

**NovX21 Inc.**

**Unaudited Condensed Interim Financial Statements  
As at March 31, 2014**

Condensed Interim Statement of Financial Position	2
Condensed Interim Statement of Comprehensive Income	4
Condensed Interim Statement of Changes in Equity	5
Condensed Interim Statement of Cash Flows	6
Notes to Condensed Interim Financial Statements	7 – 19

These condensed interim financial statements for the three-month period ended March 31, 2014 have not been reviewed by the auditors of the Company.

**NovX21 Inc.****Condensed Interim Statement of Financial Position**

March 31, 2014

Unaudited, in Canadian dollars

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	Notes	March 31, 2014 \$	December 31, 2013 \$
<b>ASSETS</b>			
<b>Current</b>			
Cash	5	331,377	795,495
Short-term investments, 1,45% to 1,50%, maturing in March 2015		1,800,421	-
Accounts receivable from companies with common officers, without interest		11,561	4,466
Shares subscriptions receivable		40,000	40,000
Sales taxes receivable		91,864	75,995
Tax credits receivable		109,136	222,455
Inventory		32,617	32,617
Prepaid expenses		36,396	43,214
		<u>2,453,372</u>	<u>1,214,242</u>
<b>Non-current</b>			
Exploration and evaluation assets	6	7,122,006	7,113,506
Property and equipment	7	392,746	363,736
Intangible assets	8	5,164,109	4,883,050
<b>Total assets</b>		<u>15,132,233</u>	<u>13,574,534</u>

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

**NovX21 Inc.**  
**Condensed Interim Statement of Financial Position**  
 March 31, 2014  
 Unaudited, in Canadian dollars

	Notes	March 31, 2014 \$	December 31, 2013 \$
<b>LIABILITIES</b>			
<b>Current</b>			
Trade and other payables	10	228,284	181,081
<b>Non-current</b>			
Deferred grant	11	750,000	750,000
<b>Total liabilities</b>		<u>978,284</u>	<u>931,081</u>
<b>EQUITY</b>			
Share capital	12	24,725,534	22,718,534
Contributed surplus		4,670,542	3,828,978
Deficit		(15,242,127 )	(13,904,059 )
<b>Total equity</b>		<u>14,153,949</u>	<u>12,643,453</u>
<b>Total liabilities and equity</b>		<u>15,132,233</u>	<u>13,574,534</u>

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

(s) Sylvain Boulanger  
 \_\_\_\_\_  
 President

(s) Fayçal Salek  
 \_\_\_\_\_  
 Chief Financial Officer

**NovX21 Inc.****Condensed Interim Statement of Comprehensive Income**

For the three-month period ended March 31, 2014

Unaudited, in Canadian dollars

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	Notes	March 31, 2014	March 31, 2013
		\$	\$
Salaries and other employee benefits expense	13	160,543	48,896
Depreciation of property and equipment		120	90
Insurance		6,115	6,836
Consulting fees		90,692	81,583
Professional fees		115,503	20,190
Traveling fees		13,261	4,238
Public relations fees		41,708	16,325
Other expenses		72,949	17,228
Operating loss		500,891	195,386
Finance income		(2,331 )	(843 )
<b>Net loss and total comprehensive loss for the period</b>		<u>498,560</u>	<u>194,543</u>
<b>Net loss per share</b>			
Basic and diluted net loss per share	14	<u>(0.00 )</u>	<u>(0.00 )</u>

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

**NovX21 Inc.****Condensed Interim Statement of Changes in Equity**

For the three-month period ended March 31, 2014

Unaudited, in Canadian dollars

	Notes	Share capital	Contributed surplus	Deficit	Total Equity
		\$	\$	\$	\$
<b>Balance at January 1<sup>st</sup>, 2013</b>		<u>20,619,784</u>	<u>2,031,191</u>	<u>(11,276,528 )</u>	<u>11,374,447</u>
Units issued by a private placement		800,000	-	-	800,000
Share-based payments	13.1	-	42,427	-	42,427
Issuance cost of units		-	-	(55,516 )	(55,516 )
Net loss and total comprehensive loss for the period		-	-	(194,543 )	(194,543 )
<b>Balance at March 31, 2013</b>		<u>21,419,784</u>	<u>2,073,618</u>	<u>(11,526,587 )</u>	<u>11,966,815</u>
<b>Balance at January 1<sup>st</sup>, 2014</b>		<u>22,718,534</u>	<u>3,828,978</u>	<u>(13,904,059 )</u>	<u>12,643,453</u>
Units issued by private placements	12.1	2,007,000	-	-	2,007,000
Share-based payments	13.1	-	189,840	-	189,840
Diluting effect of the extended warrants	12.2	-	497,700	(497,700 )	-
Issuance cost of units		-	154,024	(341,808 )	(187,784 )
Net loss and total comprehensive loss for the period		-	-	(498,560 )	(498,560 )
<b>Balance at March 31, 2014</b>		<u>24,725,534</u>	<u>4,670,542</u>	<u>(15,242,127 )</u>	<u>14,153,949</u>

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

**NovX21 Inc.****Condensed Interim Statement of Cash Flows**

For the three-month period ended March 31, 2014

Unaudited, in Canadian dollars

	Notes	March 31, 2014 \$	March 31, 2013 \$
<b>OPERATING ACTIVITIES</b>			
Loss for the period		(498,560 )	(194,543 )
Adjustments:			
Depreciation of property and equipment		120	90
Share-based payments	13.1	155,678	42,313
Net change in working capital items	15	29,652	25,087
Cash flows from operating activities		<u>(313,110 )</u>	<u>(127,053 )</u>
<b>INVESTING ACTIVITIES</b>			
Accounts receivable from companies with common officers		(7,095 )	3,082
Acquisition of short-term investments		(1,800,421 )	(395,835 )
Additions to exploration and evaluation assets		-	(933 )
Tax credits received		113,319	1,979
Acquisition of property and equipment	7	(53,483 )	(29,181 )
Acquisition of intangible assets	8	(222,544 )	(138,791 )
Cash flows from investing activities		<u>(1,970,224 )</u>	<u>(559,679 )</u>
<b>FINANCING ACTIVITIES</b>			
Issuance of units and flow-through units		2,007,000	950,000
Issuance cost of units		(187,784 )	(55,516 )
Cash flows from financing activities		<u>1,819,216</u>	<u>894,484</u>
<b>Net change in cash</b>		(464,118 )	207,752
<b>Cash, beginning of period</b>		<u>795,495</u>	<u>195,906</u>
<b>Cash, end of period</b>		<u>331,377</u>	<u>403,658</u>
Supplementary information			
Interest received from operating activities		(2,331 )	(843 )

For additional information on cash flows refer to Note 15.

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

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**1. NATURE OF OPERATIONS**

NovX21 Inc. (hereinafter the "Company") has developed and patented two new technologies, which are used: to increase the chromium to iron ratios of chromite and extract platinum group metals (PGM) out of refractory ore and concentrates rich in PGM. The Company is also active in the exploration of mining properties located in Quebec.

The Company's mission is to sustainably recover precious metals through the recycling of end-of-life PGM containing components, while meeting global "green" standards of the automotive industry.

**2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS**

The Company's condensed interim financial statements have been prepared based on International Financial Reporting Standards (IFRS) applicable in the preparation of financial statements in accordance with IAS 34 standard, *Interim Financial Reporting*.

The condensed interim financial statements must be read in conjunction with the most recent annual financial statements and the accompanying notes as at December 31, 2013 and for the year then ended.

The Company's registered office is 620 St-Jacques Street, Office 110, Montreal, Quebec, H3C 1C7. The Company is incorporated under the *Canadian Business Corporations Act*. and its shares are listed on the TSX Venture Exchange under the symbol "NOV".

The condensed interim financial statements for the reporting period ended March 31, 2014 (including comparatives) were approved and authorized for issue by the Board of Directors on May 21, 2014.

**3. SUMMARY OF ACCOUNTING POLICIES**

Accounting policies and methods of computation followed in the condensed interim financial statements are the same as those used in the most recent annual financial statements.

**3.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company**

At the date of authorization of these condensed interim financial statements, certain new standards, amendments and interpretations to existing standards have been published, but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

***IFRS 9 Financial Instruments (IFRS 9)***

The International Accounting Standards Board (IASB) aims to replace IAS 39 Financial Instruments: Recognition and Measurement (IAS 39) in its entirety with IFRS 9. To date, the chapters dealing with recognition, classification, measurement and derecognition of financial assets and liabilities, as well as the one dealing with hedge accounting have been issued. The chapter dealing with impairment methodology is still being developed. In November 2011, the IASB tentatively decided to consider making limited changes to IFRS 9's financial asset classification model to address application issues. In addition, in November 2013, the IASB decided to postpone to a date still undetermined the application of IFRS 9. The Company's management has not yet assessed the impact that this new standard will have on its financial statements. Management does not expect to implement IFRS 9 until it has been completed and its overall impact can be assessed.

**NovX21 Inc.**

**Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

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**4. JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

When preparing the condensed interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the judgments, estimates and significant assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is the same as that disclosed in the most recent annual consolidated financial statements.

**5. CASH**

The balance on flow-through financing not disbursed represents \$299,000 (\$299,000 as at December 31, 2013). The Company has to dedicate these funds to the exploration of its mining properties.



**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**6. EXPLORATION AND EVALUATION ASSETS**

	Balance at January 1 <sup>st</sup> , 2014	Additions	Exploration credits	Balance at March 31, 2014
	\$	\$	\$	\$
Lac Ewart				
Mining rights	11,403	-	-	11,403
Exploration and evaluation expenses	60,941	-	-	60,941
	<u>72,344</u>	<u>-</u>	<u>-</u>	<u>72,344</u>
Menarik				
Mining rights	7,592	-	-	7,592
Exploration and evaluation expenses	7,032,007	8,500	-	7,040,507
	<u>7,039,599</u>	<u>8,500</u>	<u>-</u>	<u>7,048,099</u>
Tavernier				
Mining rights	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Vauquelin				
Mining rights	<u>1,562</u>	<u>-</u>	<u>-</u>	<u>1,562</u>
Total exploration and evaluation assets	<u>7,113,506</u>	<u>8,500</u>	<u>-</u>	<u>7,122,006</u>

**NovX21 Inc.**

**Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

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**6. EXPLORATION AND EVALUATION ASSETS** (continued)

**Lac Ewart**

The Company holds a 100% interest in the property located in the James Bay area, Quebec and is committed to pay a 1% net smelter return on the value of the production from 21 of the 32 claims held on the property. This royalty can be bought back at any time in consideration of a 1 million dollars payment.

**Menarik**

The Company holds a 100% interest in the property located in the James Bay area, Quebec and is not subject to any royalty.

**Others**

Other properties of the Company are subjected to royalties ranging from 1% to 1.5% of any production sold resulting from these claims.

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**7. PROPERTY AND EQUIPMENT**

	<u>Land</u>	<u>Pilot plant equipment</u>	<u>Leasehold improvements</u>	<u>Computer equipment</u>	<u>Furnitures and fixtures</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
<b>Gross carrying amount</b>						
Balance at January 1 <sup>st</sup> , 2014	4,480	950,354	135,495	2,670	12,036	1,105,035
Acquisitions	-	43,979	-	9,504	-	53,483
Balance at March 31, 2014	<u>4,480</u>	<u>994,333</u>	<u>135,495</u>	<u>12,174</u>	<u>12,036</u>	<u>1,158,518</u>
<b>Accumulated depreciation and impairment</b>						
Balance at January 1 <sup>st</sup> , 2014	-	596,045	130,668	2,550	12,036	741,299
Depreciation	-	23,123	517	833	-	24,473
Balance at March 31, 2014	<u>-</u>	<u>619,168</u>	<u>131,185</u>	<u>3,383</u>	<u>12,036</u>	<u>765,772</u>
<b>Carrying amount at March 31, 2014</b>	<u>4,480</u>	<u>375,165</u>	<u>4,310</u>	<u>8,791</u>	<u>-</u>	<u>392,746</u>

All depreciation expenses are included within Depreciation of property and equipment, except for depreciation expenses related to the intangible assets used in the development of the technology to increase the chromium to iron ratios of chromite and extract platinum group metals, which are capitalized as intangible assets. An amount of \$24,353 was capitalized as intangible assets during the period.

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**8. INTANGIBLE ASSETS**

	Technology to increase the chromium to iron ratios of chromite and extract platinum group metals	Patents	Total
	\$	\$	\$
<b>Gross carrying amount</b>			
Balance at January 1 <sup>st</sup> , 2014	4,774,733	159,914	4,934,647
Acquisitions	282,405	657	283,062
Balance at March 31, 2014	<u>5,057,138</u>	<u>160,571</u>	<u>5,217,709</u>
<b>Accumulated depreciation</b>			
Balance at January 1 <sup>st</sup> , 2014	-	51,597	51,597
Depreciation	-	2,003	2,003
Balance at March 31, 2014	<u>-</u>	<u>53,600</u>	<u>53,600</u>
<b>Carrying amount at March 31, 2014</b>	<u>5,057,138</u>	<u>106,971</u>	<u>5,164,109</u>

**Recoverability of the technology to increase the chromium to iron ratios of chromites and extract platinum group metals**

The carrying amount of the technology to increase the chromium to iron ratios of chromites and extract platinum group metals (hereinafter "the technology") not yet available for use in the manner intended by management represents the development costs of \$5,057,138 as at March 31, 2014 (\$4,774,733 as at December 31, 2013). An impairment test was done at December 31, 2013 and no impairment loss was recognized.

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**9. LEASE**

The Company's future minimum operating lease payments are as follows:

	Minimum lease payments due		
	Within 1 year	1 to 5 years	Total
	\$	\$	\$
March 31, 2014	40,529	64,171	104,700
December 31, 2013	40,529	74,303	114,832

The Company leases the offices of the pilot plant under a lease expiring on October 31, 2016.

Lease payments capitalized to intangible assets during the period amount to \$11,487 (\$41,256 for the year ended December 31, 2013). This amount consists of the minimum lease payments. The Company's operating lease agreement does not contain any contingent rent clauses.

**10. TRADE AND OTHER PAYABLES**

	March 31, 2014	December 31, 2013
	\$	\$
Trade	183,254	49,925
Trade from an officer	6,542	-
Trade from a company with a common officer	20,121	-
Trade from a company of which a partner is a director of the Company	18,367	-
	<u>228,284</u>	<u>181,081</u>

**11. DEFERRED GRANT**

The Company has obtained a grant of \$750,000 from Canada Economic Development related to the acquisition of a process to increase the chromium to iron ratios of chromites and extract platinum group metals. This government grant has been deferred and presented as a liability in the condensed interim statement of financial position. This grant will become payable only when revenue will be derived by commercial production of mining deposits of the Company by using the process in development and this by paying yearly royalties or when proceeds will be derived from the sale of patent rights or the patents themselves. The reimbursements will then be limited to an amount equal to twice the total grant received. The liability to repay government assistance will be accounted for at its fair value only in the period in which conditions will arise that will cause government assistance to become repayable.

**12. SHARE CAPITAL****12.1 Share capital**

The share capital of the Company consists only of ordinary shares.

**Authorized share capital**

Unlimited number of class "A" shares without par value, voting, participating, dividend as declared by the Board of Directors.

Unlimited number of class "B" shares without par value, with 25 voting rights per share, non-participating, dividend as declared by the Board of Directors.

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**12. SHARE CAPITAL** (continued)**12.1 Share capital** (continued)**Authorized share capital** (continued)

Unlimited number of class "C" shares issuable in series. The directors will define the rights and privileges upon issuance.

Changes in issued class "A" shares are as follows:

	<u>Number</u>
Balance of class "A" shares at January 1 <sup>st</sup> , 2014	82,144,144
Private placements <sup>(a)</sup>	<u>20,070,000</u>
Balance of class "A" shares at March 31, 2014	<u>102,214,144</u>

- (a) On January 8 and 17, 2014, the Company completed the last portions of the private placement in the amount of \$2,991,750. As part of the last portions of this placement, the Company has issued 20,070,000 class "A" shares at a price of \$0.10 per share and 20,070,000 warrants for an amount of \$2,007,000. Each warrant entitles its holder to subscribe to an equivalent number of class "A" shares at a price of \$0.20 per share expiring 36 months following the closing of the placement. No amount related to the warrants issued was recorded in contributed surplus.

As part of this placement, the Company issued 1,632,400 warrants to brokers. Each warrant entitles its holder to subscribe to an equivalent number of class "A" shares at a price of \$0.10 per share expiring 18 months following the closing of the placement.

**12.2 Warrants**

Outstanding warrants entitle their holders to subscribe to an equivalent number of class "A" shares, as follows:

	<u>Number</u>	<u>Weighted average exercise price</u>
Balance at January 1 <sup>st</sup> , 2014	30,173,500	\$ 0.24
Issued	<u>21,702,400</u>	0.19
Balance at March 31, 2014	<u>51,875,900</u>	0.22

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**12. SHARE CAPITAL** (continued)**12.2 Warrants** (continued)

Warrants outstanding and exercisable at March 31, 2014 and December 31, 2013:

Expiry date	March 31, 2014 Number	December 31, 2013 Number	Exercise price \$
May 2014	8,600,000	8,600,000	0.40
June 2014	400,000	400,000	0.35
December 2014	1,000,000	1,000,000	0.20
March 2015 <sup>(1)</sup>	7,900,000	7,900,000	0.20
June 2015	641,000	641,000	0.10
June 2015	152,000	152,000	0.30
July 2015	808,400	-	0.10
July 2015	824,000	-	0.10
March 2016	483,000	483,000	0.10
December 2016	9,512,500	9,512,500	0.20
December 2016	1,150,000	1,150,000	0.20
January 2017	10,105,000	-	0.20
January 2017	10,300,000	-	0.20
Balance before warrants to be issued	51,875,900	29,838,500	
To be issued		-	
December 2016	-	335,000	0.20
Balance of warrants	51,875,900	30,173,500	

<sup>(1)</sup> During the period ended March 31, 2014, the Company extended the expiry date of 7,900,000 warrants (10,000,000 as at December 31, 2013) for a period of 12 months.

During the period ended March 31, 2014, the Company recorded an amount of \$154,024 (\$140,210 as at December 31, 2013) as units issuance costs for the warrants issued to brokers and a total amount of \$497,700 (\$1,326,502 as at December 31, 2013) for the diluting effect of the extended warrants.

The weighted average fair value of the diluting effect of the extended warrants of \$0.06 (\$0.13 as at December 31, 2013) was accounted for in contributed surplus. This value was calculated using the Black-Scholes pricing model using the following weighted assumptions:

	March 31, 2014	December 31, 2013
Average share price at the grant and modification date	\$0.145	\$0.24
Expected volatility	138.138%	160.87%
Risk-free interest rate	1.06%	1.08%
Expected life	1 year	1.09 year
Exercise price at the grant and modification date	\$0.20	\$0.35
Expected dividend	0%	0%

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**12. SHARE CAPITAL** (continued)**12.2 Warrants** (continued)

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life of the warrants.

**13. EMPLOYEE REMUNERATION****13.1 Salaries and other employee benefits expense**

Salaries and other employee benefits expense recognized for employee benefits are analysed as follows:

	March 31, 2014	March 31, 2013
	\$	\$
Salaries and benefits	4,865	6,583
Share-based payments	189,840	42,427
Share-based payments capitalized to intangible assets	(34,162 )	(114 )
Salaries and other employee benefits expense	<u>160,543</u>	<u>48,896</u>

**13.2 Share-based payments**

The Company has adopted share-based payment plans under which members of the Board of Directors may award options for class "A" shares to eligible directors, officers, employees and consultants. On December 2, 2013, the Company changed the share-based payment plans adopted in 1994 and modified in 2007. The maximum number of shares that can be issued under the plan modified in 2007 ("2007 plan") is of 5,000,000 class "A" shares and under the plan modified in 2013 ("2013 plan"), 13,900,000 class "A" shares.

- i) The maximum number of class "A" shares that can be granted for a beneficiary, other than a consultant, during any 18-month period (2007 plan) and 12-month period (2013 plan) is limited to 5% of issued and outstanding shares and 2% of issued and outstanding shares for consultants;
- ii) According to the 2007 plan, options issued are exercisable at the rate of 15% per quarter except for 10% that is exercisable from grant date. According to the 2013 plan, the Board of Directors determines at its discretion the period of acquisition of the exercise right of the options granted; the options granted to consultants performing investor relations activities may be exercised by stages over a 12-month period following the grant, at the rate of 25% per quarter;
- iii) The exercise price of each option granted will not be less than the discounted closing market price on the day preceding the grant or, if there were no transaction on the preceding day, the average between the selling and the buying bids of the preceding days;
- iv) According to the 2007 plan, the term cannot exceed five years and according to the 2013 plan, 10 years.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options.



**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**13. EMPLOYEE REMUNERATION** (continued)**13.2 Share-based payments** (continued)

The Company's share options are as follows for the reporting periods presented:

	Number of share options	Weighted average exercise price \$
Outstanding at December 31, 2013	4,275,000	0.22
Granted	1,150,000	0.15
Outstanding at March 31, 2014	5,425,000	0.21

The table below summarizes the information related to outstanding share options as at December 31, 2013 and 2012:

Range of exercise price	March 31, 2014		December 31, 2013	
	Options outstanding		Options outstanding	
	Number	Weighted average remaining contractual life (years)	Number	Weighted average remaining contractual life (years)
From 0.19 to 0.29	4,825,000	2.98	3,675,000	2.75
From 0.30 to 0.50	600,000	1.28	600,000	0.20
	<u>5,425,000</u>		<u>4,275,000</u>	

As at March 31, 2014, 3,746,731 of the 5,425,000 options outstanding (2,114,231 of the 4,275,000 options outstanding as at December 31, 2013) are exercisable, and this, at an average exercise price of \$0.21 (\$0.24 as at December 31, 2013).

The weighted average fair value of the options granted of \$0.12 (\$0.13 as at December 31, 2013) was determined using the Black-Scholes option pricing model based on the following weighted average assumptions:

	March 31, 2014	December 31, 2013
Average share price at the grant date	\$0.135	\$0.19
Expected weighted volatility	135.413%	140.72%
Risk-free average interest rate	1.57%	1.32%
Expected average life	5 years	2.64 years
Average exercise price at grant date	\$0.15	\$0.22
Expected dividend yield	0%	0%

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**13. EMPLOYEE REMUNERATION** (continued)**13.2 Share-based payments** (continued)

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected average life. No special features inherent to the options granted were incorporated into fair value measurement.

For the period ended March 31, 2014, amounts of \$155,678 (\$42,313 as at March 31, 2013) and \$34,162 (\$114 as at March 31, 2013) were accounted for respectively as remuneration expenses in profit or loss and in intangible assets in the condensed interim statement of financial position and credited to contributed surplus.

**14. NET LOSS PER SHARE**

In calculating the net loss per share, potentially dilutive ordinary shares, such as share options and warrants, have not been included as they would have the effect of decreasing the loss per share and would thus have an antidilutive effect. Details on outstanding share options and warrants that could potentially dilute earnings per share in the future are given in Notes 12 and 13.

Both the basic and diluted loss per share have been calculated using the net loss as the numerator, i.e. no adjustment to the net loss was necessary at March 31, 2014 and 2013.

	March 31, 2014		March 31, 2013
	\$		\$
Net loss for the period	(498,560 )		(194,543 )
Weighted average number of Class "A" shares outstanding	99,953,422		61,729,611
Basic and diluted net loss per share	(0.00 )		(0.00 )

**15. ADDITIONAL INFORMATIONS-CASH FLOWS**

The changes in working capital items are detailed as follows:

	March 31, 2014		March 31, 2013
	\$		\$
Sales taxes receivable	(15,869 )		7,260
Prepaid expenses	6,818		9,094
Trade	38,703		8,733
	29,652		25,087

**NovX21 Inc.****Notes to Condensed Interim Financial Statements**

March 31, 2014

Unaudited, in Canadian dollars

**15. ADDITIONAL INFORMATIONS-CASH FLOWS** (continued)

Non-cash balance sheet transactions are detailed as follows:

	<u>March 31, 2014</u>	<u>March 31, 2013</u>
	\$	\$
Share-based payments capitalized to intangible assets	34,162	114
Depreciation of property and equipment capitalized to intangible assets	24,353	23,623
Amortization of patents capitalized to intangible assets	2,003	1,960
Trade accounts included in exploration and evaluation assets	8,500	-

**16. RELATED PARTY TRANSACTIONS**

The Company's related parties include companies with common directors, a company of which a partner is a director of the Company, and key management, as described below.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

**16.1 Transactions with key management personnel**

Key management personnel of the Company are members of the Board of Directors, the president, and the chief financial officer. Key management personnel remuneration includes the following expenses:

	<u>March 31, 2014</u>	<u>March 31, 2013</u>
	\$	\$
Short-term employee benefits		
Consulting fees	26,250	64,745
Consulting fees capitalized to intangible assets	26,250	26,250
Professional fees	10,690	-
Shares-based payments	74,818	10,103
Shares-based payments capitalized to intangible assets	34,162	-
Total remuneration	<u>172,170</u>	<u>101,098</u>

**16.2 Transactions with a related company**

During the period ended March 31, 2014, the Company incurred professional fees in the amount of \$51,886 (\$nil at March 31, 2013) from a company of which a partner is a director of the Company.