

PRESCIENT MINING CORP.

Condensed Interim Financial Statements (Unaudited)

Three Months Ended September 30, 2014 and 2013

(Expressed in Canadian Dollars)

PRESCIENT MINING CORP.

(the “Company”)

CONDENSED INTERIM FINANCIAL STATEMENTS

Three months ended September 30, 2014 and 2013

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The management of Prescient Mining Corp. is responsible for the preparation of the accompanying unaudited condensed interim financial statements. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of condensed consolidated interim financial statements and are in accordance with IAS 34 - Interim Financial Reporting.

The Company's auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

November 24, 2014

PRESCIENT MINING CORP.

Condensed Interim Statements of Financial Position (Unaudited)
(Expressed in Canadian Dollars)

	Note	September 30, 2014 \$	June 30, 2014 \$
ASSETS			
CURRENT			
Cash and cash equivalents		1,622,430	879,419
GST recoverable		8,598	4,080
Interest receivable	5	47,067	1,644
Loans receivable	5	3,360,000	1,000,000
Prepaid expenses and deposits	8 (c)	1,500	1,500
		5,039,595	1,886,643
Equipment		653	706
		5,040,248	1,887,349
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	8(c)	36,975	33,550
Loan payable	6	400,000	500,438
		436,975	533,998
SHAREHOLDERS' EQUITY			
Share capital	7	4,900,234	2,640,575
Reserves		1,745,275	246,727
Deficit		(2,042,236)	(1,533,941)
		4,603,273	1,353,361
		5,040,248	1,887,349

Nature of operations (Note 1)
Exploration and evaluation asset (Note 4)
Subsequent events (Note 9)

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

PRESCIENT MINING CORP.

Condensed Interim Statements of Comprehensive Loss (Unaudited)
(Expressed in Canadian Dollars)

		Three months ended September 30,	
	Notes	2014	2013
		\$	\$
EXPENSES			
Depreciation		53	76
Consulting fees		58,800	10,000
Management fees	8(b)	15,000	4,500
Office, rent and administration	8(a)	42,123	26,009
Professional fees	8(a)	32,293	-
Regulatory fees		830	-
Share-based payments	7(c), 8(b)	277,790	-
Transfer agent and shareholder information		19,694	691
Travel and promotion		96,149	15
		<hr/>	<hr/>
LOSS BEFORE OTHER INCOME (EXPENSES)		(542,732)	(41,291)
Finance and other costs		(10,987)	(50)
Interest income		45,424	1,596
		<hr/>	<hr/>
		34,437	1,546
		<hr/>	<hr/>
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(508,295)	(39,745)
		<hr/>	<hr/>
BASIC AND DILUTED LOSS PER SHARE		(0.01)	-
		<hr/>	<hr/>
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		35,502,870	16,040,000
		<hr/>	<hr/>

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

PRESCIENT MINING CORP.

Condensed Interim Statements of Changes in Equity (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

	Note	Share Capital		Obligation to issue shares	Reserves			Deficit	Total
		Common Shares	Amount \$		Share-Based Payments	Warrants	Total		
				\$	\$	\$	\$	\$	\$
Balance, June 30, 2013		16,040,000	1,848,935	-	175,358	-	175,358	(1,329,553)	694,200
Comprehensive loss for the period		-	-	-	-	-	-	(39,745)	(39,745)
Forfeited options	7(d)	-	-	-	(24,371)	-	(24,371)	24,371	-
Balance, September 30, 2013		16,040,000	1,848,395	-	150,987	-	150,987	(1,344,927)	654,455
Comprehensive loss for the period		-	-	-	-	-	-	(359,960)	(359,960)
Private placements	7	9,500,000	950,000	-	-	-	-	-	950,000
Share issuance costs	7	-	(159,645)	-	-	83,645	83,645	-	(76,000)
Shares issuable for loan	6	-	-	99,960	-	-	99,960	-	99,960
Forfeited options	7(d)	-	-	-	(170,946)	-	(170,946)	170,946	-
Exercise of stock options	7	10,000	1,825	-	(1,325)	-	(1,325)	-	500
Share-based payments	7(d)	-	-	-	84,406	-	84,406	-	84,406
Balance, June 30, 2014		25,550,000	2,640,575	99,960	63,122	83,645	246,727	(1,533,941)	1,353,361
Comprehensive loss for the period		-	-	-	-	-	-	(508,295)	(508,295)
Shares issued for loan	6	714,000	99,960	(99,960)	-	-	(99,960)	-	-
Private placements	7	14,500,000	2,650,000	-	-	-	-	-	2,650,000
Share issuance costs	7	-	(495,454)	-	-	340,871	340,871	-	(154,583)
Share subscriptions	9	-	-	982,000	-	-	982,000	-	982,000
Exercise of stock options	7	60,000	5,153	-	(2,153)	-	(2,153)	-	3,000
Share-based payments	7(d)	-	-	-	277,790	-	277,790	-	277,790
Balance, September 30, 2014		40,824,000	4,900,234	982,000	338,759	424,516	1,745,275	(2,042,236)	4,603,273

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

PRESCIENT MINING CORP.

Condensed Interim Statements of Cash Flows (Unaudited)
(Expressed in Canadian Dollars)

	Three months ended September 30,	
	2014	2013
	\$	\$
CASH WAS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss for the period	(508,295)	(39,745)
Adjustments for non-cash items		
Depreciation	53	76
Share-based payments	277,790	-
Changes in non-cash working capital accounts		
Interest receivable	(45,423)	(1,166)
GST recoverable	(4,518)	3,892
Prepaid expenses and deposits	-	70
Accounts payable and accrued liabilities	3,425	(11,488)
	<u>(276,968)</u>	<u>(48,361)</u>
INVESTING ACTIVITY		
Loans receivable	<u>(2,360,000)</u>	<u>-</u>
FINANCING ACTIVITIES		
Shares issued for cash	2,653,000	-
Share issuance costs	(154,583)	-
Share subscription received	982,000	-
Repayment of loan	<u>(100,438)</u>	<u>-</u>
	<u>3,379,979</u>	<u>-</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	743,011	(48,361)
Cash and cash equivalents, beginning of period	<u>879,419</u>	<u>644,713</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>1,622,430</u>	<u>596,352</u>
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Cash on hand	1,622,430	3,552
Guaranteed Investment Certificates	<u>-</u>	<u>592,800</u>
	<u>1,622,430</u>	<u>596,352</u>

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

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

1. Nature of Operations

Prescient Mining Corp. (the “Company”) was incorporated on December 21, 2006, under the laws of the *Business Corporations Act* (British Columbia). The Company’s shares are traded on the Canadian Securities Exchange (the “Exchange”) under the symbol “PMC.”

The head office, principal address, and records office of the Company are located at Suite 507 – 700 West Pender Street, Vancouver, BC, Canada, V6C 1G8. The Company’s registered office address is located at Suite 1780 – 400 Burrard Street, Vancouver, British Columbia, Canada, V6C 3A6.

The Company was engaged in the acquisition, exploration, and development of resource properties. The Company is in the process of becoming a licensed producer of medical marijuana in Canada by closing a share exchange with Aurora Marijuana Inc. (“Aurora”) and the shareholders of Aurora. On close of the share exchange, Aurora will be a wholly-owned subsidiary of the Company (Notes 5 and 9(b)). Currently, Aurora is in the process of applying to Health Canada for a medical marijuana production and distribution license. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to raise additional financing in order to complete the acquisition and development of a medical marijuana production and sales business, and the attainment of future operations. The outcome of these matters cannot be predicted at this time.

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards on the basis that the Company is a going concern and will be able to meet its obligations and continue its operations for the next twelve months. While the Company has been successful in raising financing in the past, there is no assurance that it will be able to obtain additional financing or that such financing will be available on reasonable terms. These interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Significant Accounting Policies

The condensed interim financial statements were authorized for issue on November 24, 2014 by the Directors of the Company.

These condensed interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board (“IASB”). The accounting policies applied by the Company in these condensed interim financial statements are consistent with International Financial Reporting Standards (“IFRS”) and with those disclosed in the Company’s annual audited financial statements as at and for the year ended June 30, 2014.

The condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s audited financial statements for the year ended June 30, 2014.

3. Significant Accounting Judgments, Estimates and Assumptions

In the preparation of financial statements in conformity with IFRS, management is required to make judgments, estimates, and assumptions that affect the amounts reported and disclosed in the interim financial statements and related notes. There has been no significant change to the Company’s estimation and judgment from those disclosed in note 3 to the audited financial statements for the year ended June 30, 2014.

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

4. Exploration and Evaluation Asset

Cumulative expenditures incurred by the Company on its property are summarized as follows:

	Hook Lake property Saskatchewan, Canada \$
Balance, June 30, 2013	107,325
Exploration costs:	
Geophysics	<u>942</u>
Balance, September 30, 2014 and June 30, 2014	<u>108,267</u>

On April 12, 2012, the Company entered into an option agreement with Geomode Mineral Exploration Ltd. ("Geomode") for the exclusive right and option to acquire a 100% interest in the Hook Lake property, a prospective uranium project located in Saskatchewan. As consideration, the Company agreed to pay an aggregate of \$1,015,000 (\$15,000 paid), issue 150,000 common shares (issued) and incur in exploration and development expenditures a total of \$871,248 (\$122,529 incurred) or pay to Geomode a further \$871,248 over a period of 3 years.

On August 12, 2014, the Company terminated the option agreement, and the carrying value of the exploration and evaluation asset was reduced to nil.

5. Loans Receivable

On May 9, 2014, the Company entered into a letter agreement and subsequently, on September 9, 2014, into a Share Exchange Agreement with Aurora pursuant to which the Company will acquire all of the issued and outstanding securities of Aurora in consideration for securities of the Company (Note 9). Pursuant to the letter agreement, the Company entered into the following loan agreements with Aurora:

- Loan agreement dated June 19, 2014, in the aggregate principal amount of \$1,500,000. The Company advanced an aggregate of \$1,000,000 to Aurora during June 2014 and another \$500,000 on July 14, 2014. During the three months ended September 30, 2014, the Company accrued \$30,774 in interest on the advances.
- Loan agreement dated July 29, 2014, in the aggregate principal amount of \$1,000,000. During the three months ended September 30, 2014, the Company accrued \$12,201 in interest on the advances.
- Loan agreement dated August 29, 2014, in the aggregate principal amount of \$500,000. During the three months ended September 30, 2014, the Company accrued \$3,619 in interest on the advances.
- Loan agreement dated September 25, 2014, in the aggregate principal amount of \$360,000. During the three months ended September 30, 2014, the Company accrued \$473 in interest on the advances.

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

5. Loans Receivable (Continued)

(e) Loan agreements subsequent to September 30, 2014:

(i) dated October 2, 2014, in the aggregate principal amount of \$500,000;

(ii) dated October 30, 2014, in the principal amount of \$650,000;

The loans have a term of six months from the dates of advances, bear interest at 8% per annum and are secured by a general security agreement dated June 19, 2014, granting the Company security over all present and after acquired property of Aurora.

6. Loan payable

The Company entered into a loan agreement dated June 27, 2014 with an arm's length party (the "Lender") in the principal amount of \$500,000. The loan is unsecured, bears interest at 8% per annum and matures on December 27, 2014. In consideration for the loan, the Company issued 714,000 common shares to the Lender subsequent to June 30, 2014 at a fair value of \$99,960. During the three months ended September 30, 2014, the Company made a partial payment of \$100,000 and paid or accrued \$10,550 in interest on this loan.

7. Share Capital and Reserves

(a) Authorized

The Company is authorized to issue an unlimited number of common voting shares without par value.

(b) Issued Share Capital

At September 30, 2014, there were 40,824,000 issued and fully paid common shares (June 30, 2014 - 25,550,000).

(c) Share Issuances

During the three months ended September 30, 2014, the Company closed a non-brokered private placement of 6,500,000 common shares at a price of \$0.10 per share for gross proceeds of \$650,000. The Company paid finder's fees of \$52,000 and 520,000 share purchase warrants at a fair value of \$340,871. Each finder's warrant entitles the finder to purchase a common share of the Company at a price of \$0.10 per share expiring July 15, 2016. The fair value of the finder's warrants of \$340,871 has been charged to share issue costs with a corresponding increase to warrant reserve. The fair value of the finder's warrants was determined using the Black-Scholes option pricing model using the following weighted average assumptions: expected dividend yield - 0.00%; expected stock price volatility - 179.99%; risk-free interest rate - 1.08%; expected life - 2 years. The weighted average fair value of the finder's warrants issued during the three months ended September 30, 2014 was \$0.66 per warrant.

During the three months ended September 30, 2014, the Company closed a non-brokered private placement of 8,000,000 common shares at a price of \$0.25 per share for gross proceeds of \$2,000,000. The Company paid aggregate finders' fees of \$98,920 on a portion of the private placement.

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

7. Share Capital and Reserves (Continued)

(c) Share Issuances (Continued)

During the three months ended September 30, 2014, 60,000 stock options at a price of \$0.05 per share were exercised for gross proceeds of \$3,000. Non-cash compensation charges of \$2,153 were reclassified from reserves to share capital on the exercise of these options.

During the year ended June 30, 2014, the Company closed a non-brokered private placement of 9,500,000 common shares at a price of \$0.10 per share for gross proceeds of \$950,000. The Company paid finder's fees of \$76,000 and 760,000 share purchase warrants at a fair value of \$83,645. Each finder's warrant entitles the finder to purchase a common share of the Company at a price of \$0.10 per share expiring June 27, 2016. The fair value of the finder's warrants of \$83,645 has been charged to share issue costs with a corresponding increase to warrant reserve. The fair value of the finder's warrants was determined using the Black-Scholes option pricing model using the following weighted average assumptions: expected dividend yield - 0.00%; expected stock price volatility - 160.08%; risk-free interest rate - 1.10%; expected life - 2 years. The weighted average fair value of the finder's warrants issued during the year ended June 30, 2014 was \$0.11 per warrant.

During the year ended June 30, 2014, 10,000 stock options at a price of \$0.05 per share were exercised for gross proceeds of \$500. Non-cash compensation charges of \$1,325 were reclassified from reserves to share capital on the exercise of these options.

(d) Stock Options

The Company has an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company.

A summary of the status of the options outstanding follows:

	Number of Options	Weighted Average Exercise Price \$
Balance, June 30, 2013	1,723,000	0.06
Granted	1,444,000	0.05
Exercised	(10,000)	0.05
Expired unexercised	(138,333) ⁽ⁱ⁾	0.05
Forfeited	(1,430,667) ⁽ⁱ⁾	0.05
Balance, June 30, 2014	1,588,000	0.06
Granted	1,250,000	0.95
Exercised	(60,000)	0.05
Balance, September 30, 2014	2,778,000	0.46

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

7. Share Capital and Reserves (Continued)

(d) Stock Options (Continued)

- (i) During the year ended June 30, 2014, the fair values of 138,333 expired unexercised options of \$24,371 and 1,430,667 forfeited options of \$170,946 were reclassified from reserves to deficit.

The following table summarizes the stock options outstanding as at September 30, 2014:

Exercise Price \$	Number of Options Outstanding	Expiry Date	Number of Options Exercisable
0.05 ⁽ⁱⁱ⁾	473,333	March 22, 2015	473,333
0.05 ⁽ⁱⁱ⁾	503,334	October 29, 2017	503,334
0.15	144,000 ⁽ⁱ⁾	October 29, 2017	144,000
0.70	250,000	August 31, 2019	-
1.01	1,000,000	September 18, 2019	250,000
0.05 ⁽ⁱⁱ⁾	84,000	April 1, 2020	84,000
0.05 ⁽ⁱⁱ⁾	140,000	May 31, 2021	140,000
0.05 ⁽ⁱⁱ⁾	183,333	March 19, 2024	183,333
	2,778,000		1,778,000

- (i) These stock options were granted to two charitable organizations.

- (ii) During the year ended June 30, 2014, the exercise price of these stock options was reduced to \$0.05 per share. These options had original exercise prices between \$0.10 and \$0.15 per share. The repricing of these options resulted in the recognition of additional share-based payments of \$38,791 during the year ended June 30, 2014

As at September 30, 2014, stock options outstanding have a weighted average remaining contractual life of 4.16 years.

During the three months ended September 30, 2013, the Company recognized share-based payments of \$277,790 (2013 – \$nil) for stock options granted and vested during the period.

The fair value of stock options used to calculate share-based payments has been estimated using the Black-Scholes option pricing model using the following weighted average assumptions:

	2014	2013
Risk-Free Annual Interest Rate	1.45%	-
Expected Annual Dividend Yield	0%	-
Expected Stock Price Volatility	176.07%	-
Expected Life of Options and Warrants	2.57 years	-

The weighted average fair value of stock options granted during the three months ended September 30, 2014 was \$0.83 (2013 - \$Nil) per option.

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

7. Share Capital and Reserves (Continued)

(e) Share Purchase Warrants

Each whole warrant entitles the holder to purchase one common share of the Company. A summary of the status of the warrants outstanding follows:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, June 30, 2013	-	-
Granted	760,000	0.10
Balance, June 30, 2014	760,000	0.10
Granted	520,000	0.10
Balance, September 30, 2014	1,280,000	0.10

The following table summarizes the warrants outstanding as at September 30, 2014:

Exercise Price \$	Warrants #	Expiry Date
0.10	760,000	June 27, 2016
0.10	520,000	July 15, 2016
	1,280,000	

As at September 30, 2014, share purchase warrants outstanding have a weighted average remaining contractual life of 1.76 years.

8. Related Party Transactions

(a) Related Party Transactions

The Company incurred the following transactions with companies having directors and officers in common:

	Three months ended September 30,	
	2014	2013
	\$	\$
Office, rent and administration costs paid or accrued to companies having directors and officers in common ⁽ⁱ⁾	31,475	20,950
Legal fees and share issuance costs paid or accrued to a company controlled by an officer of the Company	26,943	-
	58,418	20,950

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

8. Related Party Transactions (Continued)

(a) Related Party Transactions (Continued)

- ⁽ⁱ⁾ Of these fees, \$7,500 was paid to the CFO of the Company (2013 - \$6,900) (Note 8(b)(i)).

(b) Compensation of Key Management Personnel

The Company's key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and consist of its Directors, Chief Executive Officer and Chief Financial Officer.

	Three months ended September 30,	
	2014	2013
	\$	\$
Short-term benefits – Management Fees ⁽ⁱ⁾	22,500	11,400
Share-based payments ⁽ⁱⁱ⁾	43,551	-
	<u>66,051</u>	<u>11,400</u>

- ⁽ⁱ⁾ Short-term benefits include consulting and management fees.

- ⁽ⁱⁱ⁾ Share-based payments are the fair value of options granted and vested to key management personnel under the Company's stock option plan (Note 7(d)).

(c) Related Party Balances

The following related party amounts are included in (i) accounts payable and accrued liabilities and (ii) prepaid expenses and deposits:

	September 30, 2014	June 30, 2014
	\$	\$
(i) Companies controlled by directors and an officer of the Company	-	5,250
(i) An officer of the Company	17,967	-
(ii) Companies having a director and officers in common	<u>1,500</u>	<u>1,500</u>

These transactions are in the normal course of operations and are measured at the fair value amount of consideration established and agreed to by the related parties. Any amounts due to related parties are unsecured, non-interest bearing and have no specific repayment terms.

PRESCIENT MINING CORP.

Notes to Condensed Interim Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three months ended September 30, 2014 and 2013

9. Subsequent Events

The following events occurred subsequent to September 30, 2014:

- (a) The Company closed a non-brokered private placement of 1,176,471 common shares at a price of \$0.85 per share for gross proceeds of \$1,000,000.
- (b) On September 9, 2014, the Company entered into a Share Exchange Agreement with Aurora pursuant to which the Company will acquire all of the issued and outstanding securities of Aurora in consideration for securities of the Company (the “Agreement”) as follows:
 - (i) Issuance of the following securities of the Company to Aurora shareholders:
 - 60,00,000 common shares;
 - An aggregate of 21,450,000 warrants of Prescient, being 10,200,000 warrants exercisable at a price of \$0.50 per share for a period of 3 years and 11,250,000 warrants exercisable at a price of \$0.02 per share for a period of 5 years; and
 - 4,000,000 options exercisable at a price of \$0.001 per share for a period of 5 years.
 - (ii) Assumption of Aurora’s non-interest bearing convertible shareholder loan of \$1,500,000. The loan is unsecured, has a term of 5 years and convertible into common shares of the Company at a price of \$0.125 per share at any time during the term.
 - (iii) Issuance of 20,000,000 performance shares and 3,750,000 performance warrants at \$0.02 per share for a term of 5 years, exercisable on completion of a performance milestone.

The Company entered into a finder’s fee agreement and will issue 3,000,000 common shares to the finder, being 5% of the total shares to be issued under the Agreement.

As of the most current date, the Company advanced an aggregate of \$4,510,000 to Aurora pursuant to loan and security agreements (Note 6).

In connection with the transaction, the Company changed its name to Aurora Cannabis Inc. The transaction and the name change are subject to the approval of the Exchange.