BEARING RESOURCES LTD.

Condensed Consolidated Financial Statements

For the Quarter ended April 30, 2015

(Expressed in Canadian dollars, except where indicated)

Bearing Resources Ltd.

Condensed Consolidated Statement of Financial Position

As at April 30, 2015 and October 31, 2014

(Expressed in Canadian dollars, except where indicated)

	April 30, 2015 $	October 31, 2014 $
Assets		
Current assets		
Cash and cash equivalents	638,497	728,975
Accounts receivable and prepaid expenses	11,622	4,819
Investments	7,201	7,201
	657,320	740,995
Non-current assets		
Reclamation bonds and deposits	21,854	21,867
Mineral property interests (note 4)	248,329	593,386
	927,503	1,356,248
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	20,134	17,491
	20,134	17,491
Shareholders' Equity		
Common shares	8,677,789	8,677,789
Contributed surplus	5,023,092	5,023,092
Accumulated other comprehensive income ("AOCI")	3,028	5,286
Deficit	(12,796,540)	(12,367,410)
	907,369	1,338,757
	927,503	1,356,248

Contingencies (note 9)
Subsequent event (note 10**)**
Approved by the Board of Directors

"*Kirk Shaw*" "*Eduard Epshtein*"

Director Director

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

Bearing Resources Ltd.

Condensed Consolidated Statement of Loss and Comprehensive Loss

For the three and six months ended April 30, 2015 and 2014

(Expressed in Canadian dollars, except where indicated)

Expenses	Three Months Ended April 30, 2015	Three Months Ended April 30, 2014	Six Months Ended April 30, 2015	Six Months Ended April 30, 2014
	$	$	$	$
Exploration expenses				
Expenditures (note 3)	(26,442)	3,303	(8,584)	7,642
Write-downs of mineral property interests (note 4)	345,057	-	345,057	-
	318,615	3,303	336,473	7,642
Corporate and other costs				
Audit, filing and legal fees	20,703	17,838	26,265	29,619
Consulting and labour	32,337	32,297	64,001	74,880
Depreciation and amortization	-	763	-	5,993
Finance income	(2,173)	(3,062)	(4,627)	(5,756)
Other costs	4,274	3,327	(3,642)	(1,945)
Rent and office costs	5,167	5,989	10,660	23,876
Share-based payment expense (note 6)	-	-	-	(32,432)
Unrealized loss on held-for-trading investment	-	(5,400)	-	(5,400)
	60,308	51,752	92,657	88,835
Loss for the period	378,923	55,055	429,130	96,477
Other comprehensive income				
Items that may be reclassified subsequently to loss for the period				
Foreign currency translation adjustment	1,825	(111)	2,258	(854)
	1,825	(111)	2,258	(854)
Comprehensive loss for the period	380,748	54,944	431,388	95,623
Basic and diluted loss per share ($ per share)	$0.01	$0.00	$0.02	$0.00
Weighted average shares outstanding (000's)	25,889,648	25,889,648	25,889,648	25,889,648

Bearing Resources Ltd.

Condensed Consolidated Statement of Shareholders' Equity

For the six months ended April 30, 2015 and 2014

(Expressed in Canadian dollars, except where indicated)

	Common shares					
	No. of shares #	Amount $	Contributed Surplus $	AOCI $	Deficit $	Shareholders' equity $
Balance – November 1, 2013	25,889,648	8,677,789	5,007,069	4,511	(12,111,358)	1,578,011
Share-based payments	-	-	(32,432)	-	-	(32,432)
Comprehensive income (loss)	-	-	-	854	(96,477)	(95,623)
Balance – April 30, 2014	25,889,648	8,677,789	4,974,637	5,365	(12,207,835)	1,449,956
Balance – November 1, 2014	25,889,648	8,677,789	5,023,092	5,286	(12,367,410)	1,338,757
Comprehensive income (loss)	-	-	-	(2,258)	(429,130)	(431,388)
Balance – April 30, 2015	25,889,648	8,677,789	5,023,092	3,028	(12,796,540)	907,369

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

Bearing Resources Ltd.

Condensed Consolidated Statement of Cash Flow

For the three and six months ended April 30, 2015 and 2014

(Expressed in Canadian dollars, except where indicated)

	Three Months Ended April 30, 2015 $	Three Months Ended April 30, 2014 $	Six Months Ended April 30, 2015 $	Six Months Ended April 30, 2014 $
Cash flows from operating activities				
Loss for the period	(378,923)	(55,055)	(429,130)	(96,477)
Items not affecting cash				
Depreciation and amortization	-	763	-	5,993
Mineral property write-down (note 4)	345,057	-	345,057	-
Share-based payment expense	-	-	-	(32,432)
Unrealized loss on held-for-trading investment	-	(5,400)	-	(5,400)
	(33,866)	(59,692)	(84,073)	(128,316)
Change in non-cash operating working capital				
Decrease (increase) in accounts receivable & prepaids	(9,464)	(6,333)	(6,790)	2,919
Increase (decrease) in accounts payable & accruals	5,868	(2,103)	2,643	(14,712)
	(37,462)	(68,128)	(88,220)	(140,109)
Cash flows from financing activities				
Share issuances, net	-	-	-	-
	-	-	-	-
Cash flows from investing activities				
Receipts from capital asset dispositions	-	-	-	9,110
	-	-	-	9,110
Effect of exchange rate changes on cash and equivalents	(1,825)	52	(2,258)	175
(Decrease) in cash and cash equivalents	(39,287)	(68,076)	(90,478)	(130,824)
Cash and cash equivalents - Beginning of period	677,784	886,183	728,975	948,931
Cash and cash equivalents - End of period	638,497	818,107	638,497	818,107

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

1 Nature of operations

Bearing Resources Ltd. (the "Company" or "Bearing") is an exploration stage company (note 11) that is engaged in the exploration and development of mineral properties in Mexico and Canada. The Company's registered office is Suite 2600, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia, Canada.

Bearing was incorporated on January 13, 2011 as 0900353 B.C. LTD. On March 25, 2011, Levon Resources Ltd. ("Levon") acquired Valley High Ventures Ltd. ("Valley High"), the predecessor corporation to the Company, by way of a court-approved plan of arrangement (the "Arrangement").

2 Significant accounting policies

Basis of presentation

These interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34- Interim Financial Reporting. The accounting policies followed in these condensed interim consolidated financial statements are consistent with those of the previous financial year, except as described below.

Effective November 1, 2014, the Company adopted IFRIC 21, Accounting for Levies imposed by Governments. IFRIC 21 clarifies that the obligating event giving rise to a liability to pay a levy is the activity described in the relevant legislation that triggers payment of the levy. IFRIC 21 did not result in any changes to the Company's financial statements.

New accounting pronouncements

Unless otherwise noted, the following revised standards and amendments are effective for annual periods of the Company beginning on or after November 1, 2015 with earlier application permitted, except where indicated.

(i) The completed version of IFRS 9, *Financial Instruments*, was issued in July 2014. The completed standard provides revised guidance on the classification and measurement of financial assets. It also introduces a new expected credit loss model for calculating impairment for financial assets. The new hedging guidance that was issued in November 2013 is incorporated into this new final standard. This final version of IFRS 9 will be effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently assessing the effect of this standard.

(ii) In May 2014, IFRS 15, Revenue from Contracts with Customers was issued which establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15 will be effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company is currently assessing the effect of this standard.

(Expressed in Canadian dollars, except where indicated)

3 Exploration costs

Exploration costs are comprised of exploration and evaluation expenses on the following properties or property groups. For an understanding of the properties, reference should be made to note 4. Costs related to Mt. Polley are included under the "Other" heading on the following table:

	Expensed exploration cost for the three months ended April 30, 2015				
$	**OctDome**	**Yukon**	**Mexico**	**Other**	**Total**
General & administration	3,578		(30,020)	-	(26,442)
	3,578	-	(30,020)	-	(26,442)

	Expensed exploration cost for the three months ended April 30, 2014				
$	**OctDome**	**Yukon**	**Mexico**	**Other**	**Total**
General & administration	1,200	-	2,103	-	3,303
	1,200	-	2,103	-	3,303

	Expensed exploration cost for the six months ended April 30, 2015				
$	**OctDome**	**Yukon**	**Mexico**	**Other**	**Total**
General & administration	4,674	-	(13,758)	-	(9,084)
Geology & geochemistry	500	-	-	-	500
	5,174	-	(13,758)	-	(8,584)

	Expensed exploration cost for the six months ended April 30, 2014				
$	**OctDome**	**Yukon**	**Mexico**	**Other**	**Total**
Drilling	314	-	-	-	314
General & administration	1,200	-	6,128	-	7,328
	1,514	-	6,128	-	7,642

4 Mineral property interests

Under the Company's accounting policy property acquisition costs are capitalized.

$	**OctDome**	**Mt Polley**	**Other**	**Total**
October 31, 2013	555,057	13,325	25,004	593,386
Acquisition costs	-	-	-	-
October 31, 2014	555,057	13,325	25,004	593,386
Writedowns	(345,057)	-	-	(345,057)
April 30, 2015	210,000	13,325	25,004	248,329

(Expressed in Canadian dollars, except where indicated)

4 Mineral property interests (continued)

Canadian Properties:

The **October Dome gold property** is located northwest of Likely, British Columbia, Canada. A portion of the property is subject to a 2% Net Smelter Royalty ("NSR"), with each 0.5% purchasable for $500,000. A further 667 hectares are subject to a 1.5% NSR royalty. In April 2015, the Company wrote down certain acquisition costs associated as impairment is indicated by the terms of the proposed Commander transaction (note 11). The amount of the write-down has been estimated based on the value of the cash and shares proposed to be received.

The **Mt. Polley copper-gold properties** are located adjacent to Imperial Metals Corporation's ("Imperial") Mt. Polley open-pit copper gold mine, northeast of Williams Lake, British Columbia, Canada. The Company has a 90% interest in a portion of the Lloyd claims and a 100% interest in the remaining Lloyd claims, subject to a 1.5% NSR royalty. The Company also has a 100% interest in the Nordik, Buc, and Calm claims subject to a 2% NSR royalty. The NSR royalty on each claim group with the exception of the Buc claims can be purchased for $500,000 for each one-half percent.

The Mt. Polley properties previously included an additional area adjacent to Imperial's Boundary Zone that was sold to Imperial over which the Company retained a royalty interest. The royalty is $2.50 per tonne for the first 400,000 tonnes of material milled and $1.25 per tonne for all tonnes milled in excess of 400,000 tonnes. The royalty in excess of 400,000 tonnes can be reduced to $0.62 per tonne for a payment of $1,000,000. The Company is entitled to 90% of the aforementioned royalties. Three royalty payments were received in 2012.

In the **Yukon**, the Company's portfolio includes the Flume (subject to a 2.5% NSR), HY (subject to a 2% NSR), Jay, VM, VBA and Big properties. It also has royalties on properties owned by Aben Resources Ltd. ("Aben") (a 2% NSR on the VF property) and Precipitate Gold Corporation ("Precipitate") (a 2% NSR on the Jay East Property). In July 2013, the Company wrote down acquisition costs on its Yukon properties (excluding Flume).

5 Share stock options

Options

The Company has a stock option plan (the "Plan") that permits the grant of share purchase options up to 10% of the issued and outstanding common shares of the Company to directors, officers, key employees and consultants. Terms and pricing of options are determined in accordance with the Plan.

	Six months ended April 30, 2015		**Year ended October 31, 2014**	
	Number of shares	**Weighted average exercise price $**	**Number of shares**	**Weighted average exercise price $**
Outstanding - October 31	1,300,000	0.09	1,690,000	0.15
Granted	-	-	800,000	0.05
Forfeited	-	-	-	-
Expired	-	-	(1,190,000)	(0.15)
Outstanding – at period end	1,300,000	0.09	1,300,000	0.09

(Expressed in Canadian dollars, except where indicated)

5 Share stock options (continued)

As of April 30, 2015, the following stock options were outstanding:

Number of options Outstanding	Number of options vested and exercisable	Exercise price $	Expiry Date
500,000	500,000	0.15	July 12, 2016
800,000	800,000	0.05	August 1, 2019
1,300,000	1,300,000		

For the three months ended April 30, 2015 total share-based compensation expense was nil (2014: ($32,432)).
For the six months ended April 30, 2015 total share-based compensation expenses was nil (2014: ($32,432))

The following assumptions were used in the Black-Scholes pricing model to calculate compensation expense for options granted during the year ended October 31, 2014:

	Options
Risk-free interest rate	0.95% to 1.92%
Expected life	2.0 to 3.5 years
Expected volatility	100-120%
Expected dividend	nil

6 Related party transactions

The Company considers the Officers of the Company to be key management personnel.

$	Three Months Ended April 30, 2015	Three Months Ended April 30, 2014	Six Months Ended April 30, 2015	Six Months Ended April 30, 2014
Short-term employee benefits	27,932	27,916	55,853	65,820
Share-based payment expense	-	-	-	-
Total key management personnel	27,932	27,916	55,853	65,820

7 Geographic segmented information

The Company operates in a single operating segment, mineral exploration. The following table provides geographic information about the Company's assets
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$	Canada	Total
April 30, 2015		
Non-current assets	270,183	270,183
October 31, 2014		
Non-current assets	615,253	615,253

8 Financial instruments

Financial instruments include cash and any contracts that give rise to a financial asset to one party and a financial liability or equity instrument to another party. Financial instruments disclosure requires information about the classification and fair value of financial instruments, including their classification within a hierarchy that prioritizes the inputs to fair value measurements. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

At April 30, 2015, the Company's held-for-trading investments in Aben, have been measured at fair value on a recurring basis and are classified as as Level 1.

Fair Values
As at April 30, 2015, the Company's carrying values of cash and cash equivalents, accounts receivable, reclamation bonds and deposits, accounts payable and accrued liabilities approximate their fair values due to their short terms to maturity. The Company has no financial assets or liabilities classified as held-for-trading or available-for-sale, other than the Aben.

Credit Risk
Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies. Accounts receivable are primarily from governments.

Interest Rate Risk
The Company is exposed to interest rate risk on its cash and cash equivalents held at April 30, 2015. A 100 basis point (1%) increase or decrease in the interest rate in 2015 would have resulted in approximately an $3,419 change in the Company's reported loss for the six months ended April 30, 2015 based on its closing balance during the fiscal year.

Liquidity Risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances as its sole source of cash. The Company manages liquidity risk by endeavoring to maintain an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash equivalents to capital and operating needs.

Currency Risk
As at April 30, 2015 the Company has financial instrument exposure in Canadian dollars, Mexican pesos and United States dollars. The Company therefore has exposure to United States dollars as the functional currencies of the Company and its Mexican subsidiaries are Canadian dollars and Mexican pesos respectively.

9 Contingencies

As part of the Arrangement, Bearing agreed to indemnify Levon from any tax liabilities associated with the transfer of the assets to Bearing from Valley High. At this time, the Company does not believe that any significant liabilities will arise as a result of this indemnification.

10 Subsequent event

Reorganization

On May 5, 2015, the Company announced its proposal to complete a corporate reorganization (the "Reorganization") that will transform it from a mineral exploration company to a film, television and digital media company. The Reorganization will include the acquisition by the Company of all of the shares of Odyssey Media Inc. ("Odyssey") and the concurrent disposition of the Company's mineral properties in exchange for shares of Commander Resources Inc. ("Commander").

Bearing has entered into letters of intent with Odyssey and Commander whereby (i) Bearing will acquire all of the issued and outstanding shares of Odyssey (the "Odyssey Transaction") in exchange for shares of Bearing, and (ii) transfer all of its mineral properties to Commander in exchange for shares of Commander (the "Commander Transaction") which it will then distribute to its shareholders of record prior to closing the Odyssey Transaction (the "BRZ Shareholders").

Odyssey is a Vancouver based private company involved in the production and sale of motion pictures. Commander is a TSX-V listed Canadian focused exploration company with a portfolio of base and precious metals projects across Canada and equity positions in a number of Canadian junior exploration companies.

The letter of intent between Bearing and Odyssey ("Odyssey LOI") is intended to govern the conduct of Bearing and Odyssey in respect of the proposed Odyssey Transaction and a proposed concurrent financing by Odyssey (the "Odyssey Financing"). The Odyssey LOI provides for an exclusive dealing period (the "Exclusivity Period") commencing on signing and ending on the earlier of the date of closing of the binding definitive agreement (the "Odyssey Agreement") and May 29, 2015 (subsequently extended to June 30**,** 2015**)**, unless otherwise extended by both parties.

Conditions of closing will include:

(i) Bearing will consolidate its issued and outstanding shares at such ratio as will result in there being 6,000,000 shares outstanding (provided that such number may be increased by up to 850,000 additional shares in the event Bearing receives refunds of its Mexican tax claims);
(ii) Bearing will dispose of all of its mineral property interests and subsidiaries in a manner acceptable to Odyssey acting reasonably (and BRZ's Shareholders and the Exchange, if applicable), which is anticipated to be by way of the Commander Transaction;
(iii) Odyssey will raise at least $2,400,000 pursuant to the Odyssey Financing (through the sale of common shares of Odyssey at $0.10 per share);
(iv) upon the closing date of the Odyssey Transaction (the "Closing Date"), certain directors and officers of Bearing will resign and individuals nominated by Odyssey will be appointed; and
(v) Bearing will change its name to such name as may be approved by Odyssey.

As consideration for Odyssey, Bearing will issue to the Odyssey shareholders, one Bearing Share for each common share of Odyssey outstanding after the Odyssey Financing (the "Acquisition Shares"); and, issued and outstanding options and warrants of Odyssey will be exchanged for options and warrants of Bearing on an equal basis.

10 Subsequent event (continued)

The letter of intent between Bearing and Commander (the “Commander LOI”) sets out the proposed terms of the transfer of Bearing’s mineral assets to Commander. Under the terms of the Commander LOI, Bearing will transfer its Canadian mineral properties to its wholly owned subsidiary BRZ Mex Holdings Ltd. (the “Canadian Subsidiary”) which also holds (indirectly) title to Bearing’s Mexican mineral properties. Bearing will then transfer all of the shares of the Canadian Subsidiary to Commander in exchange for 13,000,000 common shares of Commander and $15,000 in cash. Closing is conditional on the following:

(i) The parties entering into a definitive agreement;
(ii) Receipt of BRZ Shareholder approval;
(iii) Receipt of regulatory approval; and
(iv) Completion of the transfer of Bearing’s Canadian mineral assets from Bearing to the Canadian Subsidiary

Upon completion of the Commander Transaction, the Company intends to distribute all of the Commander shares which it receives to the BRZ Shareholders. In accordance with the Exchange policies, Bearing’s common shares are currently halted from trading and will remain so until the Company meets the sponsorship requirements or completes the Reorganization.

For full details of the Reorganization reference should be made to the Company’s news release dated May 5, 2015.

Management Discussion & Analysis for the three and six months ended April 30, 2015

Dated: June 18, 2015

The financial information in this document is prepared in accordance with International Financial Reporting Standards ("IFRS") in Canadian dollars, unless otherwise noted. This Management Discussion & Analysis ("MD&A") should be read in conjunction with the Company's audited financial statements for the years ended October 31, 2014, and 2013 and the Company's unaudited financial statements for the three and six months ended April 30, 2015 which are available on SEDAR (www.sedar.com).

This MD&A may contain forward looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

Table of Contents:

1 PROFILE AND CORPORATE UPDATE

Bearing Resources Ltd. ("Bearing" or the "Company") is a Canadian based company which has been focused on exploration for precious and base metals in North America. On May 5, 2015, the Company announced a proposal to complete a corporate reorganization (the "Reorganization") that will transform it from a mineral exploration company to a film, television and digital media company. The Reorganization will include the acquisition by the Company of all of the shares of Odyssey Media Inc. ("Odyssey") and the concurrent disposition of the Company's mineral properties in exchange for shares of Commander Resources Inc. ("Commander").

Bearing was incorporated on January 13, 2011 as 0900353 B.C. LTD, a wholly owned subsidiary of Valley High Ventures Ltd. ("Valley High"). On March 25, 2011, Levon Resources Ltd. ("Levon") acquired Valley High, the predecessor corporation to the Company, by way of a court-approved plan of arrangement (the "Arrangement"), at which time Bearing began operating as a standalone entity. Bearing shares commenced trading on the TSX Venture Exchange on June 10, 2011. The current Board of Directors is comprised of three Independent Directors (Kirk Shaw; Amar Balaggan and Eduard Epshtein).

2 EXPLORATION AND PROJECT UPDATE

Table 1:Exploration Analysis ($)	Quarter								YTD	
	Q313	Q413	Q114	Q214	Q314	Q414	Q115	Q215	2014	2015
Camp & accommodation	365	-	-	-	-	-	-	-	-	-
Drilling	4,078	162,845	314	-	2,657	-	-	-	314	-
General & administration	59,431	1,297	4,025	3,303	682	6,570	17,358	(26,442)	7,328	(9,084)
Geology & geochemistry	33,213	510	-	-	-	-	500	-	-	500
Subtotal	**97,087**	**164,652**	**4,339**	**3,303**	**3,339**	**6,570**	**17,858**	**(26,442)**	**7,328**	**(8,584)**
Write-downs (recoveries)	148,121	(53,629)	-	-	-	-	-	345,057	-	345,057
	245,208	**111,023**	**4,339**	**3,303**	**3,339**	**6,570**	**17,858**	**318,615**	**7,642**	**336,473**
Split Project / Region:										
Mexico	64,838	(41,136)	4,025	2,103	682	5,443	16,262	(30,020)	6,128	(13,758)
October Dome	5,092	169,159	314	1,200	2,657	1,127	1,596	348,635	1,514	350,231
Yukon	154,797	(17,000)	-	-	-	-	-	-	-	-
Other	20,481	-	-	-	-	-	-	-	-	-
Total exploration & acquisition	**245,208**	**111,023**	**4,339**	**3,303**	**3,339**	**6,570**	**17,858**	**318,615**	**7,642**	**336,473**

Direct expenditures by the Company over the last six quarters remain limited as the Company has elected to reduce its exploration in an effort to preserve its cash. Drilling costs in Q4 2013 relate to 1,086m drill program at October Dome.

Recoveries in Q4 2013 relate to the VF property ($17,000) and Pedro ($36,629). In Q3 2013, certain Yukon properties were written down by $149,111. KM66 property acquisition costs of $166,527 were written off in Q2 2013, this was offset by $50,000 in cash and the deemed value of 1.2 million Patriot shares received ($195,993). In Q2 2015, the company received approximately $37,000 in refund from value added taxes in Mexico. In Q2 2015, the Company wrote down the OctDome property by $345,057 as a result of impairment indicators arising from the proposed Commander transaction (section 3).

Pedro Property, Durango, Mexico

The wholly owned Pedro claims (~2,900 hectares) are located approximately 100 kilometres from the city of Torreon, and are bisected by a paved highway and power lines. Pedro is comprised of a number of targets including the HP Breccia prospect, a gold soil anomaly extending over a 1,800 x 600m area that coincides with extensive silicified sedimentary breccias and conglomerate, and the Las Lajas gold prospect.

Newmont de Mexico, S.A de C.V ("Newmont"), under a September 2013 Venture Agreement, paid US$50,000 and drilled 1,744m (11 drill holes). Effective July 1, 2014, Newmont terminated the agreement after the results of the drill program did not meet their criteria. Newmont tested the HP breccia prospect and its northern extension. For full details of the drill program reference should be made to the Company's news release dated July 3, 2014.

October Dome Property, British Columbia, Canada

The 100% owned October Dome gold property, is located in the "Quesnel Trough" in central British Columbia, near the town of Likely. The October Dome claims are subject to net smelter return ("NSR") royalties of between 1.5% and 2%. The October Dome property is located 10km north of Imperial Metals Corporation's ("Imperial") Mt. Polley porphyry copper gold mine property and 7 km to the southeast of Barkerville Gold Mines Ltd.'s QR skarn gold mine property. The October Dome target is defined by a grid area of some 4.0 km by 1.1 km that has been surveyed by magnetic and Induced Polarization ("IP") surveys and soil geochemistry.

In Q4 2013, a 1,086 metre (6 hole) diamond drill program (refer news release dated Dec 2, 2013) targeted the northern end of the 4 km long gold and arsenic soil anomaly that is coincident with an IP chargeability anomaly. Holes OD-5 through OD- 7 encountered diorite and monzonite intrusions within hornfelsed sediments and propylitised basalts. Hole OD-6 encountered a 15 metre core length of massive magnetite skarn with semi-massive pyrite layers accompanied by chalcopyrite, epidote, and garnet at the sediment/basalt contact. A 9 metre section of this skarn assayed 0.7 grams per tonne ("gpt") gold ("Au") including a 3 metre length that returned 1.3 gpt Au. In May 5, 2015, the company write down the property by $345,057 as a result of an impairment indicator based on the value of the proposed Commander transaction (section 3).

Yukon Properties
The Yukon properties include the Flume (~3,900 hectares), HY (~1,000 hectares), Jay (~3,110 hectares), VM (~2,160 hectares), VBA (~1,672 hectares) and Big (~790 hectares) properties. In addition, the Company has royalties on ~2,900 hectares owned by Aben Resources Ltd. ("Aben") and 2,240 hectares owned by Precipitate Gold Corporation ("Precipitate").

Flume Property: In May 2013, Ryan Gold Corp ("RGC") terminated its option on the Flume property, after undertaking over $1.5 million in qualifying expenditures (including a nine diamond drill hole (2,307m) program in November 2012). The results included the highlight hole F12-006 which included 2m of 5.76 g/t Au. For full details of the drill results, reference should be made to RGC's news release dated November 6, 2012. In December 2014, Bearing excised its underlying option to acquire the Flume property, the final payment was waived subject to an additional 0.5% NSR on the property. The Flume property is now subject to a 2.5% NSR.

HY Property: The Company has a 100% interest in the HY claims, subject to a 2% NSR.

3 OUTLOOK

Bearing has entered into letters of intent with Odyssey and Commander whereby (i) Bearing will acquire all of the issued and outstanding shares of Odyssey (the "Odyssey Transaction") in exchange for shares of Bearing, and (ii) transfer all of its mineral properties to Commander in exchange for shares of Commander (the "Commander Transaction") which it will then distribute to its shareholders of record prior to closing the Odyssey Transaction (the "BRZ Shareholders").

Odyssey is a Vancouver based private company involved in the production and sale of motion pictures. Commander is a TSX-V listed Canadian focused exploration company with a portfolio of base and precious metals projects across Canada and equity positions in a number of Canadian junior exploration companies.

The letter of intent between Bearing and Odyssey ("Odyssey LOI") is intended to govern the conduct of Bearing and Odyssey in respect of the proposed Odyssey Transaction and a proposed concurrent financing by Odyssey (the "Odyssey Financing"). The Odyssey LOI provides for an exclusive dealing period (the "Exclusivity Period") commencing on signing and ending on the earlier of the date of closing of the binding definitive agreement (the "Odyssey Agreement") and May 29, 2015 (subsequently extended to June 30, 2015), unless otherwise extended by both parties.

Conditions of closing will include:

(i) Bearing will consolidate its issued and outstanding shares at such ratio as will result in there being 6,000,000 shares outstanding (provided that such number may be increased by up to 850,000 additional shares in the event Bearing receives refunds of its Mexican tax claims);
(ii) Bearing will dispose of all of its mineral property interests and subsidiaries in a manner acceptable to Odyssey acting reasonably (and BRZ's Shareholders and the Exchange, if applicable), which is anticipated to be by way of the Commander Transaction;
(iii) Odyssey will raise at least $2,400,000 pursuant to the Odyssey Financing (through the sale of common shares of Odyssey at $0.10 per share);
(iv) upon the closing date of the Odyssey Transaction (the "Closing Date"), certain directors and officers of Bearing will resign and individuals nominated by Odyssey will be appointed; and
(v) Bearing will change its name to such name as may be approved by Odyssey.

As consideration for Odyssey, Bearing will issue to the Odyssey shareholders, one Bearing Share for each common share of Odyssey outstanding after the Odyssey Financing (the "Acquisition Shares"); and, issued and outstanding options and warrants of Odyssey will be exchanged for options and warrants of Bearing on an equal basis.

The letter of intent between Bearing and Commander (the "Commander LOI") sets out the proposed terms of the transfer of Bearing's mineral assets to Commander. Under the terms of the Commander LOI, Bearing will transfer its Canadian mineral properties to its wholly owned subsidiary BRZ Mex Holdings Ltd. (the "Canadian Subsidiary") which also holds (indirectly) title to Bearing's Mexican mineral properties. Bearing will then transfer all of the shares of the Canadian Subsidiary to Commander in exchange for 13,000,000 common shares of Commander and $15,000 in cash. Closing is conditional on the following:

(i) The parties entering into a definitive agreement;
(ii) Receipt of BRZ Shareholder approval;

(iii) Receipt of regulatory approval; and
(iv) Completion of the transfer of Bearing's Canadian mineral assets from Bearing to the Canadian Subsidiary.

Upon completion of the Commander Transaction, the Company intends to distribute all of the Commander shares which it receives to the BRZ Shareholders. In accordance with the Exchange policies, Bearing's common shares are currently halted from trading and will remain so until the Company meets the sponsorship requirements or completes the Reorganization.

For full details of the Reorganization reference should be made to the Company's news release dated May 5, 2015.

4 FINANCIAL POSITION REVIEW

Table 2: Financial Position ($) **Assets**	**October 31, 2013**	**October 31, 2014**	**April 30, 2015**
Cash and cash equivalents	948,931	728,975	638,497
Accounts receivable and prepaid expenses	14,829	4,819	11,622
Investments	9,001	7,201	7,201
Reclamation bonds and deposits	21,750	21,867	21,854
Mineral property interests	593,386	593,386	248,329
October Dome	555,057	555,057	210,000
Mt. Polley	13,325	13,325	13,325
Yukon	25,004	25,004	25,004
Property, plant and equipment	23,223	-	-
Total Assets	**1,611,120**	**1,356,248**	**927,503**
Liabilities			
Accounts payable and accrued liabilities	33,109	17,491	20,134
Shareholders' Equity			
Common shares	8,677,789	8,677,789	8,677,789
Contributed surplus	5,007,069	5,023,092	5,023,092
AOCI	4,511	5,286	3,028
Deficit	(12,111,358)	(12,367,410)	(12,796,540)
Total Shareholders' Equity	**1,578,011**	**1,338,757**	**907,369**
Total Liabilities and Shareholders' Equity	**1,611,120**	**1,356,248**	**927,503**

Cash outflows for the six months from operating activities was $88,220 (2014: $140,109) were principally comprised of office costs and labour charges. Costs are lower than the previous year as a result of continuing cost reduction initiatives. There were no cash flows from financing or investing activities (2014 investing: $9,110). Cash flows in 2014 included the disposal of certain Mexican assets. The Company believes it has sufficient cash and cash equivalents to maintain its current portfolio of exploration properties and meet its' working capital requirements for the next twelve months in the event the Reorganization is not completed.

Investments are comprised of 180,000 Aben shares (after they completed a 10:1 share consolidation) recorded at fair value and 1.14 million shares in Patriot, which as of April 30, 2015 were recorded an estimated fair value of $1. Subsequent to period end, the Company disposed of its Aben shares.

Bonds and reclamation deposits relate to the Mt Polley and October Dome properties. The decrease in property, plant and equipment is principally due to the disposition of certain Mexican assets.

The Mt. Polley properties are located adjacent to Imperial's Mt. Polley open-pit copper gold mine (whose operations are temporally suspended), which is approximately 100 km northeast of Williams Lake, British Columbia, Canada. The claims are subject to a NSR of up to 2%. The Mt. Polley properties had previously included an additional area (~37 hectares) adjacent to Imperial's Boundary Zone that was sold to Imperial and over which the Company retains a royalty. The royalty is $2.50 per tonne for the first 400,000 tonnes of material milled and the $1.25 per tonne for all tonnes milled in excess of 400,000 tonnes. The royalty per tonne in excess of 400,000 tonnes milled can be reduced to $0.62 per tonne by Imperial making a payment of $1 million. The Company is entitled to 90% of the royalty payments. Three royalty payments were received Q1 2012.

The Yukon mineral properties (JAY, HY, BIG/VBA and VM properties) have been written down to $1 each. The remaining balance of $25,000 relates to the Flume Property

Table 3: Shareholders' Equity ($)	October 31, 2014	April 30, 2015
Common shares	25,889,648	25,889,648
Options outstanding		
Number	1,300,000	1,300,000
Weighted average price	$0.09	$0.09
Market capitalization	$0.8 million	$0.8 million
Share price	$0.03	$0.03

Commitments

Bearing provided Levon with an indemnification in respect of the tax payable on disposition of Bearing Resources Ltd., in the event that the fair market value of the assets transferred exceeds the tax pools available to Valley High upon acquisition.

Financings -Use of Proceeds

Table 4: - Use of Proceeds Table Description	Shares (000's)	Price $	Gross Proceeds ($000's)	Intended Use	Actual Use
July 20, 2012 – Flow Through Offering	2,000	$0.20	400	Exploration	As intended

5 EXPENDITURE REVIEW

	Quarterly								YTD	
Table 5: Expenditures ($000's)	**Q313**	**Q413**	**Q114**	**Q214**	**Q314**	**Q414**	**Q115**	**Q215**	**2014**	**2015**
Revenues	-	-	-	-	-	-	-	-	-	-
Expenditures	97	164	4	3	3	7	18	(26)	7	(9)
Writedown	148	(54)	-	-	-	-	-	345	-	345
Exploration expenditures (Table 1)	**245**	**110**	**4**	**3**	**3**	**7**	**18**	**319**	**7**	**336**
Other expenses										
Audit, filing and legal fees	18	(9)	12	18	20	7	6	21	30	27
Consulting and labour	55	39	43	32	30	32	32	32	75	64
Depreciation and amortization	6	9	5	1	(1)	-	-	-	6	-
Finance income	(16)	(3)	(3)	(3)	(2)	(3)	(2)	(2)	(6)	(4)
Other costs	3	2	(5)	3	(3)	(1)	(8)	4	(2)	(4)
Rent and office costs	22	20	18	6	7	7	5	5	24	10
Share-based payment expense	66	2	(32)	-	-	48	-	-	(32)	-
Unrealized loss on investment	(135)	243	-	(5)	6	1	-	-	(5)	-
Travel and promotion	17	-	-	-	-	-	-	-	-	-
Total other expenses	**37**	**303**	**37**	**52**	**58**	**91**	**32**	**60**	89	**93**
Net loss	**282**	**412**	**41**	**55**	**62**	**98**	**50**	**379**	**96**	**429**
Other comprehensive income	3	2	-	-	-	(1)	-	-	-	-
Comprehensive loss	**285**	**410**	**41**	**55**	**62**	**97**	**50**	**379**	**96**	**429**
Basic loss per share	**$0.01**	**$0.01**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.01**	**$0.00**	**$0.02**

As the Company is in the exploration stage it has no revenues. Audit, filing and legal fees in Q4 2013 were associated with a reduction in the cost of the Company's audit. Costs in Q2 and Q3 2014 are up slightly due to the costs associated with the Company's annual and special annual general meeting.

Q4 2013 costs are lower due to the allocation of a portion of the President and CEO time in the field to the October Dome drill program. Q2 2014 costs decreased as the President and CEO started working part-time effective January 1, 2014.

Rent and office costs include insurance and communication costs and reduced significantly in Q2 2014 as a result of the termination of the office lease. Share-based payments decreased in Q4 2013 due to the majority of the stock options being fully vested. Adjustments to a true up for forfeitures occurred in Q1 and Q4 2014 and Q4 2014 included the stock based compensation expenses related to the stock option grant on August 1, 2014.

Unrealized losses in Q2 2013 principally relate to the mark to market losses on the 1.14 million Patriot shares and Q3 2013 gain represents the subsequent recovery of the Patriot shares. The Company wrote the investment down to $1 in Q4 2013.

Travel and promotion expenses decreased due to the corporate downsizing during fiscal 2013.

6 RISKS, CRITICAL ACCOUNTING ESTIMATES & POLICIES

For a full version of the critical accounting estimates and policies, reference should be made to the Company's audited financial statements for the year ended October 31, 2014.

6.1 Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure. Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in the rules of the Canadian Securities Administration, as at April 30, 2015. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management in its opinion has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes. However, a material weakness exists in the design of internal control over financial reporting caused by a lack of adequate segregation of duties in the financial close process. The Chief Financial Officer is responsible for preparing, authorizing, and reviewing information that is key to the preparation of financial reports. He is also responsible for preparing and reviewing the resulting financial reports. This weakness has the potential to result in material misstatements in the Company's financial statements. Management has concluded, and the audit committee has agreed that taking into account the present stage of the Company's development, the Company does not have sufficient size and scale to warrant the hiring of additional staff to correct the weakness at this time.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time. There have been no changes in the Company's internal control over financial reporting during the period ended April 30, 2015, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

6.2 Forward Looking Statements

Certain statements included in this "MD&A" constitute forward-looking statements, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Business or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Company's existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

6.3 NI 43-101 Compliance Requirements

Under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), if an issuer discloses in writing scientific or technical information about a mineral project on a property material to the issuer, the issuer must include in the written disclosure the name and the relationship to the issuer of the qualified person who: (a) prepared or supervised the preparation of the information that forms the basis for the written disclosure or (b) approved the written disclosure. For the purposes of this MD&A, Robert Cameron, PGeo, President and Chief Executive Officer, a geologist with more than 30 years of experience is the Qualified Person for the purposes of NI 43-101 has approved the written disclosure in this MD&A. This MD&A references a number of previous new releases in respect of disclosure of technical matters relating to mineral properties and reference should be made to these news releases to fully understand these references.

6.4 Other Risks

Reference should be made to the Company's risks and critical accounting policies and practices section of the October 31, 2014, Management Discussion and Analysis for a complete discussion on the risk factors associated with **Government Laws, Regulation & Permitting; Additional Financings; Key Management and Competition; Title to Properties; Commodity Prices and Conflicts of Interest** amongst other things.

6.5 Critical Accounting Policies

Estimates, risks and uncertainties

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ from those estimates.

In applying its accounting policy for costs incurred during the development phase the Company must determine whether the criteria for capitalization have been met. The most difficult and subjective estimate is whether a project will generate probable future economic benefits. Management considers all appropriate facts and circumstances in making this assessment including historical experience, expected market demand, costs and future economic conditions.

Realization of the Company's assets and liabilities is subject to risks and uncertainties, including reserve and resource estimation, future copper and other base and precious metal prices, estimated costs of future production, changes in government legislation and regulations, estimated deferred income taxes, the availability of financing, and various operational factors.

Exploration and Evaluation Costs

Exploration and evaluation costs include costs to acquire the rights to explore, geological studies, exploratory drilling and sampling and directly attributable administrative costs. Exploration and evaluation costs relating to non-specific projects or properties or those incurred before the Company has obtained legal rights to explore an area are expensed in the period incurred. Property acquisition costs are capitalized.

Exploration and evaluation costs, other than property acquisition costs, are recognized as mineral property interests when management has established that a resource exists or that the costs can be economically recovered. Once the technical feasibility and commercial viability of the extraction of resources from a particular mineral property has been determined, exploration and evaluation assets are reclassified to mine properties within property, plant and equipment. Proceeds from the sale of properties or cash proceeds received from option payments are recorded as a reduction of the related mineral property interest.

Other Accounting Policies

Reference should be made to the risks, and critical accounting policies and practices section of the October 31, 2014 Management Discussion and Analysis for other accounting policies including but not limited to **Foreign currency translation;**

Income taxes; Flow-through common shares; Loss per share; Valuation of equity units; Financial Instruments and Future accounting pronouncements.

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