I-Minerals Inc.

I-Minerals Inc.

Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2013
(Prepared without audit – Expressed in US dollars)

I-Minerals Inc.

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

I-Minerals Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in US dollars)
(Prepared without audit)

	Note	January 31, 2013 $	April 30, 2012 $
ASSETS			
Current assets			
Cash		28,125	9,441
Receivables and prepaids	4	63,600	139,583
		91,725	149,024
Equipment		21,747	27,216
Mineral property	5	11,396,523	10,212,720
Deposits		58,728	51,108
		11,568,723	10,440,068
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	457,876	476,276
Convertible loans	6	668,060	627,532
Warrant derivatives	7	2,157	107,325
Promissory notes	8	1,503,002	160,117
		2,631,095	1,371,250
Deferred income tax liability		748,000	748,000
		3,379,095	2,119,250
EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Share capital	9	14,261,246	13,884,344
Contributed surplus		1,444,926	1,444,926
Deficit		(7,516,544)	(7,008,452)
		8,189,628	8,320,818
		11,568,723	10,440,068

NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN (Note 1)
SUBSEQUENT EVENTS (Note 14)

On behalf of the Board

"Thomas M. Conway" Director   "W. Barry Girling" Director

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

I-Minerals Inc.

Condensed Interim Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income

(Expressed in US dollars)
(Prepared without audit)

		Three months ended January 31,		Nine months ended January 31,	
		2013	2012	2013	2012
	Note	$	$	$	$
EXPENSES					
Accounting		5,553	6,315	27,823	34,943
Amortization		2,099	2,681	6,239	7,721
Interest on convertible loans	6	20,084	26,509	60,141	80,571
Interest on promissory notes	8	29,996	-	62,069	-
Management and consulting fees	10	15,063	14,782	47,767	63,963
Office, telephone and miscellaneous		20,176	35,443	69,833	99,184
Professional fees		19,441	55,004	84,946	93,881
Promotion and shareholder communication		12,510	32,286	44,306	157,226
Share-based payments	9	-	-	-	34,333
Transfer and regulatory fees		9,582	6,526	18,003	20,444
Warrant amendment expense		-	-	-	210,328
		(134,504)	(179,546)	(421,127)	(802,594)
Foreign exchange loss		(1,463)	(35,640)	(4,701)	(204,832)
Financing expense		(146,952)	-	(146,952)	-
Interest and other income		-	16	48	54
Change in fair value of convertible loans	6	(7,910)	(44,320)	(40,528)	(19,007)
Change in fair value of warrant derivatives	7	(738)	422,225	105,168	2,562,611
NET (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD		(291,567)	162,735	(508,092)	1,536,232
(Loss) earnings per share – basic and diluted		(0.00)	0.00	(0.01)	0.03
Weighted average number of shares outstanding		62,148,531	60,685,576	61,286,399	60,636,110

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

I-Minerals Inc.

Condensed Interim Consolidated Statements of Cash Flows
For the Nine Months Ended January 31, 2013 and 2012

(Expressed in US dollars)
(Prepared without audit)

	2013 $	2012 $
OPERATING ACTIVITIES		
Net (loss) income for the period	(508,092)	1,536,232
Items not involving cash:		
Amortization	6,239	7,721
Financing expense	146,952	-
Share-based payments	-	34,333
Unrealized foreign exchange (gain) loss	(450)	896
Warrant amendment expense	-	210,328
Change in fair value of convertible loans	40,528	19,007
Change in fair value of warrant derivatives	(105,168)	(2,562,611)
	(419,991)	(754,094)
Change in non-cash operating working capital items:		
Receivables and prepaids	75,983	183
Accounts payable and accrued liabilities	58,401	(168,131)
Cash flows used in operating activities	(285,607)	(922,042)
INVESTING ACTIVITIES		
Deposits	(7,620)	-
Mineral property expenditures	(1,030,654)	(2,961,434)
Purchase of equipment	(770)	(21,988)
Cash flows used in investing activities	(1,039,044)	(2,983,422)
FINANCING ACTIVITIES		
Promissory notes received	1,354,181	-
Promissory notes repaid	(10,846)	-
Cash flows from financing activities	1,343,335	-
INCREASE (DECREASE) IN CASH	18,684	(3,905,464)
CASH, BEGINNING OF THE PERIOD	9,441	4,235,102
CASH, END OF THE PERIOD	28,125	329,638
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid with cash	13,845	27,046
Taxes paid with cash	-	-

Non-cash transactions (Note 13)

I-Minerals Inc.

Condensed Interim Consolidated Statements of Changes in Equity
For the Nine Months ended January 31, 2013 and 2012

(Expressed in US dollars)
(Prepared without audit)

	Number of Shares #	Amount $	Contributed Surplus $	Accumulated Deficit $	Total Equity Attributable to Shareholders $
Balance at April 30, 2011	60,528,334	13,842,762	1,422,003	(8,730,416)	6,534,349
Issued during the period:					
Shares issued for interest payment	107,242	26,412	-	-	26,412
Shares issued pursuant to mineral property agreement	50,000	15,170	-	-	15,170
Share-based payments	-	-	34,333	-	34,333
Net income for the period	-	-	-	1,536,232	1,536,232
Balance at January 31, 2012	60,685,576	13,884,344	1,456,336	(7,194,184)	8,146,496
Balance at April 30, 2012	60,685,576	13,884,344	1,444,926	(7,008,452)	8,320,818
Issued during the period:					
Shares issued for interest payment	333,607	53,274	-	-	53,274
Shares issued pursuant to mineral property agreement	1,300,000	176,676	-	-	176,676
Shares issued as a financing expense	800,000	146,952	-	-	146,952
Net loss for the period	-	-	-	(508,092)	(508,092)
Balance at January 31, 2013	63,119,183	14,261,246	1,444,926	(7,516,544)	8,189,628

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN:

I-Minerals Inc. (the "Company") was incorporated under the laws of British Columbia, Canada, in 1984. The Company is listed for trading on the TSX Venture Exchange under the symbol "IMA". The Company's address and head office is 880 - 580 Hornby Street, Vancouver, British Columbia, Canada.

The Company is in the process of developing its mineral properties. The Company has identified probable reserves and is in the process of classifying the reserves as proven. The recoverability of amounts shown for mineral property acquisition costs and mineral property deferred costs is dependent upon the ability of the Company to obtain the necessary financing to complete the development of its mineral properties, and upon future profitable production or proceeds from the disposition or development of its mineral properties.

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for the next year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At January 31, 2013, the Company was still in the exploration stage and had not yet achieved profitable operations, had a working capital deficiency of $2,539,370, had an accumulated deficit of $7,516,544 since inception and expects to incur further losses in the development of its business, all of which indicates the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent upon the discovery of economically recoverable reserves, its ability to obtain the necessary financing to develop the properties and to meet its obligations and repay its liabilities arising from normal business operations when they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. The Company is currently receiving funds from directors of the Company through promissory notes (Note 8).

2. BASIS OF PRESENTATION:

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended April 30, 2012, which have been prepared in accordance with IFRS as issued by the IASB.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended April 30, 2012.

These financial statements were approved by the board of directors for issue on March 27, 2013.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of financial statements requires management to use judgement in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgements are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

(Expressed in US dollars except where otherwise indicated)

Critical accounting estimates and judgements:
(i) The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year. The factors considered by management are disclosed in Note 1.
(ii) The assessment of indicators of impairment for the mineral property.
(iii) Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

4. RECEIVABLES AND PREPAIDS:

	January 31, 2013 $	April 30, 2012 $
HST recoverable	6,113	30,942
Prepaid expenses	57,487	108,641
Total receivables and prepaids	63,600	139,583

5. MINERAL PROPERTY:

The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

Helmer-Bovill Property – Latah County, Idaho

The Company entered into a purchase and sale agreement with Idaho Industrial Minerals LLC ("IIM"), a company in which one of the Company's directors has a 25% interest, under which the Company had the right to acquire a 100% interest in 10 lease applications that comprise the Helmer-Bovill property by issuing to IIM a total of 1,750,000 shares of the Company. During fiscal 2009, 50,000 shares were issued in return for an extension of the agreement. During fiscal 2010, the terms of the agreement were further amended and the agreement was extended until August 2013. Under the terms of the amended agreement, the shares were to be issued based on certain development-based benchmarks being attained as follows:

- 100,000 shares upon assignment of the mineral lease applications to the Company (issued);
- 350,000 shares upon the State of Idaho issuing mineral leases to the Company (issued);
- 600,000 shares upon the completion of a feasibility study (issued); and,
- 700,000 shares upon completion of the permitting process necessary to construct and operate a mining facility (issued).

On January 21, 2013, the Company issued the final 1,300,000 shares to IIM at a fair value of $176,676. The Company completed the acquisition and now has a 100% interest in the Helmer-Bovill property.

During the year ended April 30, 2012, the Company acquired an undivided 100% interest in two State of Idaho mineral leases contiguous to the Helmer-Bovill Property. The Company paid $10,000 and issued 50,000 shares at the fair value of $15,170. The two State of Idaho mineral leases are subject to a 3% production royalty on gross sales.

(Expressed in US dollars except where otherwise indicated)

Details of acquisition and exploration costs for the nine months ended January 31, 2013 and the year ended April 30, 2012 are as follows:

	Helmer-Bovill Property $
Balance, April 30, 2011	7,159,152
ACQUISITION COSTS	
Cash	10,000
Shares	15,170
	25,170
EXPLORATION COSTS	
Drilling	431,333
Engineering and consulting	1,253,304
Environmental	317,765
Field and survey	22,908
Marketing and research	265,098
Mineral analysis and processing	228,571
Permitting, licenses and fees	454,490
Project management	14,881
Travel	40,048
	3,028,398
Balance, April 30, 2012	10,212,720
ACQUISITION COSTS	
Shares	176,676
	176,676
EXPLORATION COSTS	
Engineering and consulting	546,156
Environmental	62,700
Excavation and screening	11,616
Field and survey	14,558
Marketing and research	45,190
Mineral analysis and processing	171,101
Permitting, licenses and fees	135,446
Project management	10,573
Travel	9,787
	1,007,127
Balance, January 31, 2013	11,396,523

(Expressed in US dollars except where otherwise indicated)

6. CONVERTIBLE LOANS:

Summary of convertible loans are as follows:

	January 31, 2013 $	April 30, 2012 $
Tranche One	250,000	229,765
Tranche Two	192,880	183,615
Series B	225,180	214,152
Total convertible loans	668,060	627,532

Summary of (loss) gain on change in fair value of convertible loans during the nine months ended January 31, 2013 and 2012 is as follows:

	2013 $	2012 $
Tranche One	(20,235)	(16,691)
Tranche Two	(9,265)	2,288
Series B	(11,028)	(4,604)
Total (loss) gain on change in fair value of convertible loans	(40,528)	(19,007)

At January 31, 2013 and April 30, 2012, the Company had three tranches of convertible loans outstanding: Tranche One ($250,000), Tranche Two ($192,880) and Series B (CDN$225,000) (collectively the "Convertible Loans"). The conversion feature of the Convertible Loans expired on January 29, 2013. Tranche One was convertible into 830,565 shares of the Company; Tranche Two was convertible into 599,006 shares of the Company; and Series B was convertible into 642,857 shares of the Company. The Convertible Loans bear interest at the rate of 12 per cent per year, calculated semi-annually and paid semi-annually either in cash or in shares, at the election of the Company. The Convertible Loans were due on January 29, 2013. The Convertible Loans are now due on demand.

The Convertible Loans were comprised of three components: the debt component, the conversion component, and the warrant component. The Company determined that the fair value of each component is not reliably measurable. As a result, the Company designated the Convertible Loans, including all components, as FVTPL financial liabilities.

During the nine months ended January 31, 2013, the Company paid interest through the issuance of 333,607 common shares ($53,274) and $13,845 of cash. During the year ended April 30, 2012, the Company paid interest through the issuance of 107,242 common shares ($26,412) and $54,244 of cash. The value of the common shares was determined by reference to the twenty day weighted average share price on the interest due date.

At January 31, 2013, accounts payable and accrued liabilities included $39,535 (April 30, 2012 - $46,215) of interest payable on the Convertible Loans.

7. DERIVATIVE LIABILITIES:

Derivate liabilities are financial instruments classified as FVTPL financial liabilities.

Warrant Derivative Liabilities

The Company has 20,000,000 share purchase warrants exercisable into common shares at an exercise price denominated in Canadian dollars. As a variable amount of US dollars are exercisable into a fixed number of common shares, the share purchase warrants (the "Warrant Derivative Liabilities") are classified as derivative liabilities. Share purchase warrants issued as compensation are treated as share-based payments, not financial instruments (derivatives).

During the nine months ended January 31, 2013, the Company recorded a gain related to the change in the fair value of the Warrant Derivative Liabilities of $105,168 (2012 – $2,562,611). During the nine months ended January 31, 2012, the Company added $210,328 to Warrant Derivative Liabilities based on amending the terms of certain share purchase warrants.

At January 31, 2013, the Company determined the fair value of Warrant Derivative Liabilities to be $2,157 (April 30, 2012 - $107,325) as estimated using the Black-Scholes option pricing model with the following assumptions:

	January 31, 2013	April 30, 2012
Risk-free interest rate (%)	0.78	1.15
Expected life (years)	0.24	1.00
Expected volatility (%)	75	64
Expected dividends ($)	nil	nil

8. PROMISSORY NOTES:

	$
Balance, April 30, 2011	-
Proceeds from promissory notes	159,990
Unrealized foreign exchange loss	127
Balance, April 30, 2012	160,117
Proceeds from promissory notes	1,354,181
Repayment of promissory notes	(10,846)
Unrealized foreign exchange gain	(450)
Balance, January 31, 2013	1,503,002

During the year ended April 30, 2012, the Company received a $150,000 promissory note from a director of the Company. In addition, the Company received a CDN$10,000 ($9,990) promissory note from a director of the Company. The promissory notes were unsecured, bore interest at 12% per annum and were due on demand.

During the nine months ended January 31, 2013, the Company received an aggregate of $1,350,000 and CDN$4,000 ($4,181) of loans from directors of the Company. On September 19, 2012, the Company entered into an agreement with a company controlled by a director of the Company outlining the terms of the promissory notes. The promissory notes bear interest at the rate of 9.5% per annum and are due on demand. The Company issued 800,000 bonus shares to the lender at the fair value of $146,952.

(Expressed in US dollars except where otherwise indicated)

At January 31, 2013, accounts payable and accrued liabilities included $63,469 (April 30, 2012 - $1,400) of interest payable on the promissory notes.

9. SHARE CAPITAL:

Common shares

Authorized: 100,000,000 common shares, without par value

The holders of common shares are entitled to receive dividends which are declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

Stock options

The Company has granted stock options under the terms of its Stock Option Plan (the "Plan"). The Plan provides that the directors of the Company may grant options to purchase common shares to directors, officers, employees and service providers of the Company on terms that the directors of the Company may determine are within the limitations set forth in the Plan. The maximum number of shares available under the Plan is limited to 10% of the issued common shares. The maximum term of stock options is ten years. All stock options vest on the date of grant, unless otherwise stated.

The Company's stock options outstanding as at January 31, 2013 and April 30, 2012 and the changes for the periods then ended are as follows:

	Number Outstanding		Weighted Average Exercise Price
Balance at April 30, 2011	2,520,000	CDN$	0.41
Granted	700,000	CDN$	0.46
Forfeited	(300,000)	CDN$	0.40
Balance at April 30, 2012	2,920,000	CDN$	0.42
Expired	(470,000)	CDN$	0.44
Balance outstanding at January 31, 2013	2,450,000	CDN$	0.42
Balance exercisable at January 31, 2013	1,830,000	CDN$	0.40

Weighted average fair value of stock options granted during the nine months ended January 31, 2013	CDN$	nil
Weighted average fair value of stock options granted during the nine months ended January 31, 2012	CDN$	0.16

The stock options vest on the date of grant or based on the completion of certain performance milestones.

The Company uses the Black-Scholes option pricing model to estimate the value of the options at each grant date. During the nine months ended January 31, 2013 and 2012, assumptions used in the Black-Scholes option pricing model were as follows:

	2013	2012
Weighted average stock price	N/A	CDN$0.39
Weighted average expected life	N/A	5.0 years
Weighted average expected volatility	N/A	95%
Weighted average risk-free rate	N/A	1.98%
Weighted average dividend yield	N/A	Nil

(Expressed in US dollars except where otherwise indicated)

Expected volatility was determined by reference to the historical volatility of the Company's common shares trading on the TSX Venture Exchange. Options granted under the Plan vest over varying periods and are expensed over the vesting period. During the nine months ended January 31, 2013, an amount of $nil (2012 - $34,333) was expensed and credited to contributed surplus.

Summary of stock options outstanding at January 31, 2013:

Security	Number Outstanding	Exercise Price	Expiry Date
Stock options	1,150,000	CDN$ 0.40	January 7, 2015
Stock options	100,000	CDN$ 0.40	February 15, 2015
Stock options	500,000	CDN$ 0.40	December 1, 2015
Stock options	220,000	CDN$ 0.35	June 6, 2016
Stock options	170,000	CDN$ 0.45	June 6, 2016
Stock options	310,000	CDN$ 0.55	June 6, 2016

The weighted average remaining contractual life of stock options outstanding at January 31, 2013 is 2.5 years (April 30, 2012 – 2.8 years).

Share purchase warrants

A summary of fully-exercisable share purchase warrants as at January 31, 2013 and April 30, 2012 and the changes for the periods then ended are as follows:

	Number Outstanding		Weighted Average Exercise Price
Balance at April 30, 2011	33,968,481	CDN$	0.38
Issued	(10,246,053)	CDN$	0.37
Balance at April 30, 2012	23,722,428	CDN$	0.39
Expired	(2,072,428)	CDN$	0.42
Balance at January 31, 2013	21,650,000	CDN$	0.39

Summary of warrants outstanding at January 31, 2013:

Security	Number Outstanding	Exercise Price	Expiry Date
Warrants	20,450,000	CDN$ 0.40	April 29, 2013
Warrants	1,200,000	CDN$ 0.25	April 29, 2013

The Company has outstanding convertible loans which were convertible into an aggregate of 2,072,428 common shares of the Company, with an expiry date of January 29, 2013.

10. RELATED PARTY TRANSACTIONS:

During the three months ended January 31, 2013, management and consulting fees of $15,063 (2012 - $14,782) were charged by directors or officers or companies controlled by them. A further $37,500 (2012 - $37,500) in consulting fees were charged by directors and are included with mineral property deferred costs.

During the nine months ended January 31, 2013, management and consulting fees of $44,917 (2012 - $48,091) were charged by directors or officers or companies controlled by them. A further $112,500 (2012 - $115,750) in consulting fees were charged by directors and are included with mineral property deferred costs.

(Expressed in US dollars except where otherwise indicated)

Included in accounts payable and accrued liabilities are amounts owed to directors, an officer and a former director of the Company. As at January 31, 2013, the amount was $143,999 (April 30, 2012 - $156,266). All amounts are non-interest bearing, unsecured, and due on demand.

The promissory notes and loans received from directors during the nine months ended January 31, 2013 and the year ended April 30, 2012 (Notes 8 and 14) are related party transactions.

Key management includes the Chief Executive Officer and the directors of the Company. The compensation paid or payable to key management for services is as follows:

	Three months ended January 31,		Nine months ended January 31,	
	2013	2012	2013	2012
	$	$	$	$
Consulting fees	52,563	37,583	157,417	148,827
Share-based payments	-	-	-	34,333
	52,563	37,583	157,417	183,160

11. SEGMENT DISCLOSURES:

The Company considers its business to comprise a single operating segment, being exploration of resource properties, within the geographic area of the United States.

12. COMMITMENTS AND CONTINGENCIES:

The Company may be subject to various contingent liabilities that occur in the normal course of operations. The outcome of these contingencies is not determinable and such expense, if any, will be recognized in the periods during which they become likely.

13. NON-CASH TRANSACTIONS:

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the consolidated statements of cash flows. During the nine months ended January 31, 2013, the following transactions were excluded from the condensed interim consolidated statement of cash flows:

a) Deferred exploration expenditures of $99,135 included in accounts payable and accrued liabilities at January 31, 2013, less expenditures included in accounts payable at April 30, 2012 of $122,662 (net inclusion of $23,527);

b) The issuance by the Company of 333,607 common shares at the fair value of $53,274 as payment of interest on convertible loans; and,

c) The issuance by the Company of 1,300,000 common shares at the fair value of $176,676 pursuant to a mineral property agreement.

During the nine months ended January 31, 2012, the following transactions were excluded from the condensed interim consolidated statement of cash flows:

a) Deferred exploration expenditures of $75,951 included in accounts payable and accrued liabilities at January 31, 2012, less expenditures included in accounts payable at April 30, 2011 of $251,742 (net inclusion of $175,791);

b) The issuance by the Company of 107,242 common shares at the fair value of $26,412 as payment of interest on the Convertible Loans; and,

c) The issuance by the Company of 50,000 common shares at the fair value of $15,170 pursuant to a mineral property agreement.

14. SUBSEQUENT EVENTS:

Subsequent to January 31, 2013:

a) The Company received an aggregate of $300,000 of promissory notes (Note 8) from a director of the Company. The promissory notes bear interest at the rate of 9.5% per annum and are due on demand;

b) The Company issued an aggregate of 284,129 common shares as payment of interest in respect of the Convertible Loans (Note 6); and,

c) The Company entered into a debt settlement agreement pursuant to which $135,164 of accounts payable and accrued liabilities is to be satisfied by paying $60,000 and issuing 1,188,314 common shares, subject to regulatory approval.