unless otherwise indicated, and all comparisons to the first quarter of fiscal 2015 are for period from the commencement of operations on September 3, 2014 through November 30, 2014.

During the period from September 1, 2015 to November 30, 2015, the Division focused on the e-commerce distribution and sale of vaporizers and accessories for aromatherapy purposes, with the objective of further developing international distribution channels. In addition to its e-commerce focus, the Division completed development of the Guru and is actively negotiating wholesale arrangements for the US and international markets. This includes further streamlining manufacturing processes and cost controls and generating a social media following with leading portals and sources of industry information.

Summary of quarterly results

The following table sets out selected unaudited quarterly financial information for the quarters ended November 30, 2014 and November 30, 2015.

	Three Months Ended	
	November 30, 2015 $	**November 30, 2014 $**
Revenue	878,361	840,191
Cost of goods sold	642,282	688,703
Gross Profit	236,079	151,488
Expenses		
Advertising and promotion	87,713	95,957
Consulting fees	51,532	17,479
Salaries	49,907	40,882

Bank and credit card fees	33,484	43,901
Professional fees	56,367	11,265
Communications	35,926	14,913
General and administrative	5,071	14,266
Rent and rental services	11,398	7,226
Travel and vehicle	12,409	2,425
Net loss	(91,148)	(96,826)
Total assets	616,367	454,805
Non-current liabilities	-	-
Current liabilities	261,281	9,101
Equity	355,086	445,704

Revenue

The Division's revenue for the first quarter ending November 30, 2015 was $5,368,944 (2014 – $841,290) and a foreign exchange loss of $4,490,583 (2014 – ($1,098)) for a total of $878,361 (2014 – $840,191). Revenue for the three month period ended November 30, 2015 increased by 5% as compared to the three month period ended November 30, 2014. This increase is due to the continued expansion of the Namaste brand and recognized expertise and loyalty of the Division's customers. The majority of revenue was generated by several key markets, including the United Kingdom and Germany, which accounted for 62% of total revenue.

The table below summarizes the Division's revenue by country:

	September 1, 2015 to November 30, 2015	**Country Percentage of Total Revenue**	**September 1, 2014 to November 30, 2014**	**Country Percentage of Total Revenue**
Revenue from external customers				
UK	$ 486,464.02	55.4%	$ 274,834.62	32.71%
Germany	65,575.00	7.5%	97,511.09	11.61%
Australia	30,038.95	3.4%	93,833.17	11.17%
Brazil	62,378.23	7.1%	-	0%
New Zealand	69,850.62	8.0%	40,981.85	4.88%
France	23,142.79	2.6%	58,471.54	6.96%
Italy	22,877.01	2.6%	44,274.22	5.27%
Netherlands	20,524.07	2.3%	32,325.15	3.85%
Sweden	15,153.88	1.7%	28,048.58	3.34%
Austria	-	0.0%	13,043.20	0%
Denmark	3,601.42	0.4%	-	0%
US	62,114.84	7.1%	10,058.09	1.2%
South Africa	1,811.63	0.2%	4,603.58	1%

Israel	5,890.88	0.7%	-	0%
Canada	5,079.69	0.6%	8,765.19	1%
Other	3,859.55	0.4%	133,441.40	17.01%
Total	$ 878,360.58	100.0%	$ 840,191.00	100%

Cost of Sales

Cost of sales includes all expenditures to purchase the product and deliver the product to the customer. This includes the purchase price less any discounts, import duties, shipment fees, storage and insurance. The Division uses the weighted average method to track and cost inventory items. The inventory consists of vaporizers, vaporizer accessories, and therapeutic herbs. The inventory consists solely of goods currently available for sale and does not include any unfinished goods or work-in-progress.

The Division's cost of sales for the period from September 1, 2015 to November 30, 2015 was $642,282 (2014 – $688,703), which resulted in a gross margin of $236,079 (2014 – $151,488). The gross margin generated by the Division is due to the mark-up of products sold to retail customers compared to the cost of securing the products from wholesale distributors and manufactures.

Operating Expenses

Advertising and promotion expenses for the first quarter ending November 30, 2015 were $87,713 (2014 – $95,957). These expenditures relate to online search services provide by Google AdWords as well as other online promotional and social media tools utilized by the Division to generate sales. These costs further represent the Division's significant investment into search engine optimization and its ongoing customer acquisition strategy.

Consulting fees for the first quarter ending November 30, 2015 were $51,532 (2014 - $17,749). These expenditures relate to compensation amounts paid to various companies and individuals for marketing and distribution services, customer service activities, and product development and research.

Salaries for the first quarter ending November 30, 2015 were $49,907 (2014 - $40,882). These expenditures relate to management and administrative salaries in support of the operations of the Division, managing fulfillment and procurement, and general operating activities.

Bank and credit card fees for the first quarter ending November 30, 2015 were $33,484 (2014 - $43,901). These expenditures include service and transaction fees to PayPal, Amex and commercial banks for processing incoming and outgoing orders from customers, suppliers and service providers, foreign transaction fees, and other bank service charges.

Professional fees for the first quarter ending November 30, 2015 were $56,367 (2014 - $11,265). The expenditures relate to fees paid to accountants, lawyers and other professionals that provided services to the Division during the period.

Communication expenses for the first quarter ending November 30, 2015 were $35,840 (2014 - $14,913). These expenditures relate to phone, internet and computer expenses.

General and administrative expenses for the first quarter ending November 30, 2015 were $5,071 (2014 - $14,266). These expenditures relate to office supplies, licensing fees and other general operating expenses.

Rent and rental services for the first quarter ending November 30, 2015 were $11,398 (2014 - $7,226). These expenditures relate to the Division's share of costs associated with the leasing of office space, janitorial services and utilities.

Travel and vehicles for the first quarter ending November 30, 2015 were $12,409 (2014 - $2,425). These expenditures relate to costs associated with airfare, meals, fuel and other travel and vehicle related expenses.

Foreign exchange gain for the first quarter ending November 30, 2015 was $16,580 due to the conversion of the operations at the average exchange rate for the period.

Financing

During the first quarter ending November 30, 2015, the Division funded operations without any equity financing. As at November 30, 2015, the Division has shareholder net investment amount of $355,086, which the Division utilized to fund near term liquidity requirements of the Division. Due to shareholder is non-interest bearing, unsecured, and payable within the upcoming fiscal year.

Liquidity

The Division's objective when managing its liquidity and capital structure are to generate sufficient cash to fund operating and organic growth requirements.

As at November 30 2015, the Division has cash of $115,633 as a result of receivables, loans from related parties and shareholder loans to the Division. Working capital for the Division consists of current assets less current liabilities. As at November 30, 2015, the Division has suffice capital resources to satisfy its near term financial obligations.

The table below sets forth the cash and working capital position of the Division as at November 30, 2015.

	As at November 30, 2015 $
Cash	$115,633
Working capital	$355,086

The table below sets forth the Division's cash flows for the first quarter ended November 30, 2015.

	September 1, 2015 to November 30, 2015	**September 1, 2014 to November 30, 2014**
Net cash provided by:		
Operating activties	$ (25,904)	$ (445,704)
Investing activities	$ -	$ -
Financing activities	$ 13,001	$ 542,530

Cash Provided by Operating Activities

The cash utilized by operating activities of $25,904 was due to the net loss from sale of products during the first quarter ended November 30, 2015. During the period, changes in current assets resulted in an increase in operational cash flow by $82,560 and changes in current liabilities generated a decrease of $53,957, a net change in working capital of $28,603. The majority of the increase in current assets consisted of collections of the divisional receivable. The majority of the decrease in current liabilities consisted of repaying a vendor payable of $17,316 and taxes payable of $36,641.

Cash Provided by Investing Activities

The Division did not have any cash provided by or used in investing activities for the September 1, 2015 to November 30, 2015.

Cash Provided by Financing Activities

The Division's cash provided by financing activities for the first quarter ending November 30, 2015 consists of a loans payable for $13,001.

LIQUIDITY, FINANCING AND CAPITAL RESOURCES

The Division's capital is composed of debt and shareholders' equity. The Division utilizes cash flow from operations and shareholder loans to support development and continued operations and to meet liabilities and commitments as they come due. Specifically, the Division has accumulated earnings of $355,086 and working capital of $355,086 as September 30, 2015. As at September 30, 2015, the Division has $141,535 of shareholder debt.

Capital Activities

The Division's objective for managing capital are: (i) to maintain a flexible capital structure which optimizes the cost/risk equation; and (ii) to manage capital in a manner which maximizes the interests of shareholders.

The Division manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Division's capital structure is managed in conjunction with the capital structure and financial needs of the day-to-day operations.

Management does not establish quantitative return on capital criteria, however management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Division, is appropriate. As at November 30, 2015, the Division is not subject to any externally imposed capital requirements.

The Division's principal capital needs are for funds to expand its market presence, design and develop propriety products, and general working capital requirements to support growth. Since formation of the Division, these capital needs have been funding internally-generated cash flows and the periodic use of credit facilities.

Related Party Transactions

The Division has an outstanding amount due from related party that is non-interest bearing, unsecured, and receivable within the upcoming fiscal year. As at November 30, 2015, due form related party totaled $141,680.

Compensation awarded to key management was $22,120 during the period. Key management includes the Division's directors, senior officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Financial Instruments

Financial Instruments – Recognition and Measurement

All financial assets and financial liabilities are initially recognized at fair value. The fair value of financial instruments are measured using inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level One includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level Two includes inputs that are observable other than quoted prices included in Level One.
- Level Three includes inputs that are not based on observable market data.

The Division has designated the following classifications:

- Cash – Held-for-trading
- Accounts receivable – Loans and receivables
- Due from related parties – Loans and receivables
- Accounts payable and accrued liabilities – Other liabilities
- Due to shareholder – Other liabilities
- Loan payable – Other liabilities

All are recognized as Level One measurements.

As at November 30, 2015, both the carrying and fair value amounts of all of the Division's financial instruments are approximately equivalent due to their short term nature.

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Division's credit risk is primarily attributable, accounts receivable and due from related parties. The Division has no significant concentration of credit risk arising from operations. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to accounts receivable and due from related parties is minimal. The Division's maximum exposure to credit risk as at November 30, 2015 is the carrying value of cash.

Liquidity risk

Liquidity risk is the risk that the Division will encounter difficulty in satisfying its financial obligations. The Division manages its liquidity risk by forecasting it operations and anticipating its operating and investing activities. As at November 30, 2015, the Division has current assets of $616,367 compared to current liabilities of $261,281. All amounts in current liabilities are due within one year.

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Division's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Division's monetary assets and liabilities. The Division is not exposed to interest rate price risk.

Foreign currency risk

The Division buys inventory and sells products in several countries. The Division is exposed to foreign currency risk from fluctuations in foreign exchange rates and the degree of volatility in these rates due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Division does not use derivative instruments to reduce its exposure to foreign currency risk.

Transactions in foreign currencies are translated to the respective functional currencies at the spot rate on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in income.

The Division's exposure to foreign exchange risk of transactions and the effects on revenue as a result of a strengthening of 1% in the relevant foreign currencies against the US dollar as at November 30, 2015, would be $8,784. A weakening of 1% in the relevant foreign currencies against the US dollar would have an equal and opposite impact on revenue.

Other price risk

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

Off-Balance Sheet Arrangements

The Division does not have any off-balance sheet arrangements.

Seasonality

The Division does not consider its business to be seasonal with the exception for Black Friday sales. During the first quarter ending November 30, 2015, sales from online shopping during Black Friday and Cyber Monday contributed to a lower gross margin than normally obtained.

Inflation and Changing Prices

Neither inflation nor changing prices for the period from September 1, 2015 to November 30, 2015 has a material impact on operations of the Division.

RECENT DEVELOPMENTS AND SUBSEQUENT EVENTS

Pursuant to a Business Combination Agreement dated October 30, 2015 between Next Gen Metals Inc . ("Next Gen"), Dollinger Enterprises Ltd. ("Dollinger Enterprises") and Dollinger Enterprises USA Inc. ("Dollinger USA"), Next Gen will acquire all of the issued and outstanding shares of a newly incorporated company ("Dollinger Canada"), which will be entirely comprised of the Namaste Division, through a three-cornered amalgamation whereby Dollinger Canada, a company to be formed by Dollinger Enterprises to acquire all of the shares of Dollinger USA prior to the closing date, and Greenrush Analytical Laboratories Inc., a wholly owned subsidiary of Next Gen, will amalgamate upon the closing and the shareholders of Dollinger Canada will receive post-consolidated shares of Next Gen in exchange for their shares in Dollinger Canada (the "Transaction").

The Business Combination Agreement was extended and revised on December 15, 2015 and again on February 12, 2016.

As of December 24, 2015, Next Gen completed a non-brokered private placement of subscription receipts, consisting of a unit offering and concurrent common share offering for total gross proceeds of CA$1,213,975.

RISK FACTORS

There are risks relating to the business carried on by the Division which prospective investors should carefully consider before deciding whether to purchase shares of the Division. The Division will face a number of challenges in the development of its business. Due to the nature of the Division's business and present stage of the business, the Division may be subject to significant risks. Readers should carefully consider all such risks and readers are strongly encouraged to review in its entirety the section in this Listing Statement entitled Risk Factors.

APPENDIX "Q"
PRO FORMA CONSOLIDATED
STATEMENT OF FINANCIAL POSITION OF THE RESULTING ISSUER
(UNAUDITED)

PRO FORMA BALANCE SHEET (expressed in USD)	Next Gen CAD (As at September 30, 2015)	Next Gen USD (As at September 30, 2015)	Namaste USD (As at August 31, 2015)	Notes	Adjustments USD	Pro Forma USD
ASSETS						
Cash	10,229	7,748	128,536	2(b)	-102,792	
				2(c)	-25,744	
				2(d)	-48,369	
				2(e)	60,600	
				2(f)	272,701	
				2(f)	646,886	
				2(g)	-25,054	
				2(h)	-72,341	842,171
Accounts receivable	1,281	970	60,976	2(c)	-60,976	970
Short term investments	300	227				227
Prepaid expenses			4,735			4,735
Inventory			375,903			375,903
Due form related party			115,938	2(c)	-115,938	
	11,810	**8,946**	**686,088**		**631,764**	**1,224,006**
Long-term investments	1	1				1
PP&E	4,234	3,207				3,207
	16,045	**12,154**	**686,088**		**631,764**	**1,227,214**
LIABILITIES						
Trade payables and accrued liabilities	17,208	13,035	138,934	2(d)	-13,035	138,934
Taxes payable			176,304	2(b)	-176,304	
Due to shareholder	46,646	35,334	102,792	2(b)	-102,792	
				2(d)	-35,334	
	63,854	**48,369**	**418,030**		**-292,131**	**138,934**
SHAREHOLDERS' EQUITY						
Share capital	6,002,112	4,546,600		2(e)	40,804	
				2(f)	205,890	
				2(f)	646,886	
				2(g)	-44,096	
				2(i)	-4,546,600	
				2(i)	329,223	1,178,707
Warrant and option reserve	832,476	630,601		2(e)	19,796	
				2(f)	66,812	
				2(g)	19,041	
				2(i)	-630,601	105,649
Deficit	-6,882,398	-5,213,416	268,058	2(b)	176,304	
				2(c)	-25,744	
				2(c)	-115,938	
				2(c)	-60,976	
				2(h)	-72,341	
				2(i)	5,213,416	
				2(i)	-365,439	-196,076
	-47,809	-36,216	268,058		856,438	1,088,280
	16,045	**12,154**	**686,088**		**564,306**	**1,227,214**

1. **Basis of Presentation**

The accompanying unaudited pro forma consolidated statement of financial position of Next Gen Metals Inc. ("Next Gen") has been prepared by management to reflect the three cornered amalgamation of Dollinger Canada, a newly incorporated entity that will comprise of a division currently included in the operations of Dollinger Enterprises USA Inc. (hereinafter referred to as "Namaste"), Greenrush Analytical Laboratories Inc., a wholly owned subsidiary of Next Gen, and Next Gen (the “Transaction”) as further described in Note 2. The pro forma consolidated statement of financial position gives effect to the Transaction had it occurred on August 31, 2015.

The unaudited pro forma consolidated statement of financial position has been prepared in accordance with International Financial Reporting Standards ("IFRS"), and, in the opinion of management, include all adjustments necessary for fair presentation. No adjustments have been made to reflect additional costs or cost savings that could result from the combination of the operations of Next Gen and Namaste.

The unaudited pro forma consolidated statement of financial position has been prepared for illustration purposes only and may not be indicative of the financial position had the Transaction been in effect at the date indicated.

2. **Pro Forma Assumptions and Adjustments**

Pursuant to the Definitive Agreement (the “Agreement”) dated October 30, 2015 between Next Gen, Dollinger Enterprises Ltd. (“Dollinger Enterprises”), Dollinger Enterprises USA Inc. (“Dollinger USA”), and Green Rush Analytical Laboratories Inc. (“Green Rush”), Next Gen will acquire 100% of the issued and outstanding shares of Dollinger Canada, through a three-cornered amalgamation whereby prior to the Transaction, Dollinger Enterprises will transfer 100% of the shares it holds in Dollinger USA (its wholly owned subsidiary) and 100% of Dollinger Enterprises Bahamas Ltd. ("Dollinger Bahamas") to a newly incorporated company, Dollinger Canada. Next Gen will then acquire all of the issued and outstanding shares of Dollinger Canada through a three cornered amalgamation whereby Dollinger Canada and Green Rush will amalgamate and the shareholders of Dollinger Canada will receive post consolidated shares of Next Gen in exchange for their shares of Dollinger Canada.

The Definitive Agreement was extended and revised on December 15, 2015 (the “Extended Agreement”).

All conversions from Canadian dollars to US dollars have been calculated utilizing the exchange rate as at August 31, 2015 or the average exchange rate for the period, as applicable. All amounts in Canadian dollars have been indicated as “$” and all amount in US dollars have been indicated as “US$”.

The unaudited pro forma consolidated statement of financial position gives effect to the following assumptions and adjustments as set forth in the Agreement, Extended Agreement and as a result of subsequent events.

a) Pursuant to the Agreement, Next Gen will consolidate its issued and outstanding common shares on a 3:1 basis and will have 7,243,640 common shares issued and outstanding post consolidation, such that each Next Gen shareholder will receive one (1) post consolidated common share for each (3) pre consolidation common shares of Next Gen. Post consolidation, Next Gen will issue Dollinger Canada five (5) Next Gen post consolidated common shares for every one (1) common share of Dollinger Canada for a total issuance of 36,218,202 post consolidated common shares of Next Gen to the shareholders of

Dollinger Canada. The fair value of consideration to Next Gen shareholders is set forth in note 2(i).

2. **Pro Forma Assumptions and Adjustments (continued)**

b) Next Gen shall not assume any shareholder loans of Namaste or any liabilities of Namaste other than trade payables assumed in the normal course of business, resulting in a pro forma reduction of shareholder loan and taxes payable by $386,444 (US$279,096), reduction of cash by $135,699 (US$102,792), as set forth in 2(c), and increase of deficit by $232,745 (US$176,304).

c) Next Gen will not acquire any of the cash of Namaste, after settlement of the outstanding shareholder loan of $135,699 (US$102,792), accounts receivable or amounts due to Namaste from related parties of Namaste, resulting in a pro forma reduction of cash by $33,985 (US$25,744), reduction of account receivable by $80,496 (US$60,976), reduction of due from related party by $153,054 (US$115,938) and reduction of deficit by $267,535 (US$202,658).

d) Namaste will settle the outstanding payables of Next Gen, resulting in a pro forma reduction of payables and due to shareholder by $63,854 (US$48,369) and an equal reduction of cash.

e) On November 19, 2015, Next Gen issued 1,066,666 units at a price of $0.075 (US$0.057) per unit for total proceeds of $80,000 (US$60,600). Each unit consists of one common share and one-half of one share purchase warrant at a price of $0.15 (US$0.114) per share for a period of two years from closing. For the purposes of this pro forma, all common shares and warrants issued pursuant to this non-brokered private placement have been presented on a post-consolidated basis. Each full warrant is valued at a price of $0.049 (US$0.037) using the Black-Sholes options pricing model and assumptions set forth in Note 2(l). Cash has been increased by $80,000 (US$60,600) and share capital and warrant and option reserve have collectively increased by an equal amount for pro forma purposes.

f) On December 18, 2015 and December 23, 2015, Next Gen issued 3,600,000 subscription receipts at a price of $0.10 (US$0.076) per subscription receipt for total proceeds of $360,000 (US$272,701). Each subscription receipt will automatically convert, for no additional consideration into 3,600,000 units upon satisfaction of certain conditions relating to the Next Gen's completion of the Transaction. Each unit consists of one post-consolidated common share and one-half of one share purchase warrant. Each full warrant entitles the holder to purchase one post-consolidated common share of Next Gen at a price of $0.15 (US$0.114) per share for a period of two years from closing. Each full warrant is valued at a price of $0.049 (US$0.037) using the Black-Sholes options pricing model and assumptions set forth in Note 2(l). Cash has been increased by $360,000 (US$272,701) and share capital and warrant and option reserve have collectively increased by an equal amount for pro forma purposes.

In addition, Next Gen also completed a concurrent offering by issuing 11,386,330 subscription receipts at a price of $0.075 (US$0.057) per subscription receipt for a total of $853,975 (US$646,886). Each subscription receipt will automatically convert, for no additional consideration, into 11,386,330 post-consolidated common shares of Next Gen, upon satisfaction of certain conditions relating to Next Gen's completion of the Transaction. Cash has been increased by $853,975 (US$646,886) and share capital and warrant and option reserve have collectively increased by an equal amount for pro forma purposes.

2. **Pro Forma Assumptions and Adjustments (continued)**

g) Cash finders' fees of $33,075 (US$25,054) and 441,000 brokers' warrants will be payable upon closing of the Transaction. Each full brokers' warrant is valued at a price of $0.057 (US$0.043) using the Black-Sholes options pricing model and the following assumptions:

	CAD	**USD**
Stock price	0.075	0.057
Exercise price	0.075	0.057
Time to maturity	2.0	2.0
Risk-free rate	1.7%	1.7%
Volatility	162.5%	162.5%

Cash has been reduced by $33,075 (US$25,054), share capital reduced by $58,212 (US$44,096) and warrant and option reserve increased by $25,137 (US$19,041) for pro forma purposes.

h) Transaction costs are estimated to be $95,500 (US$72,341) for the Transaction, resulting in a pro forma reduction of cash by $95,500 (US$72,341) and deficit by an equal amount.

i) The fair value of the consideration is as follows:

	CAD	**USD**
Deemed issuance price of common issued to former shareholders of Next Gen	$0.06	$0.0455
Deemed issuance of common shares of former shareholders of Next Gen	7,243,640	7,243,640
Fair value of consideration	$434,618	$329,223

The allocation of the consideration is as follows:

	CAD	USD
Cash	$10,229	$7,748
Short and long term investments	301	228
Accounts receivable	1,281	970
Other liabilities	-46,646	-35,334
Accounts payable	-17,208	-13,035
Listing costs expensed	486,661	368,646
Value attributed to Next Gen shares issued	$434,618	$329,223

The share capital, warrant and option reserve, and deficit of Next Gen have been eliminated for pro forma purposes and the listing costs expensed of $486,611 and net amount of identifiable current assets and liabilities have been reduced from deficit.

2. **Pro Forma Assumptions and Adjustments (continued)**

k) Warrants issued in connection with the non-brokered private placements completed by Next Gen have a value of $0.049 (US$0.037) per full warrant, as calculated using the Black-Scholes option pricing model and the following assumptions:

	CAD	**USD**
Stock price	0.075	0.057
Exercise price	0.15	0.114
Time to maturity	2.0	2.0
Risk-free rate	1.7%	1.7%
Volatility	162.5%	162.5%

3. **Pro Forma Share Capital**

	Number	Amount CAD	Amount USD	Notes
Pro forma Dollinger Canada issued and outstanding common shares as at August 31, 2015	36,218,200	-	-	2(a)
Next Gen non-brokered unit private placement	1,066,666	53,867	40,804	2(e)
Next Gen non-brokered unit private placement of sucscription reciepts	3,600,000	271,800	205,889	2(f)
Next Gen non-brokered common share private placement of sucscription reciepts	11,386,330	853,975	646,886	2(f)
Share issue costs related to non-brokered private placements		-58,212	-44,096	2(g)
Deemed issuance of shares to former Next Gen shareholders	7,243,640	434,618	329,223	2(i)
	59,514,836	**1,556,048**	**1,178,706**	