TILL CAPITAL TSX.V:TIL

TILL CAPITAL LTD.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE FOUR MONTHS ENDED JUNE 30, 2014 AND THE THREE MONTHS ENDED MAY 31, 2013

Notice of Non-review of Interim Financial Statements

The attached condensed consolidated interim financial statements for the four months ended June 30, 2014 and three months ended May 31, 2013 have been prepared by and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of these interim financial statements.

Till Capital Ltd.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	June 30, 2014	February 28, 2014
ASSETS		
Cash and cash equivalents	$ 23,823,661	$ 2,881,808
Investments (Note 4)	21,258,634	887,459
Receivables (Note 5)	78,587	17,050,334
Investment in associates (Note 7)	-	2,379,939
Property, plant, and equipment (Note 6)	5,698,702	6,982,609
Royalty and mineral interests (Note 8)	16,153,972	6,705,441
Other assets (Note 9)	1,556,445	1,008,257
	$ 68,570,001	$ 37,895,847
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable and accrued liabilities (Note 10)	$ 1,454,611	$ 2,129,958
Securities sold, not yet purchased, at fair value	10,366,669	-
Deferred income tax liability (Note 12)	-	2,636,000
Debt and finance leases (Note 11)	366,497	421,626
	12,187,777	5,187,584
SHAREHOLDERS' EQUITY		
Share capital (Note 13)	$ 135,711,117	$ 118,523,614
Contributed surplus	10,228,322	10,028,322
Accumulated other comprehensive income (loss)	(134,845)	1,305,336
Deficit	(95,158,340)	(97,149,009)
Equity attributable to shareholders of Till Capital, Ltd.	50,646,254	32,708,263
Non-controlling interests	5,735,970	-
Total shareholders' equity	56,382,224	32,708,263
	$ 68,570,001	$ 37,895,847

Subsequent events (Note 20)

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

Till Capital Ltd.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian Dollars)
(Unaudited)

		Four months ended June 30, 2014		Three months ended May 31,2013
INCOME				
Realized gain (loss) on investments, net (Note 15)	$	1,349,493	$	(154)
Net change in unrealized gain (loss) on held for trading investments (Note 15)		1,749,232		(43,026)
Ordinary investment expense (Note 15)		(239,168)		-
Interest and other income		35,377		9,953
Net investment income (expense)		2,894,934		(33,227)
EXPENSES				
Transaction costs related to reorganization (Note 2)		517,989		-
Depreciation and amortization		175,866		210,726
General and administrative expenses		895,749		664,743
Staff costs		717,746		845,860
Stock-based compensation (Note 13)		200,000		210,000
Write-off of mineral interests (Note 8)		1,211,366		2,124,315
Loss on disposal of property, plant, and equipment and write-offs		709		370,267
Foreign exchange loss		128,416		1,418
Unrealized (gain) on derivative		(207,663)		-
Write down of investment in associates		-		1,363,733
Other adjustments		16,992		366,809
		3,657,170		(6,157,871)
Loss before income taxes		(762,236)		(6,191,098)
Current income tax recovery (Note 12)		-		(1,356)
Deferred income tax recovery (Note 12)		2,594,565		-
Income (loss) for the period	$	1,832,329	$	(6,192,454)
Income (loss) attributable to:				
Shareholders of Till Capital Ltd.	$	1,990,669	$	(6,192,454)
Non-controlling interests		(158,340)		-
	$	1,832,329	$	(6,192,454)
Basic income (loss) per common share of Till Capital, Ltd.	$	0.69	$	(3.86)
Diluted income per common share of Till Capital Ltd.	$	0.69	$	(3.86)
Weighted average number of common shares outstanding		2,901,824		1,603,602
Items that may be reclassified subsequently to net income:				
Income (loss) for the period	$	1,832,329	$	(6,192,454)
Change in cumulative translation adjustment		(2,258,852)		14,440
Share of other comprehensive gain (loss) of associates		-		(26,642)
Adjustment to fair market value for investment in associates now consolidated		347,252		-
Net change in unrealized gain (loss) on available-for-sale investments, net of tax (Note 15)		471,419		(388,369)
Comprehensive income for the period	$	392,148	$	(6,593,025)
Comprehensive income attributable to:				
Shareholders of Till Capital Ltd.	$	550,488	$	(6,593,025)
Non-controlling interests		(158,340)		-
Comprehensive income for the year	$	392,148	$	(6,593,025)

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

Till Capital Ltd.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

	Four months ended June 30, 2014	Three months ended May 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Gain (loss) for the year	$ 1,832,329	$ (6,192,454)
Items not affecting cash:		
Depreciation	175,866	210,726
Unrealized foreign exchange (gain) loss	(423,061)	137,896
Stock-based compensation	200,000	210,000
(Gain) loss on investments	(1,311,140)	20,609
Unrealized (gain) loss on securities and gold bullion	(1,749,232)	22,571
Change in accrued taxes (Note 12)	(2,594,565)	-
Write-off of mineral interests	1,211,366	2,124,315
Loss on disposal of property, plant, and equipment	709	370,267
Write down of investments in associates	-	1,363,733
Other	(207,663)	133,180
	(2,865,391)	(1,599,157)
Changes in non-cash working capital items:		
Increase in receivables	(12,334)	(55,921)
Decrease in prepaid expenses and deposits	9,360	88,905
Decrease in accounts payable and accrued liabilities	(1,566,119)	(227,728)
	(4,434,484)	(1,793,901)
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral interests, net of recoveries	(417,952)	(1,678,063)
Proceeds from sale of mineral properties (Note 5)	15,286,520	75,000
Purchase of property, plant and equipment	(19,476)	(70,911)
Purchase of Till Capital Ltd. (Note 2)	(334,887)	-
Proceeds from sale of investments	61,433,275	426,434
Purchases of investments	(61,556,516)	295,333
	14,390,964	(952,207)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds received from private placements	-	2,400,000
Proceeds from private placement not closed	-	1,535,583
Purchase of cash assets from Kudu (Note 2)	10,158,533	-
Equity issuance costs	-	(59,427)
Capital lease and debt payments	(40,111)	(313,757)
	10,118,422	3,562,399
Change in cash and cash equivalents during the year	20,074,902	816,291
Effect of exchange rate changes on cash	866,951	-
Cash and cash equivalents, beginning of the year	2,881,808	609,599
Cash and cash equivalents, end of the year	$ 23,823,661	$ 1,425,890

Supplemental disclosure with respect to cash flows (Note 17)

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

Till Capital Ltd.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Capital Stock			Accumulated other	Non-		
	Shares [1]	Amount	Contributed surplus	comprehensive income (loss)	controlling interests	Deficit	Total
Balance, February 28, 2013	**1,530,776**	**$ 114,019,566**	**$ 9,633,145**	**$ (1,287,156)**	**$ -**	**$ (75,495,318)**	**$ 46,870,237**
Private placement	100,000	2,400,000	-	-	-	-	2,400,000
Share issuance costs – cash	-	(59,429)	-	-	-	-	(59,429)
Stock-based compensation	-	-	210,000	-	-	-	210,000
Change in value of investments	-	-	-	(388,369)	-	-	(388,369)
Share of comprehensive loss of associates	-	-	-	(26,642)	-	-	(26,642)
Cumulative translation adjustment	-	-	-	14,440	-	-	14,440
Net loss for the year	-	-	-	-	-	(6,192,454)	(6,192,454)
Balance, May 31, 2013	**1,630,776**	**$ 116,360,137**	**$ 9,843,145**	**$ (1,687,727)**	**$ -**	**$ (81,687,772)**	**$ 42,827,783**
Balance, February 28, 2014	**1,803,822**	**$ 118,523,614**	**$ 10,028,322**	**$ 1,305,336**	**$ -**	**$ (97,149,009)**	**$ 32,708,263**
Shares issued for property	3,000	31,500	-	-	-	-	31,500
Fractional shares adjusted for split	(33)	-	-	-	-	-	-
Shares issued for asset purchase	1,805,895	17,156,003	-	-	-	-	17,156,003
Stock-based compensation	-	-	200,000	-	-	-	200,000
Non-controlling interests – SPD	-	-	-	-	2,670,805		2,670,805
Non-controlling interests - GPY	-	-	-	-	3,223,505	-	3,223,505
Change in value of investments	-	-	-	471,419	-	-	471,419
Fair market value adjustment of investments in associates now consolidated	-	-	-	347,252	-	-	347,252
Cumulative translation adjustment	-	-	-	(2,258,852)	-	-	(2,258,852)
Net loss for the year	-	-	-	-	(158,340)	1,990,669	1,832,329
Balance, June 30, 2014	**3,612,684**	**$ 135,711,117**	**$ 10,228,322**	**$ (134,845)**	**$ 5,735,970**	**$ (95,158,340)**	**$ 56,382,224**

(1) All share amounts presented have been adjusted for the exchange of shares whereby shareholders of AMB received 0.01 of restricted voting shares of Till in exchange for each AMB share held. See Note 2.

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

1. NATURE OF OPERATIONS

Till Capital Ltd. (the "**Company**" or "Till"), was incorporated under the laws of Bermuda on August 20, 2012. The Company is engaged in the reinsurance business supported by a hybrid investment strategy.

On April 17, 2014, the Company completed a reorganization plan whereby shares of Americas Bullion Royalty Corp.("AMB") were exchanged on a 100:1 ratio for shares of Till Capital Ltd. ("Till") (an exempted holding company incorporated in Bermuda with a wholly-owned subsidiary, Resource Re Ltd. ("RRL") which is licensed as a Class 3A insurance company in Bermuda). AMB was considered to be the accounting acquirer with respect to the reorganization. The reorganization facilitates the Companies entrance into the reinsurance business, and to have access to additional capital for financing and diversification. Upon completion of the reorganization, the Company's shares commenced trading as Till Capital Ltd. (symbol TIL) on the TSX Venture Exchange ("TSX-V") and AMB's shares were delisted from the Toronto Stock Exchange ("TSX").

As of June 30, 2014 RRL has not underwritten any insurance risk.

On July 28, 2014, the Company announced that it has entered into a letter of intent with Omega Insurance Holdings, Inc. ("Omega"), a Toronto, Canada based insurance provider, and its shareholders, pursuant to which the Company proposes to acquire all of the issued and outstanding shares of Omega (the "Proposed Transaction"). See subsequent events note 20.

Till's legal address is Crawford House, 50 Cedar Avenue, Hamilton HM11, Bermuda, and its administrative office is 11521 N. Warren St., Hayden, Idaho 83835.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain long-lived assets and financial instruments that have been measured at fair value.

The Company's presentation currency is Canadian dollars. Reference herein to "$" is to Canadian dollars. Reference herein to "US$" is to United States dollars. The functional currency of each entity in the consolidated group is the currency of the primary economic environment in which it operates.

Due to the reorganization more fully described below whereby AMB was considered the accounting acquirer, as defined by IFRS 3 "Business Combinations", the comparative periods are those of AMB. Till Capital Ltd. is the legal acquirer and equity is issued under Till Capital Ltd. The prior year deficit and capital balances of AMB are carried forward into Till Capital Ltd.

Statement of compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and International Financial Reporting Interpretations Committee ("**IFRIC**") interpretations as issued by the International Accounting Standards Board ("**IASB**") applicable to the preparation of interim financial statements, including IAS 34, "Interim Financial Reporting". The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the preparation of, and disclosed in, the consolidated annual financial statements of AMB, the accounting acquirer for the year ended February 28, 2014, except as discussed below under 'Changes in accounting standards.'

These unaudited condensed consolidated interim financial statements were approved by the board of directors for issue on August 25, 2014.

Changes in accounting standards

The Company has adopted the following new and revised standards, along with any consequential amendments, effective March 1, 2014. These changes were made in accordance with the applicable transitional provisions.

Amendments to IAS 36, "*Impairment of Assets*" ("IAS 36"), clarify the recoverable amount disclosures for non-financial assets, including additional disclosures about the measurement of the recoverable amount of impaired assets when the recoverable amount was based on fair value less costs of disposal. The amendments apply retrospectively for annual periods beginning on or after January 1st, 2014. Earlier application is permitted except an entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13 "Fair Value Measurement".

IFRIC 21, "Levies", provides guidance on accounting for levies in accordance with the requirements of IAS 37, "*Provisions, Contingent Liabilities and Contingent Assets*." The Interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation. IFRIC 21 explicitly excludes from its scope outflows related to IAS 12, *Income Taxes*, fines and penalties and liabilities arising from emission trading schemes. IFRIC 21 clarifies that a liability be recognized only when the triggering event specified in the legislation occurs and not before.

The Company is currently evaluating the impact of the following pronouncements and has not yet determined the impact on its consolidated financial statements:

IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15") replaces IAS 11 "*Construction Contracts*", IAS 18 "Revenue", IFRIC 13 "*Customer Loyalty Programmes*", IFRIC 15 "*Agreements for the Construction of Real Estate*", IFRIC 18 "*Transfer of Assets From*

Customers" and SIC 31 "*Revenue – Barter Transaction Involving Advertising Services*." IFRS 15 establishes principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. This standard is effective for annual periods beginning on or after January 1, 2017, and permits early adoption.

In July 2014, the IASB issued the final version of IFRS 9 "*Financial Instruments*." This standard is effective for annual periods beginning on or after January 1, 2018, and permits early adoption. The Company is in the process of determining the impact of IFRS 9 on its consolidated financial statements.

Reorganization Plan

On April 17, 2014, the Company completed a corporate reorganization Plan of Arrangement (the "Arrangement") whereby shareholders of AMB received 0.01 of restricted voting shares of Till Capital Ltd. in exchange for each AMB share held. Till issued a total of 3,612,684 shares pursuant to the Arrangement, including 1,806,789 to AMB shareholders. As a result of the Arrangement, the AMB shares ceased trading on the Toronto Stock Exchange ("TSX") on April 23, 2014 and the Till shares became listed on the TSX-V on April 24, 2014.

The Till shares that AMB shareholders received under the Arrangement are restricted voting shares, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares.

The Arrangement involved the following series of transactions in sequential order as presented:

a) Golden Predator Holding Corp. ("GPUS"), a wholly-owned subsidiary of AMB, sold all of the issued and outstanding shares of Nevada Royalty Corp ("NRC"), and Springer Mining Corp. ("Springer"), each a wholly-owned subsidiary of GPUS, to Silver Predator Corp. ("SPD") pursuant to a share purchase agreement between GPUS and SPD, dated April 17, 2014, in exchange for the grant of certain royalties, a convertible promissory note in the principal amount of US$4,500,000, and 6,892,500 shares of SPD. The assets of NRC and Springer include the Springer mine and mill, the Taylor mill, and certain US mineral properties;
b) AMB purchased all of the issued and outstanding shares of Till from MultiStrat Holdings Ltd. ("MSH") for approximately US$1.3 million. The assets of Till include approximately US$1.0 million in cash and 100% of the shares of Resource Re Ltd., a Bermuda- incorporated company that holds a Class 3A insurance license;
c) AMB transferred certain royalties, cash and securities to Till as a capital contribution in exchange for 1,806,789 Till shares;
d) Till received assets of Kudu Partners, L.P. ("Kudu"), consisting of US$9,263,220 in cash and US$6,258,467 in securities (including 6,728,508 SPD shares) in exchange for the issuance of 1,805,895 Till shares;
e) Till transferred all issued and outstanding AMB shares to Northern Tiger Resources ("NTR"), in exchange for 1,571,429 shares of NTR, a convertible promissory note in the principal amount of $4,700,000 and certain royalties. The assets in AMB that NTR acquired include Brewery Creek and other Yukon mineral interests, and AMB's accumulated tax losses;
f) Till subscribed for 6,428,571 common shares of NTR for $1,800,000 in a private placement;
g) NTR issued 2,414,774 common shares to Till in satisfaction of outstanding debts of $507,103;
h) NTR issued 3,809,524 common shares to Till upon conversion of the convertible portion ($800,000) of the Grew Creek promissory notes.
i) In conjunction with the Arrangement, Redtail Metals Corp. ("RTZ") and NTR were merged and NTR issued 4,773,405 shares to former RTZ shareholders. NTR shares were then consolidated on a 7:1 basis and NTR's name has been changed to Golden Predator Mining Corp. ("GPY").

AMB is considered the accounting acquirer in the reorganization. As part of the sale of assets to SPD in the reorganization transactions, the Company agreed to concurrent financing of US$1,800,000 in the form of a private placement in SPD. The financing agreement was revised and was closed on July 30, 2014 for $1,330,000. As a result of these transactions, not including the $1.3 million private placement with SPD, Till owns 55% of the outstanding shares of SPD and 54% of GPY.

The Company has not completed the process of determining the fair value of the mineral interests, property plant and equipment, intangible assets, and goodwill acquired for each of the business combinations described in the reorganization. These valuations will be completed within the measurement period, which cannot exceed 12 months from the acquisition date. As a result, the fair value recorded for these items is a provisional estimate and may be subject to adjustment. Once completed, any adjustments resulting from the valuations may impact the individual amounts recorded for assets acquired and liabilities assumed, as well as the residual goodwill.

AMB's purchase of Till as the accounting acquirer

On April 17, 2014, as part of the Company's reorganization plan, AMB purchased all of the issued and outstanding shares of Till from MultiStrat Holdings Ltd. ("MSH") for US$1.3M. The assets of Till included US$1.0M cash and 100% interest in Resource Re Ltd., which holds a Class 3A insurance license. AMB was considered the accounting acquirer and Till was the legal acquirer.

The following table summarizes the consideration transferred to acquire Till and the amounts of identified assets acquired and liabilities assumed at the acquisition date:

(Expressed in Canadian Dollars)

Fair Value of Consideration:

Cash	$	1,467,315

Recognized amounts of identifiable assets acquired and liabilities assumed:

Cash	$	1,134,934
Prepaid expenses		23,550
Intangibles		380,973
Accounts payable and accrued liabilities		(72,142)
		-
	$	1,467,315

Included in Intangibles above is the value of the Class 3A Bermuda insurance license, held by Resource Re Ltd. (as a wholly owned subsidiary of Till).

See Note 20 for additional information regarding agreements with MultiStrat.

Acquisition of Silver Predator

On April 17, 2014, as part of the Company's reorganization plan, the Company increased its interest in the common shares of SPD to 55%, resulting in the Company's control of SPD, and SPD became a subsidiary of the Company on this date. SPD is a junior mining exploration company with properties in the US and Canada. The Company previously accounted for its 37.5% interest in SPD as an equity method investment in associate.

As a result of the reorganization, the Company received royalty interests in the properties that were sold to SPD as well as royalty interests in the properties then held by SPD. Additionally, the Company has a convertible promissory note in the principal amount of US $4,500,000 bearing interest of 4% per annum and payable over a period of three years. SPD has the right to repay the promissory note by the issuance of shares of SPD. The note and related interest is eliminated in consolidation. If the note were fully repaid by issuance of SPD shares as of the June 30, 2014 market price, the Company would own approximately 77% of SPD.

The acquired business contributed a loss of nil to the Company for the period from April 18, 2014 to June 30, 2014.

The following table summarizes the consideration transferred to acquire SPD and the amounts of identified assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest in SPD at the acquisition date:

Fair Value of Consideration Transferred:

Fair value of the Company's investment in SPD held before the business combination	$	2,254,250
Shares of SPD received for NRC and Springer purchase agreement (6,892,500)		549,692
Shares of SPD acquired through Kudu acquisition in reorganization (6,728,508)		457,539
Total consideration		3,261,481
Fair value of the non-controlling interest in SPD		2,678,514
	$	5,939,995

Recognized amounts of identifiable assets acquired and liabilities assumed:

Cash	$	460,325
Prepaid expenses		40,041
Receivables		20,490
Investments		170,000
Reclamation bonds		117,965
Mineral interests		5,365,856
Accounts payable and accrued liabilities		(234,682)
	$	5,939,995

As a result of the Company obtaining control of SPD, the Company's previously held 37.5% percent interest of $1,671,731 as of February 28, 2014 and the additional private placement closed with SPD in March of 2014 were remeasured to fair value as of April 17, 2014, resulting in a gain of $307,710, which amount has been recognized in the other adjustments line item in the consolidated statement of income.

(Expressed in Canadian Dollars)

The fair value of the non-controlling interest and the fair value of the previously held equity interest in SPD were estimated by using the market value of the shares as listed on the TSX-V on April 17, 2014.

See Note 20 for discussion of the private placement transaction that took place after the balance sheet date in which the Company acquired a further 19,000,000 common shares of SPD for $1.3 million bringing the ownership percentage to 63.34%.

Acquisition of Golden Predator Mining Corp. (Formerly Northern Tiger)

On April 17, 2014, as part of the Company's reorganization plan, the Company acquired 54% of the common shares of GPY, resulting in the Company's control over GPY, and GPY became a subsidiary of the Company on this date. GPY is a junior mining exploration company with properties in Canada. The Company previously owned 14.37% of RTZ which was merged with GPY in conjunction with the reorganization. The Company previously accounted for its ownership interest in RTZ as an equity method investment in associate.

As a result of the reorganization, the Company received royalty interests in the properties that were sold to GPY as well as royalty interests in the properties then held by GPY. Additionally, the Company has a convertible promissory note in the principal amount of $4,700,000 bearing interest of 6% per annum and payable over a period of three years. GPY has the right to repay the promissory note by the issuance of shares of GPY. The note and related interest is eliminated in consolidation. If the note were fully repaid by issuance of GPY shares as of the June 30, 2014 market price, the Company would own approximately 78% of GPY.

The acquired business contributed a loss of $344,219 to the Company for the period from April 18, 2014 to June 30, 2014.

The following table summarizes the consideration transferred to acquire GPY and the amounts of identified assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest in GPY at the acquisition date:

Fair Value of Consideration Transferred:		
Fair value of the Company's investment in RTZ and GPY before the business combination and merger with GPY	$	155,250
Shares of GPY issued upon conversion of convertible portion of Grew Creek Promissory Notes		803,978
Shares of GPY issued in satisfaction of outstanding interim financing debt		507,103
Shares of GPY received for AMB asset purchase agreement		550,000
Cash for private placement of GPY shares		1,800,000
Total consideration given		3,816,331
Fair value of the non-controlling interest in GPY		2,660,097
	$	6,476,428

Recognized amounts of identifiable assets acquired and liabilities assumed:		
Cash	$	22,285
Prepaid expenses		11,661
Receivables		12,921
Investments		141,771
Mineral interests		6,594,645
Property, plant and equipment		239,532
Accounts payable and accrued liabilities		(546,388)
	$	6,476,428

As a result of the Company obtaining control of GPY, the Company's previously held interest in RTZ of $108,208 was remeasured to fair value, resulting in a gain of $39,542, which amount has been recognized in other adjustments in the consolidated statement of income.

The fair value of the non-controlling interest of and the fair value of the previously held equity interest were estimated by using the market value of the shares as listed on the TSX-V on April 17, 2014.

The companies' boards of directors and shareholders approved these transactions. Additionally, an opinion was provided by an independent valuation firm regarding fairness of the assets transferred between the companies.

RTZ merger with GPY (formerly NTR)

On April 17, 2014, in conjunction with the Company's reorganization plan, RTZ and GPY merged. RTZ was a junior mining exploration company with properties in Canada. NTR issued 4,773,405 shares to former RTZ shareholders. NTR shares were then consolidated on a 7:1 basis and NTR's name was changed to GPY. The post-consolidation closing price of $0.21 was used to value the shares issued by GPY.

The acquisition of RTZ by GPY was deemed to be a business combination.

Assets and liabilities directly attributable to the GPY merger are shown below.

(Expressed in Canadian Dollars)

Fair Value of consideration from GPY:

Value of shares in GPY	$	1,002,415
	$	1,002,415

Purchase price allocation of assets from RTZ recognized by GPY:

Cash	$	6,802
Investments		141,771
Accounts receivable		2,070
Prepaid expenses		76,004
Mineral interests		1,060,027
Accounts payable and accrued liabilities		(135,636)
Promissory notes		(148,623)
	$	1,002,415

Proforma information for above acquisitions:

The following unaudited pro forma summary presents consolidated information of the Company as if the business combinations included in the reorganization had occurred on March 1, 2014.

Unaudited Pro Forma information for the period from March 1, 2014 to June 30, 2014:

		Consolidated as Reported	Till	SPD	GPY	RTZ		Proforma Till Consolidated
Revenue	$	3,148,327	-	-	-	-	$	3,148,327
Income (loss)	$	1,178,664	(29,150)	(223,027)	(192,229)	(75,399)	$	658,859

The Company had no material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and income (loss).

These amounts have been calculated after applying the Company's accounting policies and adjusting the results of the acquired companies to recognize the additional depreciation and amortization that would have been charged assuming the fair value adjustments to property, plant and equipment, and intangible assets and the consequential tax effects had been applied from March 1, 2014.

In 2014, the Company incurred $534,471 of reorganization transaction costs. These expenses are included in general and administrative expense in the Company's consolidated statement of income for the four month period ended June 30, 2014.

Asset acquisition of Kudu cash and securities portfolio

On April 17, 2014, as part of the Company's reorganization plan, the Company acquired $17.2 million in cash and securities from Kudu in exchange for 1,805,895 Till shares. Kudu was a privately owned investment fund company. All of the shares of Till received by Kudu were distributed to its 52 limited partners. The purchase of Kudu has been accounted for as an asset purchase.

The fair value of the Till shares on the date of the transaction was deemed to be $9.50 for a total of $17,156,003, which amount was allocated to cash of $10.2M and investments of $6.9M.

SPD asset purchase of NRC and Springer

On April 17, 2014, as part of the Company's reorganization plan, SPD purchased all of the issued and outstanding shares of NRC and Springer from GPUS, pursuant to a share purchase agreement between GPUS and SPD, in exchange for the grant of certain royalties, a convertible promissory note in the principal amount of US $4,500,000, and 6,892,500 shares of SPD. The assets of NRC and Springer include the Springer mine and mill, the Taylor mill, and certain US mineral properties.

The acquisition of these assets by SPD was deemed to be an asset acquisition.

Assets and liabilities directly attributable to the SPD asset purchase are shown below. The notes receivable and derivative asset eliminate in consolidation.

(Expressed in Canadian Dollars)

Fair Value of consideration from SPD:		
Value of shares in SPD	$	516,938
Note receivable from SPD to Company (eliminated in consolidation)		4,152,069
Derivative asset (eliminated in consolidation)		(135,997)
	$	4,533,010

Purchase price allocation of assets recognized by SPD:		
Property, plant and equipment	$	4,397,310
Reclamation bonds		56,830
Mineral interests		147,915
Accounts payable and accrued liabilities		(69,045)
	$	4,533,010

GPY asset purchase of AMB

On April 17, 2014, as part of the Company's reorganization plan, GPY purchased all of the issued and outstanding shares of AMB pursuant to a share purchase agreement between Till and GPY, in exchange for the grant of certain royalties, a convertible promissory note in the principal amount of $4,700,000, and 1,571,429 shares of GPY. The assets of AMB included Brewery Creek and other Yukon mineral interests, and AMB's accumulated tax losses.

The acquisition of these assets by GPY was deemed to be an asset acquisition.

Assets and liabilities directly attributable to the GPY share purchase are shown below. The notes receivable and derivative asset eliminate in consolidation.

Fair Value of consideration from GPY:		
Value of shares in GPY	$	550,000
Note receivable from GPY to Company (eliminated in consolidation)		3,968,830
Derivative asset (eliminated in consolidation)		(2,012,405)
Transaction costs		122,852
	$	2,629,277

Purchase price allocation of assets recognized by GPY:		
Accounts receivable	$	1,260
Prepaid		12,669
Property, plant and equipment		396,473
Reclamation bonds		848,400
Mineral interests		1,570,458
Accounts payable and accrued liabilities		(199,981)
	$	2,629,277

Change in accounting period

In conjunction with the reorganization plan, the Company has changed its year-end from February 28, which was the year-end of AMB, to December 31 to better synchronize its financial reporting with that of comparable companies within the reinsurance sector and to better align its financial reporting with its business planning cycle. During this transition year, the condensed consolidated interim financial statements presented here are for the four months ended June 30, 2014 compared to the three months ended May 31, 2013.

3. SIGNIFICANT ACCOUNTING POLICY UPDATES

The significant accounting policies that have changed since the Company's annual report ended February 28, 2014 due to the reorganization as presented in these condensed consolidated interim financial statements are as follows:

a. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company.

Subsidiaries are entities in which the Company has control. The Company controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns though its power in the entity.

Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

Where necessary, adjustments are made to the results of the subsidiaries and entities to bring their accounting policies in line with those used by the Company. Intra-company transactions, balances, income and expenses are eliminated on consolidation.

The Company's major subsidiaries and ownership interest as of June 30, 2014 are as follows:

Name of Subsidiary	Country of Incorporation	Functional Currency	Proportion of Ownership Interest	Principal Activity
Resource Re, Ltd.	Bermuda	US	100%	Reinsurance
Till Capital US Holding Corp.	Nevada, USA	US	100%	Holding company
Golden Predator U.S. Holding Corp.	Nevada, USA	US	100%	Royalty interests
Till Management Company	Nevada, USA	US	100%	Investment management
Cuesta Del Cobre, S.A. de C.V.	Mexico	US	100%	Royalty interests
Golden Predator Mining Corp. (formerly Northern Tiger)	Alberta, Canada	Canadian	54%	Mineral exploration
Silver Predator Corp.	British Columbia, Canada	Canadian	55%	Mineral exploration

b. Financial instruments

Cash and cash equivalents:

Cash and cash equivalents are carried in the balance sheet at amortized cost and include cash on hand, deposits held on call with banks, and other short-term highly liquid investments with a maturity of three months or less at the date of purchase. Carrying amounts approximate fair value due to the short-term nature and high liquidity of the instruments.

Interest income earned on cash and cash equivalents is recognized on the effective interest rate method. The carrying value of accrued interest income approximates estimated fair value due to its short-term nature and high liquidity.

Investments:

The Company's purchases and sales of investments are recognized at estimated fair value including transaction costs on the trade date and are subsequently carried at estimated fair value. The estimated fair values of quoted investments are determined based on bid prices from recognized exchanges, broker-dealers, recognized indices, or pricing vendors. Investments are derecognized when the Company has transferred substantially all of the risks and rewards of ownership. Realized gains and losses are included in income in the period in which they arise. Unrealized gains and losses from changes in estimated fair value of held for trading investments are included in income. Unrealized gains and losses from changes in estimated fair value of available for sale investments are included in accumulated other comprehensive income in shareholders' equity.

On derecognition of an available for sale investment, previously recorded unrealized gains and losses are removed from accumulated other comprehensive income in shareholders' equity and included in current period income.

The Company reviews the carrying value of its available for sale investments for evidence of impairment. An investment is impaired if its carrying value exceeds the estimated fair value and there is objective evidence of impairment to the asset. Such evidence would include a prolonged decline in estimated fair value below cost or amortized cost, where other factors, such as expected cash flows, do not support a recovery in value. If an impairment charge is deemed appropriate, the difference between cost or amortized cost and estimated fair value is removed from accumulated other comprehensive income in shareholders' equity and charged to current period income. Impairment losses on fixed income securities may be subsequently reversed through income.

Derivative financial instruments:

Derivatives are recognized at estimated fair value on the date a contract is entered into, the trade date, and are subsequently carried at estimated fair value. Derivative instruments with a positive estimated fair value are reported as derivative financial assets and those with a negative estimated fair value are reported as derivative financial liabilities.

Derivative financial instruments include exchange-traded future and option contracts. They derive their value from the underlying instrument and are subject to the same risks as that underlying instrument, including liquidity, credit and market risk. Estimated fair values are based on exchange or broker-dealer quotations. Changes in the estimated fair value of instruments that do not qualify for hedge accounting are recognized in current period income. The Company does not hold any derivatives classified as hedging instruments.

(Expressed in Canadian Dollars)

Derivative financial assets and liabilities are offset and the net amount is reported in the balance sheet only to the extent there is a legally enforceable right of offset and there is an intention to settle on a net basis, or to realize the assets and liabilities simultaneously. Derivative financial assets and liabilities are derecognized when the Company has transferred substantially all of the risks and rewards of ownership or the liability is discharged, cancelled or expired.

4. INVESTMENTS

Held for trading

	June 30, 2014		
	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
Public companies – natural resource sector	$ 6,351,645	$ 1,911,728	$ 8,263,373
Public companies – all other sectors	370,718	(660)	370,058
Private companies – natural resource sector	1,480,039	5,074	1,485,113
Private companies – all other sectors	106,655	-	106,655
Gold bullion	229,149	(1,987)	227,162
Large capital long-short strategy (1)	9,805,358	91,550	9,896,908
	$ 18,343,564	$ 2,005,705	$ 20,349,269

	February 28, 2014		
	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
Public companies – natural resource sector	$ 204,600	$ (154,720)	$ 49,880
Gold bullion	222,585	4,577	239,193
	$ 427,185	$ (150,143)	$ 289,193

Available for sale

	June 30, 2014		
	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
Public companies – natural resource sector	$ 882,559	$ (58,643)	$ 823,916
Public companies – all other sectors	68,874	(3,425)	65,449
Private company – natural resource sector	-	20,000	20,000
Private company – all other sectors (Note 14)	-	-	-
	$ 951,433	$ (42,068)	$ 909,365

	February 28, 2014		
	Cost	Unrealized Gain / (Loss)	Estimated Fair Value
Public companies – natural resource sector	$ 465,000	$ 3,250	$ 468,250
Private companies – natural resource sector	130,136	-	130,136
	$ 595,136	$ 3,250	$ 598,386

In the period ended June 30, 2014, available for sale securities with an estimated fair market value of $452,475 were reclassified as held for trading and $1,750 in unrealized gain was reclassified from accumulated other comprehensive income in shareholders' equity to unrealized loss on held for trading investments in income.

In the year ended February 28, 2014, an impairment charge of $448,354 relating to the Company's available-for-sale investments is reported in the statement of loss. Available for sale investments with a cost of $668,627 were sold in the year ended February 28, 2014 for proceeds of $697,204.

(Expressed in Canadian Dollars)

Securities sold, not yet purchased

		June 30, 2014				
		Cost		Unrealized Gain / (Loss)		Estimated Fair Value
Public companies – natural resource sector	$	38,274	$	2,532	$	40,806
Public companies – all other sectors		242,415		3,666		246,081
Large capital long-short strategy [(1)]		9,797,655		282,127		10,079,782
	$	10,078,344	$	288,325	$	10,366,669

There were no securities sold, not yet purchased as of February 28, 2014.

(1) On May 6, 2014, the Company (through its wholly owned subsidiary Till Management Company) entered into an agreement with the non-public company, Courant Capital Management LLC ("Courant") under which the Company received an equity interest in Courant for granting discretionary authority to Courant to manage funds deposited in a separate managed account in the Company's name, on the terms and conditions described in the Account Management Agreement dated May 1, 2014. Concurrent with the deposit of US$10,000,000 in May 2014 to the separate managed account, the Company received a 10% equity interest in Courant. An additional 2% equity interest in Courant is earned for each additional US$5,000,000 deposited to the separate managed account up to a total equity interest of 20% once $35,000,000 or more deposited. As of June 30, 2014, the cost and estimated fair value of the 10% equity interest in Courant owned by the Company is zero.

Fair value measurement

The fair value of securities in the Company's investment portfolio is estimated using the following techniques:

Level 1 – Assets or liabilities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Company, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - Assets or liabilities which are measured using observable market data and are not allocable to level 1. Measurement is based, in particular, on prices for comparable assets and liabilities that are traded on active markets, prices on markets that are not considered active as well as inputs derived from such prices or market data.

Level 3 - Assets or liabilities that cannot be measured or can only be partially measured using observable market inputs. The measurement of such instruments draws principally on valuation models and methods.

The Company determines the estimated fair value of each individual security utilising the highest level inputs available.

The Company's investments in public companies are classified as Level 1 investments because the fair values are based on quoted prices in active markets for identical assets that are recorded at fair value. The Company's shares in privately held companies are valued at the amount stated in the contractual agreement less a discount for which there is no observable market data. The short-term convertible notes were valued using the market price of the underlying shares.

The fair value hierarchy of the Company's investment holdings is as follows:

		June 30, 2014						
		Level 1		Level 2		Level 3		Total
Public companies – natural resource sector	$	9,087,289	$	-	$	-	$	9,087,289
Public companies – all other sectors		435,507		-		-		435,507
Private companies – natural resource sector		-		-		1,505,113		1,505,113
Private companies – all other sectors		-		-		106,655		106,655
Gold bullion		227,162		-		-		227,162
Large capital long-short strategy		9,896,908		-		-		9,896,908
	$	19,646,866	$	-	$	1,611,768	$	21,258,634

During the period ended June 30, 2014, $130,136 in Level 3 investments were reclassified to Level 1 when a private company completed a reverse takeover of a public company allowing the fair value of the investment to be determined based on Level 1 quoted prices.

(Expressed in Canadian Dollars)

	February 28, 2014			
	Level 1	Level 2	Level 3	Total
Public companies – natural resource sector	$ 518,130	$ -	$ -	$ 518,130
Private companies – natural resource sector	-	-	130,136	130,136
Gold bullion	239,193	-	-	239,193
Investments	757,323	-	130,136	887,459
Short term convertible notes receivable	1,047,014	-	-	1,047,014
	$ 1,804,337	$ -	$ 130,136	$ 1,934,473

The fair value hierarchy of the Company's securities sold, not yet purchased is as follows:

	June 30, 2014			
	Level 1	Level 2	Level 3	Total
Public companies – natural resource sector	$ 40,806	$ -	$ -	$ 40,806
Public companies – all other sectors	246,081	-	-	246,081
Large capital long-short strategy	10,079,782	-	-	10,079,782
	$ 10,366,669	$ -	$ -	$ 10,366,669

There were no securities sold, not yet purchased as of February 28, 2014.

5. RECEIVABLES

	June 30, 2014	February 28, 2014
Taxes recoverable (Harmonised Sales Tax – "HST")	$ 31,929	$ 32,896
Receivable from sale of royalties	-	15,530,535
Short-term convertible notes (1) (2)	-	1,146,714
Other receivables	46,658	340,189
	$ 78,587	$ 17,050,334

(1) On December 17, 2013, AMB sold the Grew Creek Project to Northern Tiger Resources Inc. ("NTR"), a junior exploration company, for $900,000. To satisfy the purchase price, NTR issued promissory notes payable on demand totalling $900,000 and bearing interest at 6% per annum. The terms of the promissory notes permit NTR to satisfy up to $800,000 of the principal amount by issuing post-consolidation shares. Any NTR shares issued will be deemed to be issued at a price per share equal to the greater of a) $0.21 and b) the minimum price permitted by the TSX-V. The notes were initially recorded at their fair value based on the share price of NTR as of December 17, 2013 adjusted for their post-consolidation split or $500,000, which resulted in a loss on sale of mineral properties. The notes were revalued at year end based on the share price of NTR at February 28, 2014 to $777,067, including interest and the difference was reported in the statement of loss. See Note 2.

(2) Under the terms of the reorganization, AMB agreed to make available up to $450,000 in interim financing available to NTR and $50,000 to Redtail Metals Corp. ("RTZ"), a junior exploration company. Interim financing advances bear interest at 6% per annum. Advances and interest may be repaid by issuing post-consolidation shares at a deemed value of the greater of a) $0.21 and b) the minimum price permitted by the TSX-V. Total advances and interest on the notes at February 28, 2014 were $443,577. The notes were revalued at year end based on the share price of NTR and discounted to $369,647 including interest and the difference was reported in the statement of loss. See Note 2.

(Expressed in Canadian Dollars)

6. PROPERTY, PLANT AND EQUIPMENT

		Land & structures		Computer equipment		Leasehold improvements & furniture		Equipment		Total
Cost:										
Balance, February 28, 2013	$	2,970,855	$	839,062	$	403,107	$	2,147,062	$	6,360,086
Additions		447,135		15,955		31,810		5,019,566		5,514,466
Dispositions		(229,795)		(67,784)		(325,831)		(1,085,361)		(1,708,771)
Impairment		(1,575,667)		-		-		(589,086)		(2,164,753)
Foreign currency translation		332,912		38,091		9,867		5,559		386,429
Balance, February 28, 2014	$	1,945,440	$	825,324	$	118,953	$	5,497,740	$	8,387,457
Additions		-		15,252		3,704		-		18,956
Disposed in reorganization		(1,209,341)		(4,158)		(5,690)		(4,275,508)		(5,494,697)
Acquired in reorganization		265,108		8,485		-		4,669,778		4,943,371
Disposal of fully depreciated assets		-		(69,940)		-		-		(69,940)
Foreign currency translation		(81,693)		(28,079)		(4,077)		(187,408)		(301,257)
Balance, June 30, 2014	$	919,514	$	746,884	$	112,890	$	5,704,602	$	7,483,890
Accumulated depreciation:										
Balance, February 28, 2013	$	78,181	$	537,313	$	265,924	$	863,593	$	1,745,011
Depreciation		90,211		232,943		35,437		279,528		638,119
Dispositions		(107,725)		(91,409)		(254,060)		(665,509)		(1,118,703)
Foreign currency translation		-		-		-		140,421		140,421
Balance, February 28, 2014	$	60,667	$	678,847	$	47,301	$	618,033	$	1,404,848
Depreciation		32,932		21,541		5,830		50,765		111,068
Disposed in reorganization		-		-		-		(2,600)		(2,600)
Acquired in reorganization		132,555		4,535		-		143,449		280,539
Disposal of fully depreciated assets		-		(68,970)		-		-		(68,970)
Foreign currency translation		-		-		-		60,303		60,303
Balance, June 30, 2014	$	226,154	$	635,953	$	53,131	$	869,950	$	1,785,188
Net carrying amounts:										
As at February 28, 2013	$	2,892,674	$	301,749	$	137,183	$	1,283,469	$	4,615,075
As at February 28, 2014	$	1,884,773	$	146,477	$	71,652	$	4,879,707	$	6,982,609
As at June 30, 2014	$	693,360	$	110,931	$	59,759	$	4,834,652	$	5,698,702

Property, plant and equipment that were transferred to SPD and GPY from AMB were revalued based on purchase allocations and are shown as “disposed in reorganization” and “acquired in reorganization” in the table above.

7. INVESTMENT IN ASSOCIATES

The balance on the face of the balance sheet of $2,379,939 as of February 28, 2014 includes $1,671,731 for SPD and $108,208 for RTZ which are fully consolidated as of June 30, 2014. See Note 2. In addition, it includes $600,000 for Wolfpack Gold Corp. (“Wolfpack”).

On August 15, 2014, Wolfpack completed a business combination transaction with Timberline Resources Corporation (NYSE MKT: TLR; TSX-V: TBR) (“Timberline”) and has concurrently changed its name to enCore Energy Corp. which will trade under the symbol “EU” on the TSX-V. Pursuant to the combination agreement, Timberline acquired all of the outstanding shares of Wolfpack Gold (Nevada) Corp., a wholly-owned subsidiary of Wolfpack in exchange for Timberline shares. Shareholders of Wolfpack will continue to hold their shares in the surviving company, and also received 0.75 share of Timberline for each share of Wolfpack they owned.

At June 30, 2014, the Company held 11,100,000 shares, or 19.8%, of Wolfpack, now encore Energy Corp. The Company previously accounted for Wolfpack as an investment in associate. Due to the Company’s reorganization the Company accounts for this as an investment.

(Expressed in Canadian Dollars)

8. ROYALTY AND MINERAL INTERESTS

		Four months ended June 30, 2014					
2014	Balance February 28, 2014	Acquisition costs incurred	Exploration costs incurred	*Impairments and other adjustments	Acquired from Subsidiaries in Reorganization	Reorganization Purchase adjustments	Balance June 30, 2014
Yukon, Canada Properties:							
Brewery Creek	$ 4,443,360	$ -	$ 371,422	$ (160,372)	$ -	$ (1,167,127)	$ 3,487,283
Sonora Gulch	-	-	-	-	3,694,548	(260,812)	3,433,736
3 Aces	-	-	39,935	-	1,103,600	(77,908)	1,065,627
Other	175,983	-	3,360	(25,000)	2,214,370	(196,117)	2,172,596
Royalty interests	26,568	-	-	302	-	-	26,870
Total Yukon, Canada Properties	4,645,911	-	414,717	(185,070)	7,012,518	(1,701,964)	10,186,112
U.S. and Other Properties:							
Taylor	-	-	(522)	-	5,199,394	(1,194,442)	4,004,430
Other SPD Properties	-	-	(4,779)	-	1,586,035	(364,355)	1,216,901
Other US Properties	1,757,172	-	-	(1,279,311)	-	-	477,861
Royalty interests	302,358	-	-	(33,690)	-	-	268,668
Total U.S. and Other Properties	2,059,530	-	(5,301)	(1,313,001)	6,785,429	(1,558,797)	5,967,860
Total Property Costs	$ 6,705,441	$ -	$ 409,416	$ (1,498,071)	$ 13,797,948	$ (3,260,761)	$ 16,153,972

**Includes currency translation amounts*

REORGANIZATION PURCHASE ADJUSTMENTS:

Under the reorganization more fully described in Note 2, the Company entered into agreements to transfer certain assets to SPD and NTR. Because the reorganization resulted in the Company consolidating SPD and NTR, the mineral properties related to these agreements were adjusted further due to the fair market value of the stock of the acquired Companies being lower than their book value of the assets on the date of the transaction.

Additionally, the Company owns mineral properties as a result of controlling interests in SPD and GPY. See their respective publicly disclosed financial statements for additional information regarding these properties.

YUKON PROPERTIES

Brewery Creek

The Brewery Creek project is a past producing heap leach gold mining operation with a total of about 280,000 oz Au produced from seven near-surface oxide deposits along the property's Reserve Trend from 1996 through 2002, when the mine (operated by Viceroy Resource Corporation) shut down primarily due to low gold prices. The 200 km^2 property is located 55 km due east of Dawson City, accessible by paved and gravel roads from the junction of the North Klondike and Dempster Highways.

The project is in receipt of all necessary permits required to conduct additional exploration. The Brewery Creek project holds a Type A Water License with an expiry date of December 31, 2021, subject to the restrictions and conditions contained in the Yukon Water Act and Regulations. The Project also holds a Quartz Mining License with an expiry date of December 31, 2021.

The Company is working on a project proposal submission to the Executive Committee of the Yukon Environmental and Socio-economic Assessment Board for their review that will lead to an updated Quartz Mining and Water Licenses for renewed mining and processing at Brewery Creek. Golden Predator is actively seeking a qualified operator as a joint venture partner.

Sonora Gulch

Located 40 kilometres west of Capstone's Minto Mine, the main target for this property is prophyry with commodities of copper, gold and molybdenum.

(Expressed in Canadian Dollars)

3Aces

The 3Aces property consists of 1,105 contiguous quartz claims located in southeast Yukon. The property is located along the Nahanni Range Road that accesses the operational Cantung Mine located 40 kilometres to the north.

Golden Predator Mining Corp. has staked 974 claims and has a 100% interest in an additional 207 claims of the 3 Aces property, subject to a 2-3% net smelter royalty ("NSR").

US AND OTHER PROPERTIES

Adelaide & Tuscarora, Nevada

On June 26, 2012, the Company and Seabridge Gold Inc. ("Seabridge") entered into agreements to contribute a portfolio of US gold assets into Wolfpack Gold Corp. ("Wolfpack"). The Company granted an option to Wolfpack to purchase its leasehold interest in the Adelaide and Tuscarora Properties located in Humboldt and Elko Counties, Nevada. In June of 2014, Wolfpack terminated the option agreement and an impairment charge of $974,538 was recorded as of June 30, 2014.

Angels Camp, Oregon

On March 7, 2013, the Company entered into an option agreement for the Company's 50% interest in the Angels Camp property and received $25,000 and one million common shares in Orsa Ventures Corp. ("Orsa"), and will receive $365,000 in cash payments over seven years ($35,000 received in March 2014). The Company retained a 1.25% NSR interest on the project. On September 13, 2013, Orsa Ventures was acquired by Alamos Gold Inc. ("Alamos") and the Company received $100,000 for its 1,000,000 shares in Orsa. Alamos has taken over the option agreement.

Taylor, Nevada

Silver Predator owns a 100% interest in the Taylor Mine and Mill that is located in White Pine County, Nevada, 27 kilometres south of the town of Ely and 4.0 km (2.5 miles) east of US highway 50. The property consists of 197 unpatented and patented lode claims and five unpatented millsite claims totaling 1,578 hectares (3,900 acres), subject to a 2% NSR royalty.

Phoenix Property

On March 21, 2013, the Company entered into an option agreement to sell its 40% interest in the Phoenix Property in Nevada. The Company received US$50,000 in cash at signing, an additional US$50,000 in September, 2013, will receive $1.6 million in cash or shares of BMG before October, 2015 unless BMG receives at least $10,000,000 in financing prior to that date, in which case the payment would be made within 10 days of such financing. Additionally, the Company received two million common shares of the optionee, Battle Mountain Gold, Inc. ("BMG"), then a private corporation, valued at $0.15 per share. In 2014, Madison Minerals completed a reverse takeover of BMG and BMG shares are now publicly traded.

9. OTHER ASSETS

	June 30, 2014	February 28, 2014
Prepaid expenses and deposits	$ 164,475	$ 102,407
Reclamation bonds	1,022,313	905,850
Intangibles	369,657	-
	$ 1,556,445	$ 1,008,257

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2014	February 28, 2014
Trade payables	$ 1,050,338	$ 1,015,696
Payroll remittances and accrued benefits	94,340	170,968
Accrued liabilities	309,933	943,294
	$ 1,454,611	$ 2,129,958

11. DEBT AND FINANCING LEASES

Office building note
The Company maintains a note agreement secured by an office building and land in Hayden, Idaho. The note calls for monthly payments of US$3,627 including interest at 4.5%, and matures October 2016.

(Expressed in Canadian Dollars)

Equipment finance leases
The Company has two equipment finance leases remaining with scheduled monthly lease payments that provide implicit interest rates ranging from 2.7% to 6.9%.

As at June 30 , 2014:	Current portion	Long-term	Total
Office building note	$ 33,685	$ 294,295	$ 327,980
Short term premium financing	10,656	-	10,656
Equipment finance leases	27,861	-	27,861
	$ 72,202	$ 294,295	$ 366,497

As at February 28, 2014:	Current portion	Long-term	Total
Office building note	$ 31,692	$ 321,964	$ 353,656
Short term premium financing	31,980	-	31,980
Equipment finance leases	18,023	17,967	35,990
	$ 81,695	$ 339,931	$ 421,626

12. INCOME TAXES

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

	June 30, 2014	February 28, 2014
Loss before income taxes	$ (762,236)	$ (19,766,008)
Expected income tax recovery at statutory rates	-	5,929,802
Difference in foreign tax rates	1,037,565	(239,000)
Carryback losses to recover prior periods	-	748,000
Non-deductible expenses	19,000	(3,328,000)
Other items	184,000	18,000
Unrecognized deferred tax asset	1,354,000	(5,016,039)
Income tax recovery (expense)	$ 2,594,565	$ (1,887,237)
Current income tax recovery	$ -	$ 748,763
Deferred income tax recovery (expense)	2,594,565	(2,636,000)
	$ 2,594,565	$ (1,887,237)

The income tax effects of temporary differences that give rise to significant components of future income tax assets and liabilities are as follows:

	June 30, 2014	February 28, 2014
Mineral properties	$ 19,567,000	$ 9,814,000
Losses available for future periods	13,023,352	13,832,000
Property and equipment	1,962,000	734,000
Share issuance costs	450,000	426,000
Other items	168,000	139,000
Marketable securities	(111,000)	967,000
Unrecognized deferred tax assets	35,059,352	25,912,000
Deferred income tax liability (recovery)	$ (2,636,000)	$ 2,636,000

(Expressed in Canadian Dollars)

At June 30, 2014, the Company has Canadian non-capital loss carry forwards of approximately $34.4 million and United States' operating losses of approximately US$1.3 million. The Canadian non-capital loss carry forwards and United States' operating losses expire at various dates from 2015 to 2034.

13. SHARE CAPITAL AND RESERVES

a) Authorized share capital

In April 2014, in conjunction with the reorganization transaction, Till's board of directors approved the following changes to the authorized share capital.

- New bylaws were adopted as of April 17, 2014 the date of the reorganization.
- The Company is authorized to issue an unlimited number of common shares at a par value of US$0.001.
- All issued and outstanding shares of AMB were exchanged for 0.01 of a Till share.
- Each AMB option outstanding at the effective time of the reorganization would become exercisable for the number of Till shares equal to 0.01 multiplied by the number of AMB shares subject to such AMB Option immediately prior to the reorganization and each adjusted option will provide for an exercise price per Till share equal to the exercise price per AMB share otherwise purchasable pursuant to such adjusted option divided by 0.01.
- Each AMB warrant outstanding at the effective time will be adjusted to become exercisable for the number of Till shares equal to 0.01 multiplied by the number of AMB shares subject to such AMB warrant immediately prior to the reorganization and each adjusted warrant will provide for an exercise price per Till share equal to the exercise price per AMB share otherwise purchasable pursuant to such adjusted warrant divided by 0.01.
- The Warrant certificate that existed on Till Capital prior to the reorganization held by MultiStrat Holdings Ltd to purchase 5,500 common shares of Till was reissued in a form acceptable to the TSX Venture Exchange for 5,500 restricted voting shares of Till with a par value of US$0.001 per share.
- Shares of Till have restricted voting rights, whereby no single shareholder of Till is able to exercise voting rights for more than 9.9% of the voting rights of the total issued and outstanding Till shares. However, if any one shareholder of Till beneficially owns, or exercises control or direction over, more than 50% of the issued and outstanding Till shares, the 9.9% restriction will no longer apply to the Till shares.

b) Issued share capital

The beginning balance of share capital at February 28, 2014 of 180,382,213 has been restated for the above exchange adjustment to 1,803,822 and 33 new shares were deducted for rounding of fractional shares.

In March 2014, the Company issued 3,000 common shares in connection with an option agreement to acquire a mineral property.

In April 2014, the Company issued 1,805,895 common shares in connection with the reorganization transaction for purchase of assets from Kudu Partners, L.P.

c) Stock options and warrants

The Company adopted an incentive stock option plan (the "2014 Stock Option Plan") in conjunction with the reorganization, under which Till's board of directors may, from time to time and in its sole discretion, award options to acquire shares of the common stock of the Company to directors, employees and consultants.

During the four months ended June 30, 2014, the Company recognized share-based compensation related to options of $200,000, which amount is reported in the consolidated statement of income. There were no new options granted in the period ended June 30, 2014.

The fair value of all compensatory options granted is estimated on grant date using the Black-Scholes option pricing model. The weighted average assumptions used in calculating the fair values are as follows:

	June 30, 2014	February 28, 2014
Risk-free interest rate	n/a	1.288%
Expected life	n/a	4.26 years
Volatility	n/a	75.8%
Dividend rate	-	-

The warrants and options outstanding are shown below with historical amounts presented as adjusted for the share exchange:

(Expressed in Canadian Dollars)

	Warrants		Stock Options	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding, February 28, 2013	37,500	115.00	140,562	49.00
Issued / granted	-	-	30,500	19.00
Exercised	-	-	-	-
Expired	-	-	-	-
Forfeited	-	-	(33,416)	42.00
Outstanding, February 28, 2014	37,500	115.00	137,646	44.00
Issued / granted	8,500	18.27	-	-
Fractional options adjusted for split	-	-	85	-
Exercised	-	-	-	-
Expired	-	-	(9,170)	51.35
Forfeited	-	-	-	-
Outstanding, June 30, 2014	46,000	97.13	128,561	43.23
Exercisable	46,000	$ 97.13	108,741	$ 47.97

14. EARNINGS PER SHARE

The Company uses the treasury stock method to calculate diluted earnings per share. Following the treasury stock method, the numerator for the Company's diluted earnings per share calculation remains unchanged from the basic earnings per share calculation, as the assumed exercise of the Company's stock options and warrants does not result in an adjustment to profit or loss.

Stock options to purchase 128,561 common shares were outstanding at June 30, 2014 (February 28, 2014 – 137,646). Warrants to purchase 46,000 common shares were outstanding at June 30, 2014 (February 28, 2014 – 37,500). These stock options and warrants were excluded in the calculation of diluted earnings per share because the exercise price of the awards was greater than the weighted average market value of the common shares in the four months ended June 30, 2014.

15. INVESTMENT INCOME

Realized gain (loss) on investments, net:

	Four months ended June 30, 2014	Three months ended May 31, 2013
Equities	$ 1,304,954	$ (154)
Options, warrants and futures	(28,640)	-
Royalties	38,353	-
Foreign currency	34,826	-
Total	$ 1,349,493	$ (154)

Net change in unrealized gain (loss) on held for trading investments:

	Four months ended June 30, 2014	Three months ended May 31, 2013
Equities	$ 1,764,710	$ (43,026)
Options	(232)	-
Foreign currency	(15,246)	-
Total	$ 1,749,232	$ (43,026)

Ordinary investment expense:

	Four months ended June 30, 2014	Three months ended May 31, 2013
Interest and dividends paid	$ 24,543	$ -
Investment related expenses	214,625	-
Total	$ 239,168	$ -

(Expressed in Canadian Dollars)

Net change in unrealized gain (loss) on available for sale investments:

		Four months ended June 30, 2014		Three months ended May 31, 2013
Equities	$	471,419	$	(388,369)

16. SEGMENT INFORMATION

As a result of the Reorganization Plan described in Note 2, the Company has determined that it has only one operating segment which is reinsurance.

17. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant transactions impacting cash flows for the four months ended June 30, 2014 included:

a) In the year ended February 28, 2014, in connection with the option exercise related to the Company's senior secured facility agreement, the Company entered into an agreement of purchase and sale for 18 Nevada royalties. The transaction included a hold-back receivable of US$13,950,000 that was collected in April, 2014 and was recorded as investment proceeds.

b) The Grew Creek Notes and interim financing notes recorded in accounts receivable at February 28, 2014 were paid in April 2014 by GPY in the form of shares with a fair value of $1,311,081. See Note 5.

c) There was $386,589 of mineral property expenditures included in accounts payable and accrued liabilities as of June 30, 2014 compared to $442,889 at February 28, 2014.

d) The Company received $17,156,003 in cash and marketable securities from Kudu in exchange for Company shares.

18. RELATED PARTY DISCLOSURES

At year end February 28, 2014 the Company had investment in associates with SPD, Wolfpack and RTZ. Due to the reorganization, SPD and RTZ were fully consolidated and Wolfpack was treated as an investment as of June 30, 2014.

The Company is party to service agreements with SPD and GPY whereby the Company provides technical services on a cost plus recovery basis. In the four months ended June 30, 2014 the Company charged SPD and GPY $75,428 and $52,462 respectively, for these services.

19. RISK MANAGEMENT

The significant risk exposures that have changed since the Company's annual report ended February 28, 2014 due to the reorganization as presented in these condensed consolidated interim financial statements are as follows:

The Company's statement of financial position at June 30, 2014 consists of short-term financial assets and financial liabilities with maturities of less than one year. The most significant identified risks which arise from holding financial instruments include credit risk, market risk and liquidity risk.

At June 30, 2014 the Company's financial assets were significantly higher than its financial liabilities resulting in minimal liquidity risk. Overall, the Company has a comprehensive risk management framework to monitor, evaluate and manage the risks assumed in conducting its business.

At June 30, 2014, a significant amount of the Company's investment portfolio was invested in equity securities. The fair value of these investments and the related investment income fluctuate depending on general economic and market conditions, including volatility in the financial markets and the economy as a whole.

The impact of fluctuations in the market prices of securities affects the Company's financial statements. Changes in the fair value of these securities are included in net unrealized investment gain or loss within the company's income.

Since 2008, the financial markets and the economy have been severely affected by various events. This has impacted interest rates and has caused large write downs in other companies' financial instruments either due to the market fluctuations or the impact of the events on the debtors' financial condition. Turmoil in the financial markets and the economy, particularly related to potential future ratings downgrade and/or impairment of debt securities of sovereign issuers, could adversely affect the valuation of the Company's investments which could have a material adverse effect on the Company's financial position and results of operations.

Foreign currency risk

The Company's raises funds in both Canadian and US dollars and major purchases and expenditures are transacted in both Canadian and US dollars. The Company maintains US dollar bank accounts in a Bermudian branch of a major international financial institution. The Company also funds exploration and administrative expenses in both Canadian and US dollars. Additionally, the note on the Hayden office building is denominated in US dollars. The Company's sensitivity to a 10% increase or decrease in the US dollar relative to the Canadian dollar, representing the sensitivity to fluctuations in foreign currency, is not material to the Company's interest expense or on unrealized gain or loss on debt.

The Company does not hedge its foreign exchange risk as management believes the risk is not significant.

20. SUBSEQUENT EVENTS

Silver Predator Private Placement
On July 30, 2014, the Company participated in SPD's private placement by purchasing 19,000,000 common shares, bringing its total ownership interest in SPD to 63.34%.

Agreements with MultiStrat Re
On August 11, 2014 the Company entered into certain agreements (the "Agreements") with MultiStrat Re Ltd. ("MSRE"), a Bermuda based private special purpose insurance company, pursuant to which MSRE has agreed to provide certain underwriting and retrocession related services to the Company. MSRE is a privately held, special purpose insurer incorporated and licensed in Bermuda.

The Agreements include the following:

1. Master Services Agreement (the "MSA"): For the duration of the term of the MSA, such agreement sets out the terms and conditions of the underwriting services to be provided by MSRE to Resource Re, the process for collection and processing of premiums and payment of claims by MSRE, the payments of fees and taxes by Resource Re to MSRE, and certain other administrative functions relating to the underwriting guidelines and the administration of the services to be provided by MSRE to Resource Re. MSRE will conduct underwriting activities in accordance with Resource Re's investment and underwriting policies.

2. Retrocession Agreement (the "Retrocession Agreement"): For the duration of the term of the Retrocession Agreement, MSRE agrees to retrocede to Resource Re a specified quota share of certain insurance and reinsurance business that MSRE assumes from other insurance and/or reinsurance companies meeting the terms and conditions for risk and financial limits as established by Resource Re.

Letter of intent with Omega
On July 28, 2014, the Company entered into a letter of intent with Omega Insurance Holdings, Inc. ("Omega"), a Toronto, Canada based insurance provider, and its shareholders, pursuant to which the Company proposes to acquire all of the issued and outstanding shares of Omega (the "Proposed Transaction").

The letter of intent contemplates that the Company will pay an aggregate purchase price of 1.2 times book value, or approximately $15,400,000 as of March 31, 2014, plus an amount not to exceed $3,000,000 for any transactions in process at closing, in exchange for all of the issued and outstanding shares of Omega. The aggregate purchase price will be payable as follows: (i) at the closing of the Proposed Transaction (and 90 days from the date of completion of any qualifying transactions in progress at closing), Till will pay to the Omega shareholders 95% of the purchase price in cash and (ii) 12 months after the closing of the Proposed Transaction, Till will pay to the Omega shareholders 5% of the purchase price in cash. The payment at 12 months following closing of the Proposed Transaction is subject to reduction in the event losses incurred on the policies purchased from Omega are greater than 10% above the actual loss reserves pursuant to the financial statements prepared as of the most recent quarter end prior to the closing date. Insiders of Omega will be permitted to receive shares of Till in lieu of the 95% cash payment. In the event the insiders elect to receive shares of Till, the value per share will be the VWAP for the 5-day period ending on the day immediately prior to the closing date of the Proposed Transaction less the maximum discount allowed by the TSX Venture Exchange, but in no event will the value be less than $9.50 per share. The 5% payment due 12 months from closing will in all cases be paid in cash.

Completion of the Proposed Transaction is subject to a number of conditions, including the negotiation and settlement of definitive terms for the Proposed Transaction and the entering into of a definitive share purchase agreement among the parties, completion of due diligence, approval by Canada's Office of the Superintendent of Financial Institutions, receipt of respective board approvals, receipt of approval of the TSX-V, and receipt of certain other customary consents. There is no assurance that the Company will consummate the Proposed Transaction.