UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ Registration Statement Pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934.

or

☒ Annual Report Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

for the Fiscal Year Ended **December 31, 2013**

or

☐ Transition Report Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934.

For the transition period from _______ to ________.

Commission file number 000-52145

Rainchief Energy Inc.

(Exact name of Registrant as specified in its charter)

____
(Translation of Registrant's name into English)

Business Corporations Act (British Columbia)
(Jurisdiction of incorporation or organization)

Suite 1825 – 900 West Georgia Street; Vancouver, British Columbia, Canada V4E 4E6
(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class Name of each exchange on which registered

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Common Stock, without par value
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

____
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 52,417,179 shares of common stock as at December 31, 2013.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to filed reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) ☒ Yes ☐ No; and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No.

Indicate which financial statement item the registrant elects to follow: ☒ Item 17 ☐ Item 18.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐	Non-accelerated filer	☒

If this is an annual report, indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Table of Contents

PART I

PART I

Introduction. Rainchief Energy Inc. (referred to as "Rainchief" or "the Company"), is a British Columbia corporation incorporated on December 28, 2000. The business endeavor will seek to identify for evaluation undervalued energy assets worldwide for possible development and / or acquisition.

Item 1. Identity of Directors, Senior Management and Advisors

The President of the Company is Brad Moynes, and the directors of the Company are Brad Moynes and Paul E. Heney of 900 West Georgia Street, Suite 1825; Vancouver, British Columbia, V6E 4E6. Mr. Heney also serves as our Chairman and Chief Executive Officer. See Item 6 for further information.

The Company's registered independent auditors are WDM Chartered Accountants, Suite 420 – 1501 West Broadway, Vancouver, British Columbia, Canada, V6J 4Z6. For further information, see Item 16C and the consolidated financial statements under Item 8.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. Selected Financial Data

The following selected information should be read in conjunction with the Company's consolidated financial statements, and notes, filed with this Form 20-F. This information, and all other financial information in this Form 20-F, is stated in Canadian dollars unless otherwise noted.

The financial information is presented on the basis of International Financial Reporting Standards. With respect to the Company's consolidated financial statements, there are no material differences from applying these principles compared to applying United States generally accepted accounting principles.

Selected Consolidated Financial and Operating Data

	Year Ended December 31,	
Operating Data	**2013**	**2012**
	$	**$**
Sales	-	-
Gross Profit, Net of Cost of Sales	-	-
Net Loss	(220,479)	(226,261)
Loss per Common Share – Basic & Diluted*	(0.008)	(0.301)
Number of Shares Outstanding*	52,417,179	751,051
Balance Sheet Data	**2013**	**2012**
	$	**$**
Current Assets	13,054	40,765
Current Liabilities	480,493	473,071
Total Assets	121,957	150,014
Share Capital	3,178,514	2,922,923
Accumulated Deficit	(3,813,360)	(3,366,620)

Dividends per Common Share	0.00	0.00

* Adjusted to reflect the consolidation of the Company's stock on (i) March 22, 2010 in the ratio of 1 new common share for 10 old common shares and (ii) April 3, 2013 in the ratio of 1 new common share for 50 old common shares.

Exchange Rates

In this FORM 20-F, references to "dollars", "$" or "Cdn$" are to Canadian dollars, unless otherwise specified. Reference to "US$" refers to United States dollars. Since June 1, 1970, the Government of Canada has permitted a floating exchange rate to determine the value of the Canadian dollar as compared to the United States dollar.

The Company's consolidated financial statements are stated in Canadian dollars.

The Company realized losses on foreign exchange of $6,666 and $783 for the years ended December 31, 2013 and 2012 respectively. These foreign exchange gains and losses were due to currency exchange rate fluctuations between the Canadian and United States dollar.

The Bank of Canada closing exchange rate on December 31, 2013 was Cdn$1.065 per US$1.00. For the past five fiscal years ended December 31, and for the period between January 1, 2013 and December 31, 2013, the following exchange rates were in effect for Canadian dollars exchanged for United States dollars, expressed in terms of United States dollars (based on the nominal exchange rates provided by the Bank of Canada):

Year Ended	Average per US$1
December 31, 2009	$ 1.07
December 31, 2010	$ 1.03
December 31, 2011	$ 0.99
December 31, 2012	$ 0.99
December 31, 2013	$ 1.03

Month ended	per US$1 High	per US$1 Low
January 31, 2013	$ 1.01	$ 0.98
February 28, 2013	$ 1.03	$ 1.00
March 31, 2013	$ 1.03	$ 1.01
April 30, 2013	$ 1.03	$ 1.01
May 31, 2013	$ 1.04	$ 1.00
June 30, 2013	$ 1.06	$ 1.01
July 31, 2013	$ 1.06	$ 1.02
August 31, 2013	$ 1.06	$ 1.03
September 30, 2013	$ 1.05	$ 1.02
October 31, 2013	$ 1.05	$ 1.03
November 30, 2013	$ 1.06	$ 1.04
December 31, 2013	$ 1.07	$ 1.06

B. Capitalization and Indebtedness

The following table sets forth our capitalization as of December 31, 2013, using:

- 52,417,179 shares outstanding on an actual basis;

	December 31, 2013 (audited) $	As Adjusted April 28, 2014 (unaudited) $
Cash and cash equivalents	6,754	104
Long-term obligations, less current portion	-	-
Shareholders' (deficiency) equity		
Share capital	3,178,514	3,178,514
Share purchase warrants reserve	276,310	276,310
Accumulated deficit	(3,813,360)	(3,866,100)
Shareholders' (deficiency) equity	(358,536)	(411,276)

In January 2013, the Company entered into a debt settlement agreement with a company controlled by a Director and Officer of the Company to settle outstanding accounts payable of $10,000. The Company agreed to issue 10,000,000 pre-April 3, 2013 share consolidation shares.

Effective April 3, 2013, the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The Company issued 835 shares to round up fractional entitlements resulting from the consolidation.

In April 2013, the Company entered into a debt settlement agreement with an arm's length party to settle outstanding accounts payable of $54,486. The Company paid $15,000 in cash and issued 250,000 post-April 3, 2013, share consolidation shares with a fair value of $15,000. The Company recorded a gain of $24,486 on the settlement of this debt.

In August 2013, the Company entered into a debt settlement agreement with a company controlled by a Director and Officer of the Company to settle outstanding accounts payable of $50,000. The Company agreed to issue 50,000,000 post-April 3, 2013 share consolidation shares with a fair value of $100,000. The Company recorded a loss of $50,000 on the settlement of this debt.

On August 13, 2013, the Company completed a private placement of 1,200,000 shares at US$0.05 per share raising gross proceeds of $60,000.

You should read this information together with our consolidated financial statements, including the related notes, and Item 5, "Operating and Financial Review and Prospects."

None of the capitalization referred to above is secured or guaranteed. All amounts in respect of capitalization including long term debt are unsecured and not guaranteed.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Forward Looking-Statements and Risk Factors

Forward-looking Statements. In this document, we are showing you a picture which is part historical (events which have happened) and part predictive (events which we believe will happen). Except for the historical information, all of the information in this document comprises "forward looking" statements. Specifically, all statements (other than statements of historical fact) regarding our financial position, business strategy and plans and objectives are forward-looking statements. These forward-looking statements are based on the beliefs of management, as well as assumptions made by, and information currently available to management. These statements involve known and unknown risks, including the risks resulting from economic and market conditions, accurately forecasting operating and capital expenditures and capital needs, successful anticipation of competition which may not yet be fully developed, and other business conditions. Our use of the words "anticipate", "believe", "estimate", "expect", "may", "will", "continue" and "intend", and similar words or phrases, are intended to identify forward-looking statements (also known as "cautionary statements"). These statements reflect our current views with respect to future events. They are subject to the realization in fact of assumptions, but what we now believe will occur may turn out to be inaccurate or incomplete. We cannot assure you that our expectations will prove to be correct. Actual operating results and financial performance may prove to be very different from what we now predict or anticipate. The "risk factors" below specifically address all of the factors now identifiable by us that may influence future operating results and financial performance.

Risk Factors

Risks Related to the Business

We have a history of operating losses and need additional capital to implement our business plan. For the year ended December 31, 2013, we recorded a net loss of $220,479 from operations compared to a net loss of $226,261 for the year ended December 31, 2012. The financial statements have been prepared using International Financial Reporting Standards applicable to a going concern. However, as shown in note 1 to the consolidated financial statements, our ability to continue operations is uncertain.

We continue to incur operating losses, and have a consolidated deficit of $3,813,360 as at December 31, 2013. Operations for the year ended December 31, 2013 have been funded primarily from the issuance of share capital and the continued support of creditors. Historically, we have met working capital needs primarily by selling equity to Canadian residents, and from loans (including loans from relatives of principal shareholders).

We estimate that we will require a minimum of approximately $500,000 to commence a seismic program to provide the identification and evaluation of drill site locations in pursuit of hydrocarbons. A full implementation of our business plan for these property acquisitions will be delayed until the necessary capital is raised. See Item 5, “Operating and Financial Review and Prospects”.

Our entry into the energy property acquisition business may not be successful and there are risks attendant on these activities. The energy property acquisition business is highly competitive, and is populated with many companies, large and small, with the capital and expertise to evaluate, purchase, and exploit producing and non-producing opportunities. Even with capital and experience, industry risks are significant. Environmental compliance is an increasingly complex and costly obstacle to many new projects, and often times, and even if permits are obtained, they may be sufficiently restrictive that a property cannot be exploited to its full potential.

We may not be able to locate acquisition opportunities, or finance those we can identify. We offer no assurance that our entry into this business activity will be successful.

Risks Related to Our Stock

If we have to raise capital by selling securities in the future, your rights and the value of your investment in the Company could be reduced. If we issue debt securities, the lenders would have a claim to our assets that would be superior to the stockholder rights. Interest on the debt would increase costs and negatively impact operating results. If we issue more common stock or any preferred stock, your percentage ownership will decrease and your stock may experience additional dilution, and the holders of preferred stock (called preference securities in Canada) may have rights, preferences and privileges which are superior to (more favorable) the rights of holders of the common stock. It is likely the Company will sell securities in the future. The terms of such future transactions presently are not determinable.

If the market for our common stock is illiquid in the future, you could encounter difficulty if you try to sell your stock. Our stock trades on the “OTC.BB” but it is not actively traded. If there is no active trading market, you may not be able to resell your shares at any price, if at all. It is possible that the trading market in the future will continue to be "thin" or "illiquid," which could result in increased price volatility. Prices may be influenced by investors' perceptions of us and general economic conditions, as well as the market for energy generally. Until our financial performance indicates substantial success in executing our business plan, it is unlikely that there will be coverage by stock market analysts will be extended. Without such coverage, institutional investors are not likely to buy the stock. Until such time, if ever, as such coverage by analysts and wider market interest develops, the market may have a limited capacity to absorb significant amounts of trading. As the stock is a “penny stock,” there are additional constraints on the development of an active trading market – see the next risk factor.

The penny stock rule operates to limit the range of customers to whom broker-dealers may sell our stock in the market. In general, "penny stock" (as defined in the SEC’s rule 3a51-1 under the Securities Exchange Act of 1934) includes securities of companies which are not listed on the principal stock exchanges, or the Nasdaq National Market or the Nasdaq Capital Market, and which have a bid price in the market of less than $5.00; and companies with net tangible assets of less than $2 million ($5 million if the issuer has been in continuous operation for less than three years), or which has recorded revenues of less than $6 million in the last three years.

As "penny stock" our stock therefore is subject to the SEC’s rule 15g-9, which imposes additional sales practice requirements on broker-dealers which sell such securities to persons other than established customers and "accredited investors" (generally, individuals with net worth in excess of $1 million or annual incomes exceeding $200,000, or $300,000 together with their spouses, or individuals who are the officers or directors of the issuer of the securities). For transactions covered by rule 15g-9, a broker-dealer must make a special suitability determination for the purchaser and have received the purchaser's written consent to the transaction prior to sale. This rule may adversely affect the ability of broker-dealers to sell our stock, and therefore may adversely affect our stockholders' ability to sell the stock in the public market.

Your legal recourse as a United States investor could be limited. The Company is incorporated under the laws of British Columbia. Most of the assets now are located in Canada. Our directors and officers and the audit firm are residents of Canada. As a result, if any of our shareholders were to bring a lawsuit in the United States against the officers, directors or experts in the United States, it may be difficult to effect service of legal process on those people who reside in Canada, based on civil liability under the Securities Act of 1933 or the Securities Exchange Act of 1934. In addition, we have been advised that a judgment of a United States court based solely upon civil liability under these laws would probably be enforceable in Canada, but only if the U.S. court in which the judgment were obtained had a basis for jurisdiction in the matter. We also have been advised that there is substantial doubt whether an action could be brought successfully in Canada in the first instance on the basis of liability predicated solely upon the United States' securities laws.

Item 4. Information on the Company

A. History and Development of the Company

The Company is a British Columbia corporation (organized on December 28, 2000, incorporation number BC 0619991, which is the incorporation number reflecting transition to the new corporate statute (the British Columbia Business Corporations Act)). The registered office is at Suite 1110 – 1185 West Georgia Street; Vancouver, British Columbia, V6E 4E6. We do not have an agent in the United States.

The Company's legal name is Rainchief Energy Inc. and business is carried on in this name in Canada at this time. On November 21, 2008 the Company changed its corporate name from Black Diamond Brands Corporation to Rainchief Energy Inc.

B. Overview

Rainchief Energy Inc. (the "Company") was incorporated on December 28, 2000 under the Company Act of the Province of British Columbia, Canada. We are engaged in the identification, evaluation and financing the development of energy projects in New Mexico, United States. Prior to January 1, 2010, we had operations in oil and gas exploration in Alberta, Canada.

The Company's Organization Structure

On September 30, 2009, we disposed of two subsidiaries, Black Diamond Importers Inc., a British Columbia, Canada, corporation and Liberty Valley Wines, LLC., a Delaware, U.S.A., limited liability company. On December 30, 2009, we disposed of our remaining subsidiary, Point Grey Energy Inc., an Alberta, Canada corporation.

Effective December 22, 2010, we acquired all of the issued and outstanding common shares of Jaydoc Capital Corp ("Jaydoc"), a company incorporated under the Business Corporations Act of the Province of British Columbia, Canada. Jaydoc was acquired to facilitate our business venture in solar energy development. The assets of Jaydoc are its business plan and strategic business relationship with operational partners that offer experience and knowledge in the development, engineering and construction of solar energy projects in Italy and the European Union.

On December 18, 2010 we incorporated a wholly-owned subsidiary, Rainchief Renewable-1 S.R.L under the laws of Italy.

Commitments.

As at December 31, 2013, we own oil and gas property acquired at a cost of $108,053, and computer and office furniture and equipment with a depreciated cost of $850. See notes 6 and 7 to the consolidated financial statements.

Item 5. Operating and Financial Review

For the years ended December 31, 2013, 2012, and 2011, the Company had net losses of $220,479, $226,261 and $182,323, respectively.

Accounting, Audit and Legal expenses decreased by $11,473 from $51,624 for the year ended December 31, 2012 to $40,151 for the year ended December 31, 2013. Audit and accounting fees reduced by $7,124 as a result of cost reductions negotiated by management and the reversal of excess accruals in previous periods. Legal fees reduced by $4,349 as a result of reduced requirements for legal services. Accounting, Audit and Legal expenses decreased by $5,014 from $56,638 for the year ended December 31, 2011 to $51,624 for the year ended December 31, 2012.

The Company incurred $585 on Advertising, Promotion and Website Development during the year ended December 31, 2013 as compared with $Nil during the year ended December 31, 2012. Advertising, Promotion and Website Development costs during the year ended December 31, 2011 amounted to $6,000 expended on maintenance of the company website.

Consulting expense for the year ended December 31, 2013 amounted to $80,000, an increase of $5,000 as compared with $75,000 for the year ended December 31, 2012 as a result of additional management and administration services procured during the year. Consulting expense for the year ended December 31, 2012 decreased by $668 to $75,000 as compared with $75,668 for the year ended December 31, 2011.

The Company did not incur any project development costs during the years ended December 31, 2013 and 2012, respectively. During the year ended December 31, 2011, the Company incurred development costs of $14,046 in connection with the evaluation of potential oil and gas project acquisition.

Filing and Transfer Agents Fees for the year ended December 31, 2013 decreased by $5,492 to $15,791 from $21,283 for the year ended December 31, 2012 as a result of decreased corporate activity during the year, together with the reversal of amounts accrued in prior periods. Filing and Transfer Agents Fees for the year ended December 31, 2012 amounted to $21,283, an increase of $1,019 from $20,264 incurred during the year ended December 31, 2011. The increase resulted from additional filings required by the United States Securities and Exchange Commission.

The company incurred $3,663 in Investor relations expenses during the year ended December 31, 2013 as compared with $Nil in the years ended December 31, 2012 and 2011, respectively.

Management Fees for the year ended December 31, 2013 amounted to $60,000, unchanged from the amounts incurred during the years ended December 31, 2012 and 2011 respectively.

Administrative expenses for the year ended December 31, 2013 decreased by $1,341 to $(709) as compared with $632 expended on this category of expenses during the year ended December 31, 2012 as a result of cost containment by management and the reversal of expenses accrued in prior periods. Administrative expenses for the year ended December 31, 2012 decreased by $10,902 to $632 as compared with $11,534 expended on these category of expenses during the year ended December 31, 2011. The decrease resulted from management's decision to share office space with another unrelated company.

During the year ended December 31, 2013 the Company incurred property investigation costs of $13,054 in connection with the Gulf Jensen project. The Company did not incur property investigation costs during the year ended December 31, 2012. During the year ended December 31, 2011 property investigation costs of $9,487 were incurred in connection with an oil and gas project.

The Company incurred Stock-based compensation expense in the amount of $22,500 during the year ended December 31, 2012. The Company did not incur Stock-based compensation expense during the years ended December 31, 2013 and 2011.

The Company did not incur travel expenses during the year ended December 31, 2013. Travel expenses for the year ended December 31, 2012 decreased by $11,153 to $649 from $11,802 during the year ended December 31, 2011 as a result of reduced project evaluation activities during the year.

The Company incurred losses on foreign exchange of $6,666, $783, and $8,454 for the years ended December 31, 2013, 2012 and 2011, respectively. These losses resulted from changes in the foreign currency exchange rates between the Canadian and US Dollars.

During the year ended December 31, 2011, the Company realized a gain of $97,336 in respect of shares issued in connection with the Jaydoc acquisition and subsequently returned to Treasury in accordance with a Stock Surrender, Settlement and Voluntary Pooling Agreement.

During the year ended December 31, 2013, the Company realized a net gain on the settlement of certain debts in the amount of $334, as compared to a net gain on settlement of debts during the year ended December 31, 2012 of $6,870. During the year ended December 31, 2011, the Company did not settle any debt.

The Company was the respondent in a lawsuit filed in the Supreme Court of British Columbia. The Plaintiff sought damages in the amount of $60,750, claiming breach of a licensing agreement relating to the Company's use of certain photographs, the copyright to which is held by the plaintiff. The Company recorded a contingent liability for this amount as at December 31, 2009. In July 2013 the Supreme Court of British Columbia found in favour of the Plaintiff and awarded damages, interest and costs. In December 2013 the Company paid the Plaintiff $61,500 in full and final settlement of the matter.

Financial position

For the year ended December 31, 2013 the Company had a working capital deficiency of $467,439 as compared with a working capital deficiency of $432,306 as at December 31, 2012, an increase of $35,133.

The increase in working capital deficiency during the year ended December 31, 2013 is due to an increase in Convertible Promissory Notes Payable of $117,602 and a reduction GST Recoverable of $34,465, offset by an increase in Cash of $6,738 and a reduction in Accounts Payable of $110,164.

Liquidity and Capital Resources

The Company completed private placements raising gross proceeds of $60,000 cash for the year ended December 31, 2013. Cash provided from private placements and the issuance of shares pursuant to the exercise of purchase warrants in the year ended December 31, 2012 was $29,124.

In addition, the issuance of Convertible Promissory Notes provided $117,602 (year ended December 31, 2012 -$155,364).

Changes in working capital accounts during the year ended December 31, 2013 provided $49,635 (2012 – $121,896).

The use of cash during the year ended December 31, 2013 was $220,467 to fund the Company's continuing operations. The uses of cash during the year ended December 31, 2012 were $88,534 to fund the Company's continuing operations, plus $108,053 to acquire an oil and gas property and $22,097 to repurchase certain common shares.

C. Research and Development, Patents and Licenses, etc.

Not applicable

D. Trend Information

Management is not aware of any trend, commitment, event or uncertainty that is expected to have a material effect on our business, financial condition or results of operations.

E. Off-Balance Sheet Arrangements

Not applicable.

F. Contractual Obligations

Effective November 1, 2010, the Company entered into a management agreement with a company controlled by a Director (also an Officer) of the Company for general management and administration services at $5,000 per month for a term of 2 years.

Item 6. Directors, Senior Management and Employees

A. Directors, Senior Management, and Employees

The following table sets forth the name, positions held and principal occupation of each of our directors, senior management and employees upon whose work the Company is dependent. Information on such persons' share ownership is under Item 7.

Name and Positions Held	Experience and Principal Business Activities
Paul Heney (52) Chairman, Chief Executive Officer and Director	Director of the Company since November 18, 2010.
Bradley J. Moynes (43) President, and Director	President and Director of the Company since December 2000.

B. Compensation

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation paid to the executive officers of the Company in each of the years ended December 31, 2013, 2012 and 2011. The table includes compensation paid for service by such persons to subsidiaries. All amounts are stated in US dollars.

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
(a) Name and Current Principal Position	(b) Year	(c) Salary	(d) Bonus	(e) Other	(f) Restricted Stock Awards	(g) Options or SAR's	(h) LPIT Payouts	(i) All Other Compensation

		(US$)	(US$)	(US$)	(US$)	(#)	(US$)	(US$)
Paul Heney	2013	$ -	$ -	$ -	$ -	-	$ -	$ -
Chairman and	2012	$ -	$ -	$ -	$ -	-	$ -	$ -
CEO	2011	$ -	$ -	$ -	$ -	7,503	$ -	$ -
Bradley J. Moynes,	2013	$ 58,258	$ -	$ -	$ -	-	$ -	$ -
President	2012	$ 60,024	$ -	$ -	$ -	7,503	$ -	$ -
	2011	$ 60,661	$ -	$ -	$ -	-	$ -	$ -

Executive Compensation Plans and Employment Agreements

Management Agreements

No management agreements were entered into for the period commencing January 1, 2013 to December 31, 2013.

Equity Compensation Plans

Effective December 31, 2010, our Board of Directors adopted the 2010 Stock Option Incentive Plan (“the Stock Option Plan”). The purpose of the Stock Option Plan is to enhance the long-term stockholder value of the Company by offering opportunities to directors, officers, key employees and eligible consultants of the Company to acquire and maintain stock ownership in the Company, in order to give these persons the opportunity to participate in the Company's growth and success, and to encourage them to remain in the service of the Company. A maximum of 10% of the issued and outstanding shares of common stock are available for issuance under the Stock Option Plan.

C. Board Practices

Each director holds office until the next annual general meeting of the Company unless his office is earlier vacated in accordance with the Articles of the Company or the Canada Business Corporations Act.

During the most recently completed fiscal year, there are no arrangements (standard or otherwise) under which directors of the Company were compensated by the Company or its subsidiaries for services rendered in their capacity as directors, nor were any amounts paid to the directors for committee participation or special assignments, other than the granting of stock options. There were no arrangements under which the directors would receive compensation or benefits in the event of the termination of that office.

The Company does not have an audit committee at the present time. The Company is currently seeking a suitable individual to serve on an audit committee.

The audit committee is responsible for selecting, evaluating and recommending the Company’s auditors to the Board of Directors for shareholder approval; evaluating the scope and general extent of the auditors’ review; overseeing the work of the auditors; recommending the auditors’ compensation to the Board of Directors; and assisting with the resolution of any disputes between management and the auditors regarding financial reporting. The audit committee is also responsible for reviewing the Company’s annual and interim financial statements and recommending their approval to the Board of Directors; reviewing the Company’s policies and procedures with respect to internal controls and financial reporting; and establishing procedures for dealing with complaints regarding accounting, internal controls or auditing matters.

The Company does not have a compensation or corporate governance committee at the present time. The Company is listed for trading on the OTCBB as a reporting issuer under registration statement Form 20-F (Foreign Private Issuer) and as such it believes that it is not required to have such committees.

D. Employees

The Company currently has two officers and no employees. Employees will be added as required.

E. Share Ownership

Our directors and officers own the indicated shares of common stock as at the date hereof; percentages are based on 52,416,979 shares outstanding on April 28, 2014.

Name	**No. of Shares**	**Percentage of outstanding at April 28, 2014**
Paul Heney	25,000	0.05%
Brad Moynes	50,208,303	95.8%

Item 7. Major Shareholders and Related Party Transactions.

A. Major Shareholders

To our knowledge, only one person beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 5% of the voting rights attached to the 52,417,179 shares outstanding at April 28, 2014.

The Company has approximately 200 shareholders of record at April 28, 2014. The number of shareholders holding securities beneficially through street name nominees, as reflected in the record position of Cede & Co. and other intermediaries, is approximately 0.09%. None of the major shareholders, if any, have different voting rights.

To the best of our knowledge, approximately 98.817% of the Company’s common shares are owned by residents of Canada or residents of countries other than residents of the United States. The number of shareholders holding securities beneficially through street name nominees, as reflected in the record position of Cede & Co. and other intermediaries, who may be residents of other countries, is approximately 43%. These assumptions are based on our shareholder registry issued by Presidents Stock Transfer Company as of April 16, 2014.

To our knowledge, we are not owned or controlled directly or indirectly by another corporation or by any foreign government, nor are there any arrangements which may result in a change of control of the Company. The directors of the Company own approximately 96.3% of the issued and outstanding shares following the March 22, 2010 and April 3, 2013 share consolidations and the subsequent private placements debt settlement issues. As a direct result of these treasury orders and subsequent non-brokered private placements the percentage of shares controlled by the directors currently represents voting control of the Company.

B. Related Party Transactions

Trade and other payables

As at December 31, 2013, the Company had $32,101 (2012 – $67,818) in trade and other payables owed to key management personnel. The amounts owed to key management personnel arose from outstanding management fees, and are non-interest bearing, unsecured and have no specified terms of repayment.

Promissory Notes

Included in promissory notes as at December 31, 2013 was $99,702 (including US$17,000) owed to a company controlled by a Director (also an officer) of the Company ($37,702) and a former officer of the Company ($62,000) (December 31, 2012 - $32,102).

Management Fees and Share-based Payments

The Company incurred management fees and share-based payments for services provided by key management personnel for the years ended December 31, 2013, 2012 and 2011 as described below. All related party transactions were in the ordinary course of business and were measured at their exchange amount.

	2013 $	2012 $	2011 $
Management Fees	60,000	60,000	60,000
Share-Based Payments	-	7,500	-
	60,000	67,500	60,000

C. Interest of Experts and Counsel

None.

Item 8. Financial Information

See the consolidated financial statements under Item 18.

Item 9. The Offer and Listing

A. Offer and Listing Details

The Company's common shares are traded on the "OTC.BB" under the symbol RCFEF; the shares are not listed on any exchange or traded on any other medium. Trading commenced in the first quarter 2004 on the Pink Sheets and then became a reporting issuer and was listed for trading on the OTC.BB during the second quarter of 2007.

The following table sets forth the high and low closing prices on the OTC Markets and the OTC.BB for the periods indicated, adjusted for the consolidations of the Company's stock on March 22, 2010 and April 3, 2013. See Item 10A below.

By Quarters in 2013, 2012 & 2011	High Sales Price US$	Low Sales Price US$
Fourth Quarter 2013	$ 0.30	$ 0.02
Third Quarter 2013	$ 0.10	$ 0.01
Second Quarter 2013	$ 0.13	$ 0.06
First Quarter 2013	$ 0.30	$ 0.02
Fourth Quarter 2012	$ 17.50	$ 5.00
Third Quarter 2012	$ 8.00	$ 1.00
Second Quarter 2012	$ 2.10	$ 0.75
First Quarter 2012	$ 1.15	$ 0.25
Fourth Quarter 2011	$ 15.00	$ 5.00
Third Quarter 2011	$ 11.00	$ 6.50
Second Quarter 2011	$ 10.00	$ 5.50
First Quarter 2011	$ 20.00	$ 5.00
Fourth Quarter 2010	$ 50.00	$ 10.00
Third Quarter 2010	$ 50.00	$ 25.00
Second Quarter 2010	$ 60.00	$ 25.00
First Quarter 2010	$ 60.00	$ 15.00

On December 31, 2013, the closing price was US$0.11 per share.

B. Plan of Distribution

Not applicable.

C. Markets

See "Offer and Listing Details" above.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital Authorized

Unlimited number of common shares without par value

Issued and Outstanding

	Number of Common Shares	Amount $
Balance, December 31, 2008 (Pre-Share Consolidation)	23,818,852	2,031,174
Shares Issued for Cash, Net of Share Issue Costs	4,020,000	210,271
Balance, December 31, 2009 (Pre-Share Consolidation)	27,838,852	2,241,445
Share Consolidation	(25,054,944)	-
Balance, March 22, 2010 (Post-Share Consolidation)	2,783,908	2,241,445
Shares Issued for Cash, Net of Share Issue Costs	10,660,000	198,215
Shares Issued for Debt	15,130,000	152,600
Shares Issued for Exercise of Share Rights	5,000,000	101,386
Fair Value of Share Rights Exercised	-	13,286
Shares Issued for Acquisition of Subsidiary	4,000,000	80,000
Balance, December 31, 2010 (Post-Share Consolidation)	37,573,908	2,786,932
Shares Issued for Cash, Net of Issuance Costs	1,703,334	233,327
Shares Surrendered and Cancelled	(4,500,000)	(97,336)
Balance, December 31, 2011 (Post-Share Consolidation)	34,777,242	2,922,923
Shares issued for cash	1,330,000	26,051
Shares repurchased	(1,100,000)	(22,097)
Shares issued pursuant to the exercise of warrants	2,200,000	44,137
Shares issued pursuant to a directors resolution	200,000	-
Shares issued as compensation to directors	750,000	22,500
Balance, December 31, 2012 (Post-Share Consolidation)	**38,157,242**	**2,993,514**
Share consolidation in the ratio of 1 new share for 50 old shares	(47,190,898)	-
Shares issued for post-consolidation rounding	835	-
Pre-consolidation shares issued in settlement of debt	10,000,000	10,000
Post-consolidation shares issued in settlement of debt	50,250,000	65,000
Share issued for cash	1,200,000	60,000
Balance, December 31, 2013 (Post-Share Consolidation)	**52,417,179**	**3,128,514**

Post-Share Consolidation Transactions

i) Private Placements in 2011

On January 24, 2011, the Company completed a private placement of 1,300,001 shares at US$0.15 per share, raising gross proceeds of $196,263 (US$195,000). The subscription proceeds were received in 2010.

On March 14, 2011, the Company completed a private placement of 403,333 shares at US$0.15 per share, raising gross proceeds of $59,356 (US$60,500).

ii) Private Placements in 2012

On January 17, 2012, the Company completed a private placement of 1,330,000 units at US$0.03 per share, raising gross proceeds of $41,064 (US$39,900).

iii) Shares repurchased

On March 2, 2012, the Company repurchased 1,100,000 units at US$0.02 per unit for a total cost of US$22,000. These units were initially issued in a private placement completed in May 2010 at a subscription price of US$0.02 per unit for total gross proceeds of $22,097 (US$22,000). Each unit consisted of one common share and one warrant exercisable into one common share at US$0.02 per share until March 30, 2015. These units were returned to treasury and cancelled.

iv) Shares issued pursuant to the exercise of warrants

During the year ended December 31, 2012, the Company issued a total of 2,200,000 common shares upon the exercise of warrants at an exercise price of US$0.02 per share for total gross proceeds of $44,137 (US$44,000).

v) Shares reissued pursuant to a directors resolution

On March 21, 2012, the Company issued 200,000 common shares to the President of the Company and a person related to the President. The related parties purchased these shares in the Company in 2002. However, the share certificates evidencing the share subscription were not recorded by the share transfer agent as a result of a clerical oversight. Accordingly, the Directors of the Company authorized the issuance of share certificates to the related parties as evidence of their ownership of the shares and to accurately reflect the number of common shares outstanding

vi) Shares issued for services

On April 17, 2012, the Company issued 750,000 common shares at a fair value of US$0.03 per share to the Directors of the Company as compensation for services rendered

vii) Share consolidation

Effective April 3, 2013, the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The Company issued 835 shares to round up fractional entitlements resulting from the consolidation. The basic loss per share calculations disclosed in the consolidated statements of comprehensive loss for the years ended December 31, 2012 and 2011, have been adjusted to reflect the share consolidation.

viii) Shares issued in settlement of debt

In January 2013, the Company entered into a debt settlement agreement with a company controlled by a Director and Officer of the Company to settle outstanding accounts payable of $10,000. The Company agreed to issue 10,000,000 pre-April 3, 2013, share consolidation shares.

In April 2013, the Company entered into a debt settlement agreement with an arm's length party to settle outstanding accounts payable of $54,486. The Company paid $15,000 in cash and issued 250,000 post-April 3, 2013, share consolidation shares with a fair value of $15,000. The Company recorded a gain of $24,486 on the settlement of this debt.

In September 2013, the Company entered into a debt settlement agreement with a company controlled by a Director and Officer of the Company to settle outstanding accounts payable of $50,000. The Company agreed to issue 50,000,000 post-April 3, 2013, post-share consolidation shares with a fair value of $100,000. The Company recorded a loss of $50,000 on the settlement of this debt.

ix) Private Placements in 2013

On August 13, 2013, the Company completed a private placement of 1,200,000 shares at US$0.05 per share, raising gross proceeds of $60,000.

x) Share Purchase Warrants

The continuity of warrants for the year ended December 31, 2013 is summarized below. The quantity and exercise price of warrants have been retroactively restated to reflect the share consolidations which took effect on March 22, 2010 and April 3, 2013.

Expiry Date	Exercise Price	December 31, 2012	Issued	Exercised	Expired/ Cancelled	December 31, 2013
December 31, 2013	$ US1.50	26,600	-	-	(26,600)	-
June 30, 2014	$ US40.00	6,400	-	-	-	6,400
March 30, 2015	$ US1.00	116,200	-	-	-	116,200
October 15, 2015	$ US2.00	10,000	-	-	-	10,000
October 28, 2015	$ US1.00	20,000	-	-	-	20,000
Total		179,200	-	-	(26,600)	152,600
Weighted Average Exercise Price		$ US2.49	-	-	$ US1.50	$ US2.70

B. Memorandum and Articles of Association

The Company is registered under the Canada Business Corporations Act (BC 0619991).

With respect to directors, under the by-laws, a director who is a party to a material contract or proposed material contract with us, or is a director or officer of or has a material interest in any person who is a party to a material contract or proposed material contract with us, must disclose to us in writing the nature and extent of such interest. An interested director can vote on only a limited number of such matters (securing a loan from the director to the Company, his remuneration, indemnity or insurance, or a contract with an affiliate) provided the interest is disclosed. Otherwise, even with disclosure of the interest, such a director cannot vote on a material contract or proposed material contract. A contract approved by the board of directors is not voidable because one or more directors has a conflict of interest, if the conflict is disclosed and the interested director(s) do not vote on the matter. Subject to the conflict of interest provisions summarized above, there is no restriction in the by-laws on the power of the board of directors to have the Company borrow money, issue debt obligations, or secure debt or other obligations of the Company. The by-laws contain no provision for the retirement or non-retirement of directors under an age limit requirement. A director is not required to hold any shares of the Company in order to be a director.

The Articles of the Company provide for the issuance of unlimited number of shares of common stock, without par value. All holders of common stock have equal voting rights, equal rights to dividends when and if declared, and equal rights to share in assets upon liquidation of the corporation. The common shares are not subject to any redemption or sinking fund provisions. Directors serve from year to year, there being no provision for a staggered board; cumulative voting for directors is not allowed. Between annual general meetings, the existing board can appoint one or more additional directors to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual meeting. All issued and outstanding shares are fully paid and non-assessable securities.

In order to change the rights of the holders of common stock, the passing of a special resolution by such shareholders is required, being the affirmative vote of not less than 2/3 of the votes cast in person or by proxy at a duly called meeting of shareholders.

An annual meeting of shareholders must be called by the board of directors not later than 15 months after the last annual meeting. The board at any time may call a special meeting of shareholders. Notice of any meeting must be sent not less than 21 and not more than 50 days before the meeting, to every shareholder entitled to vote at the meeting. All shareholders entitled to vote are entitled to be present at a shareholders meeting. A quorum is the presence in person or by proxy of the holders of at least 5% of the issued and outstanding shares of common stock.

Except under the Investment Canada Act, there are no limitations specific to the rights of non-Canadians to hold or vote our shares under the laws of Canada or our charter documents. The Investment Canada Act ("ICA") requires a non-Canadian making an investment which would result in the acquisition of control of a Canadian business, the gross value of the assets of which exceed certain threshold levels or the business activity of which is related to Canada's cultural heritage or national identity, to either notify, or file an application for review with, Investment Canada, the federal agency created by the ICA. The notification procedure involves a brief statement of information about the investment on a prescribed form which is required to be filed with Investment Canada by the investor at any time up to 30 days after implementation of the investment. It is intended that investments requiring only notification will proceed without intervention by government unless the investment is in a specific type of business related to the scope of the ICA. If an investment is reviewable under the ICA, an application for review in the prescribed form normally is required to be filed with Investment Canada before the investment is made and it cannot be implemented until completion of review and Investment Canada has determined that the investment is likely to be of net benefit to Canada. If the agency is not so satisfied, the investment cannot be implemented if not made, or if made, it must be unwound.

C. Material Contracts

Except as otherwise disclosed in this Form 20-F, we have no material contracts.

D. Exchange Controls

There are no laws, decrees or regulations in Canada relating to restrictions on the export or import of capital, or affecting the remittance of interest, dividends or other payments to non-resident holders of our shares of common stock.

E. Taxation

Canada

Canadian Federal Income Tax Information for United States Residents

The following is a discussion of material Canadian federal income tax considerations generally applicable to holders of our common shares who acquire such shares in this offering and who, for purposes of the Income Tax Act (Canada) and the regulations thereunder, or the Canadian Tax Act:

- deal at arm’s length and are not affiliated with us;
- hold such shares as capital property;
- do not use or hold (and will not use or hold) and are not deemed to use or hold our common shares, in or in the course of carrying on business in Canada;
- have not been at any time residents of Canada; and
- are, at all relevant times, residents of the United States, or U.S. Residents, under the Canada-United States Income Tax Convention (1980), or the Convention.

TAX MATTERS ARE VERY COMPLICATED AND THE CANADIAN FEDERAL INCOME TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON SHARES WILL DEPEND UPON THE STOCKHOLDER’S PARTICULAR SITUATION. THE SUMMARY OF MATERIAL CANADIAN FEDERAL INCOME TAX CONSEQUENCES SET FORTH BELOW IS INTENDED TO PROVIDE ONLY A GENERAL SUMMARY AND IS NOT INTENDED TO BE A COMPLETE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL CANADIAN FEDERAL INCOME TAX CONSEQUENCES.

THIS DISCUSSION DOES NOT INCLUDE A DESCRIPTION OF THE TAX LAWS OF ANY PROVINCE OR TERRITORY WITHIN CANADA. ACCORDINGLY, HOLDERS AND PROSPECTIVE HOLDERS OF OUR COMMON SHARES ARE ENCOURAGED TO CONSULT WITH THEIR OWN TAX ADVISERS ABOUT THE TAX CONSEQUENCES TO THEM HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES, INCLUDING ANY CONSEQUENCES OF PURCHASING, OWNING OR DISPOSING OF OUR COMMON SHARES ARISING UNDER CANADIAN FEDERAL, CANADIAN PROVINCIAL OR TERRITORIAL, U.S. FEDERAL, U.S. STATE OR LOCAL TAX LAWS OR TAX LAWS OF JURISDICTIONS OUTSIDE THE UNITED STATES OR CANADA.

This summary is based on the current provisions of the Canadian Income Tax Act, proposed amendments to the Canadian Income Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the “Proposed Amendments”), and the provisions of the Convention as in effect on the date hereof. No assurance can be given that the Proposed Amendments will be entered into law in the manner proposed, or at all. No advance income tax ruling has been requested or obtained from the Canada Revenue Agency to confirm the tax consequences of any of the transactions described herein.

This summary is not exhaustive of all possible Canadian federal income tax consequences for U.S. Residents, and other than the Proposed Amendments, does not take into account or anticipate any changes in law, whether by legislative, administrative, governmental or judicial decision or action, nor does it take into account Canadian provincial, U.S. or foreign tax considerations which may differ significantly from those discussed herein. No assurances can be given that subsequent changes in law or administrative policy will not affect or modify the opinions expressed herein.

A U.S. Resident will not be subject to tax under the Canadian Tax Act in respect of any capital gain on a disposition of our common shares unless such shares constitute “taxable Canadian property”, as defined in the Canadian Tax Act, of the U.S. Resident and the U.S. Resident is not eligible for relief pursuant to the Convention. Our common shares will not constitute “taxable Canadian property” if, at any time during the 60-month period immediately preceding the disposition of the common shares, the U.S. Resident, persons with whom the U.S. Resident did not deal at arm’s length, or the U.S. Resident together with all such persons, did not own 25% or more of the issued shares of any class or series of shares of our capital stock. In addition, the Convention generally will exempt a U.S. Resident who would otherwise be liable to pay Canadian income tax in respect of any capital gain realized by the U.S. Resident on the disposition of our common shares, from such liability provided that the value of our common shares is not derived principally from real property situated in Canada. The Convention may not be available to a U.S. Resident that is a U.S. LLC which is not subject to tax in the U.S.

Amounts in respect of our common shares paid or credited or deemed to be paid or credited as, on account or in lieu of payment of, or in satisfaction of, dividends to a U.S. Resident will generally be subject to Canadian non-resident withholding tax at the rate of 25%. Currently, under the Convention the rate of Canadian non-resident withholding tax will generally be reduced to:

- 5% of the gross amount of dividends if the beneficial owner is a company that is resident in the U.S. and that owns at least 10% of our voting shares; or
- 15% of the gross amount of dividends if the beneficial owner is some other resident of the U.S.

United States Federal Income Tax Information for United States Holders.

The following is a general discussion of material U.S. federal income tax consequences of the ownership and disposition of our common shares by U.S. Holders (as defined below). This discussion is based on the United States Internal Revenue Code of 1986, as amended, Treasury regulations promulgated thereunder, and judicial and administrative interpretations thereof, all as in effect at the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion only addresses the tax consequences for U.S. Holders that will hold their common shares as a “capital asset” and does not address U.S. federal income tax consequences that may be relevant to particular U.S. Holders in light of their individual circumstances or U.S. Holders that are subject to special treatment under certain U.S. federal income tax laws, such as:

- tax-exempt organizations and pension plans;
- persons subject to alternative minimum tax;
- banks and other financial institutions;
- insurance companies;
- partnerships and other pass-through entities (as determined for United States federal income tax purposes);
- broker-dealers;
- persons who hold their common shares as a hedge or as part of a straddle, constructive sale, conversion transaction, and other risk management transaction; and
- persons who acquired their common shares through the exercise of employee stock options or otherwise as compensation.

As used herein, the term “U.S. Holder” means a beneficial owner of our common shares that is:

- an individual citizen or resident of the United States;
- a corporation, a partnership or entity treated as a corporation or partnership for U.S. federal income tax purposes, that is created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; and
- a trust if both:
- a United States court is able to exercise primary supervision over the administration of the trust; and
- one or more United States persons have the authority to control all substantial decisions of the trust.

TAX MATTERS ARE VERY COMPLICATED AND THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON SHARES WILL DEPEND UPON THE STOCKHOLDER’S PARTICULAR SITUATION. THE SUMMARY OF MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES SET FORTH BELOW IS INTENDED TO PROVIDE ONLY A GENERAL SUMMARY AND IS NOT INTENDED TO BE A COMPLETE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES.

NOTE THAT THIS DISCUSSION DOES NOT INCLUDE A DESCRIPTION OF THE TAX LAWS OF ANY STATE OR LOCAL GOVERNMENT WITHIN THE UNITED STATES. ACCORDINGLY, HOLDERS AND PROSPECTIVE HOLDERS OF OUR COMMON SHARES ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS ABOUT THE U.S. FEDERAL, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON SHARES.

Ownership of Shares.

The gross amount of any distribution received by a U.S. Holder with respect to our common shares generally will be included in the U.S. Holder’s gross income as a dividend to the extent attributable to our current and accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent a distribution received by a U.S. Holder is not a dividend because it exceeds the U.S. Holder’s pro rata share of our current and accumulated earnings and profits, it will be treated first as a tax-free return of capital and reduce (but not below zero) the adjusted tax basis of the U.S. Holder’s shares. To the extent the distribution exceeds the adjusted tax basis of the U.S. Holder’s shares, the remainder will be taxed as capital gain (the taxation of capital gain is discussed under the heading “Sale of Shares” below).

For taxable years beginning before January 1, 2009, dividends received by non-corporate U.S. Holders from a qualified foreign corporation are taxed at the same preferential rates that apply to long-term capital gains. A foreign corporation is a “qualified foreign corporation” if it is eligible for the benefits of a comprehensive income tax treaty with the United States (the income tax treaty between Canada and the United States is such a treaty) or the shares with respect to which such dividend is paid is readily tradable on an established securities market in the United States (such as the Nasdaq Capital Market). Notwithstanding satisfaction of one or both of these conditions, a foreign corporation is not a qualified foreign corporation if it is a passive foreign investment company (“PFIC”) for the taxable year of the corporation in which the dividend is paid or the preceding taxable year. (Whether a foreign corporation is a PFIC is discussed below under the heading “Passive Foreign Investment Companies”). A foreign corporation that is a PFIC for any taxable year within a U.S. person’s holding period generally is treated as a PFIC for all subsequent years in the U.S. person’s holding period. Although we have not been, are not now, and do not expect to be a PFIC, and we don’t expect to pay dividends, you should be aware of the following matters in the event that we do become a PFIC and do pay dividends.

If we were to become a PFIC, then U.S. Holders who acquire our common shares may be treated as holding shares of a PFIC throughout their holding period for the purpose of determining whether dividends received from us are dividends from a qualified foreign corporation. As a consequence, dividends received by U.S. Holders may not be eligible for taxation at the preferential rates applicable to long-term capital gains.

If a distribution is paid in Canadian dollars, the U.S. dollar value of such distribution on the date of receipt is used to determine the amount of the distribution received by a U.S. Holder. A U.S. Holder who continues to hold such Canadian dollars after the date on which they are received, may recognize gain or loss upon their disposition due to exchange rate fluctuations. Generally such gains and losses will be ordinary income or loss from U.S. sources.

U.S. Holders may deduct Canadian tax withheld from distributions they receive for the purpose of computing their U.S. federal taxable income (or alternatively a credit may be claimed against the U.S. Holder’s U.S. federal income tax liability as discussed below under the heading “Foreign Tax Credit”). Corporate U.S. Holders generally will not be allowed a dividend received deduction with respect to dividends they receive from us.

Foreign Tax Credit

Generally, the dividend portion of a distribution received by a U.S. Holder will be treated as income in the passive income category for foreign tax credit purposes. Subject to a number of limitations, a U.S. Holder may elect to claim a credit against its U.S. federal income tax liability (in lieu of a deduction) for Canadian withholding tax deducted from its distributions. The credit may be claimed only against U.S. federal income tax attributable to a U.S. Holder’s passive income that is from foreign sources.

If we were to become a qualified foreign corporation with respect to a non-corporate U.S. Holder, dividends received by such U.S. Holder will qualify for taxation at the same preferential rates that apply to long-term capital gains. In such case, the dividend amount that would otherwise be from foreign sources is reduce by multiplying the dividend amount by a fraction, the numerator of which is the U.S. Holder’s preferential capital gains tax rate and the denominator of which is the U.S. Holder’s ordinary income tax rate. The effect is to reduce the dividend amount from foreign sources, thereby reducing the U.S. federal income tax attributable to foreign source income against which the credit may be claimed. Canadian withholding taxes that cannot be claimed as a credit in the year paid may be carried back to the preceding year and then forward 10 years and claimed as a credit in those years, subject to the same limitations referred to above.

The rules relating to the determination of the foreign tax credit are very complex. U.S. Holders and prospective U.S. Holders should consult their own tax advisors to determine whether and to what extent they would be entitled to claim a foreign tax credit.

Sale of Shares

Subject to the discussion of the "passive foreign investment company" rules below, a U.S. Holder generally will recognize capital gain or loss upon the sale of our shares equal to the difference between: (a) the amount of cash plus the fair market value of any property received; and (b) the U.S. Holder's adjusted tax basis in such shares. This gain or loss generally will be capital gain or loss from U.S. sources, and will be long-term capital gain or loss if the U.S. Holder held its shares for more than 12 months. Generally, the net long-term capital gain of a non-corporate U.S. Holder from the sale of shares is subject to taxation at a top marginal rate of 15%. A Capital gain that is not long-term capital gain is taxed at ordinary income rates. The deductibility of capital losses is subject to certain limitations.

Passive Foreign Investment Companies

We will be a PFIC if, in any taxable year either: (a) 75% or more of our gross income consists of passive income; or (b) 50% or more of the value of our assets is attributable to assets that produce, or are held for the production of, passive income. Subject to certain limited exceptions, if we meet the gross income test or the asset test for a particular taxable year, our shares held by a U.S. Holder in that year will be treated as shares of a PFIC for that year and all subsequent years in the U.S. Holder's holding period, even if we fail to meet either test in a subsequent year.

If we were a PFIC in the future, gain realized by a U.S. Holder from the sale of PFIC Shares and certain dividends received on such shares would be subject to tax under the excess distribution regime, unless the U.S. Holder made one of the elections discussed below. Under the excess distribution regime, federal income tax on a U.S. Holder's gain from the sale of PFIC Shares would be calculated by allocating the gain ratably to each day the U.S. Holder held its shares. Gain allocated to years preceding the first year in which we were a PFIC in the U.S. Holder's holding period, if any, and gain allocated to the year of disposition would be treated as gain arising in the year of disposition and taxed as ordinary income. Gain allocated to all other years would be taxed at the highest tax rate in effect for each of those years. Interest for the late payment of tax would be calculated and added to the tax due for each of the PFIC Years, as if the tax was due and payable with the tax return filed for that year. A distribution that exceeds 125% of the average distributions received on PFIC Shares by a U.S. Holder during the 3 preceding taxable years (or, if shorter, the portion of the U.S. Holder's holding period before the taxable year) would be taxed in a similar manner.

A U.S. Holder may avoid taxation under the excess distribution regime by making a qualified electing fund ("QEF") election. For each year that we would meet the PFIC gross income test or asset test, an electing U.S. Holder would be required to include in gross income, its pro rata share of our net ordinary income and net capital gains, if any. The U.S. Holder's adjusted tax basis in our shares would be increased by the amount of such income inclusions. An actual distribution to the U.S. Holder out of such income generally would not be treated as a dividend and would decrease the U.S. Holder's adjusted tax basis in our shares. Gain realized from the sale of our shares covered by a QEF election would be taxed as a capital gain. U.S. Holders will be eligible to make QEF elections, only if we agree to provide to the U.S. Holders, which we do, the information they will need to comply with the QEF rules. Generally, a QEF election should be made by the due date of the U.S. Holder's tax return for the first taxable year in which the U.S. Holder held our shares that includes the close of our taxable year for which we met the PFIC gross income test or asset test. A QEF election is made on IRS Form 8621.

A U.S. Holder may also avoid taxation under the excess distribution regime by timely making a mark-to-market election. An electing U.S. Holder would include in gross income the increase in the value of its PFIC Shares during each of its taxable years and deduct from gross income the decrease in the value of its PFIC Shares during each of its taxable years. Amounts included in gross income or deducted from gross income by an electing U.S. Holder are treated as ordinary income and ordinary deductions from U.S. sources. Deductions for any year are limited to the amount by which the income inclusions of prior years' exceed the income deductions of prior years. Gain from the sale of PFIC Shares covered by an election is treated as ordinary income from U.S. sources while a loss is treated as an ordinary deduction from U.S. sources only to the extent of prior income inclusions. Losses in excess of such prior income inclusions are treated as capital losses from U.S. sources. A mark-to-market election is timely if it is made by the due date of the U.S. Holder's tax return for the first taxable year in which the U.S. Holder held our shares that includes the close of our taxable year for which we met the PFIC gross income test or asset test. A mark-to-market election is also made on IRS Form 8621.

As noted above, a PFIC is not a qualified foreign corporation and hence dividends received from a PFIC are not eligible for taxation at preferential long-term capital gain tax rates. Similarly, ordinary income included in the gross income of a U.S. Holder who has made a QEF election or a market-to-market election, and dividends received from corporations subject to such election, are not eligible for taxation at preferential long-term capital gain rates. The PFIC rules are extremely complex and could, if they apply, have significant, adverse effects on the taxation of dividends received and gains realized by a U.S. Holder. Accordingly, prospective U.S. Holders are strongly urged to consult their tax adviser concerning the potential application of these rules to their particular circumstances.

Controlled Foreign Corporation

Special rules apply to certain U.S. Holders that own stock in a foreign corporation that is classified as a "controlled foreign corporation" ("CFC"). We do not expect to be classified as a CFC. However, future ownership changes could cause us to become a CFC. Prospective U.S. Holders are urged to consult their tax advisor concerning the potential application of the CFC rules to their particular circumstances.

Information Reporting and Backup Withholding

United States information reporting and backup withholding requirements may apply with respect to distributions to U.S. Holders, or the payment of proceeds from the sale of shares, unless the U.S. Holder: (a) is an exempt recipient (including a corporation); (b) complies with certain requirements, including applicable certification requirements; or (c) is described in certain other categories of persons. The backup withholding tax rate is currently 28%. Any amounts withheld from a payment to a U.S. Holder under the backup withholding rules may be credited against any U.S. federal income tax liability of the U.S. Holder and may entitle the U.S. Holder to a refund.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

Not applicable.

I. Subsidiary Information

See the notes to the financial statements.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 12. Description of Securities Other Than Equity Securities

Not applicable

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15T. Controls and Procedures

Item 15. Controls and Procedures

Disclosure Controls and Procedures

Under the supervision and participation of the Chief Executive Officer, the Interim Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2013, these disclosure controls and procedures were not effective to ensure that all information required to be disclosed by us in the reports that we file or submit under the Exchange Act is: (i) recorded, processed, summarized and reported, within the time periods specified in the Commission's rule and forms; and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Interim Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure, primarily due to the Company's minimal financial staff which prevents us from segregating duties, which management believes is a material weakness in our internal controls and procedures. We intend to address such weakness and work with outside advisors to improve our controls and procedures as and when the circumstances of the Company permit this.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is a process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our Board, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Forward looking statements regarding the effectiveness of internal controls during future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management completed an assessment of the effectiveness of the Company's internal control over financial reporting ("ICFR") as of December 31, 2013, using the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") framework as contemplated by Rule 13a-15(c). Based on this assessment, the Company concluded that it did not have effective internal controls over financial reporting as of December 31, 2013.

The Company's assessment of the effectiveness of the ICFR as at December 31, 2013 identified certain material weaknesses as of that date:

1. Weakness: It is not possible to adequately segregate incompatible duties among the officers of the Company, because the Company has only two officers and one accounting consultant. Remediation: Appoint a new Chief Financial Officer, in addition to the current officers, to formally segregate the duties of maintaining accounting records and preparing financial statements, from the executive duties of the current officers. Brad Moynes, who has served as Chief Financial Officer from July 2009, will cease to serve in that position upon appointment of a new individual as Chief Financial Officer.

2. Weakness: The Company is small, with only two officers, thereby creating a risk of override of existing controls by management. Remediation: Require the new Chief Financial Officer's approval of all expenditures and other dispositions of assets.

3. Weakness: The Company maintains limited audit evidence in documentary form which is used to test the operating effectiveness of control activities. Remediation: Improve the documentation of expenditures and receipts, under the joint supervision of the new Chief Financial Officer and the Chief Executive Officer, to ensure received goods and third-party services conform to contract terms.

The Company intends to appoint additional levels of executive management and personnel to remediate the weaknesses, in the specific manners described in paragraphs 1 through 3 above, as and when the Company has sufficient financial resources to effect the remediations.

This Annual Report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this Annual Report.

Changes in Internal Control over Financial Reporting

As disclosed above, the Company completed its assessment of its ICFR in place for the year ended December 31, 2013, using the COSO framework. There were no changes in ICFR during the 2014 fiscal year that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

Item 16A. Audit Committee Financial Experts

Not applicable.

Item 16B. Code of Ethics

Not applicable.

Item 16C. Principal Accountant Fees and Services

Not applicable.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

Not applicable.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

See the consolidated financial statements of the Company, the notes thereto, and the auditors' reports thereon, which are filed as Exhibit 99.1 with this FORM 20-F. All of the financial information is presented in accordance with International Financial Reporting Standards.

Item 19. Exhibits

Exhibit No.	Description of Exhibit
3.(i)	Articles of Incorporation (Notice of Articles and Transition Application)
3.(ii)	By-laws (Schedule "A")
4.(1)	Management Agreement of January 1, 2008 (Bradley James Moynes)
4.(2)	Management Agreement of January 1, 2008 (James Robert Moynes)
4.(3)	Certifications (Paul E. Heney)*
4.(4)	Certifications (Brad J. Moynes)*
4.(5a)	Certification Pursuant 18 USC Section (Paul E. Heney)*
4.(5b)	Certification Pursuant 18 USC Section (Brad J. Moynes)*
4.(6)	Form of Warrant dated May 23, 2007
23.(1)	Consent of Independent Auditors
99.(1)	Consolidated Financial Statements for the years ended December 31, 2013 and 2012.*
99.(2)	**Management's Discussion and Analysis of Financial Conditions** for the years ended December 31, 2013 and 2012.*

* Filed herewith

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on FORM 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report.

Rainchief Energy Inc.

Date: April 30, 2014

/s/ Paul E. Heney
Paul E. Heney
Chairman and Chief Executive Officer

Date: April 30, 2014

/s/ Bradley J. Moynes
Bradley J. Moynes
President

EX-4.5A 2 ceo.htm CERTIFICATION PURSUANT 18 USC SECTION (PAUL E. HENEY)*

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report for Rainchief Energy Inc. (the "Company") on Form 20-F for the year ended December 31, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Report), the undersigned, Paul E. Heney, Chief Executive Officer do hereby certify, pursuant to 18 U.S.C. Section

1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002, that to the best of our knowledge:

(1) The Report fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the Financial condition and results of operations of the Company.

By:

/s/ Paul E. Heney
Paul E. Heney
Chief Executive Officer
May 2, 2014

EX-4.5B 3 cfo.htm CERTIFICATION PURSUANT 18 USC SECTION (BRAD J. MOYNES)*

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report for Rainchief Energy Inc. (the "Company") on Form 20-F for the year ended December 31, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Report), the undersigned, Brad J. Moynes, Chief Financial Officer do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002, that to the best of our knowledge:

(1) The Report fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the Financial condition and results of operations of the Company.

By:

/s/ Brad J. Moynes
Brad J. Moynes
Chief Financial Officer
May 2, 2014

EX-4.4 4 certbradm.htm CERTIFICATIONS (BRAD J. MOYNES)*

CERTIFICATIONS

I, Brad J. Moynes certify that:

1) I have reviewed this Annual Report on Form 20-F for Rainchief Energy Inc;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting; and

5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of Company's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: May 2, 2014

/s/ Brad J. Moynes
Brad J. Moynes
President & CFO

EX-4.3 5 certpaul.htm CERTIFICATIONS (PAUL E. HENEY)*

CERTIFICATIONS

I, Paul E. Heney certify that:

1) I have reviewed this Annual Report on Form 20-F for Rainchief Energy Inc;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4) The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting; and

5) The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of Company's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: May 2, 2014

/s/ Paul E. Heney
Paul E. Heney
CEO & Chairman

EX-99.1 6 fins.htm CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012.*

Rainchief Energy Inc.

December 31, 2013 and 2012

(Expressed in Canadian Dollars)

Consolidated Financial Statements

Management’s Responsibility for Financial Reporting

These consolidated financial statements have been prepared by and are the responsibility of the management of the Company. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, using management’s best estimates and judgments based on currently available information. When alternative accounting methods exist, management has chosen those it considers most appropriate in the circumstances.

The Company maintains an appropriate system of internal controls to provide reasonable assurance that financial information is accurate and reliable and that the Company’s assets are appropriately accounted for and adequately safeguarded.

The Company’s independent auditors, WDM Chartered Accountants, were appointed by the shareholders to conduct an audit in accordance with generally accepted auditing standards in Canada and the Public Company Accounting Oversight Board (United States) and their report follows.

“Paul Heney”
Paul Heney
Chief Executive Officer and Director

“Bradley J. Moynes”
Bradley J. Moynes
President and Director

Independent Auditors’ Report

To the Shareholders of:
RAINCHIEF ENERGY INC.

We have audited the accompanying consolidated financial statements of Rainchief Energy Inc. and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2013 and 2012, the consolidated statements of changes in shareholders’ deficiency, comprehensive loss, and cash flows for the years ended December 31, 2013, 2012, and 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Rainchief Energy Inc. and its subsidiaries as at December 31, 2013 and 2012, and their financial performance and their cash flows for the years ended December 31, 2013, 2012, and 2011, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter – Going Concern

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in Note 1 to the consolidated financial statements concerning the ability of Rainchief Energy Inc. and its subsidiaries to continue as a going concern. The company incurred a net loss of $220,479 during the year ended December 31, 2013, and as of that date, had accumulated losses of $3,813,360 since inception and a working capital deficiency of $467,439. These conditions, along with the other matters explained in Note 1 to the consolidated financial statements, indicate the existence of material uncertainties that raise substantial doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if Rainchief Energy Inc. and its subsidiaries were unable to continue as a going concern.

"WDM Chartered Accountants"

Vancouver, B.C., Canada
April 30, 2014

RAINCHIEF ENERGY INC.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	December 31, 2013 $	December 31, 2012 $
ASSETS			
CURRENT			
Cash		6,754	-
GST/HST Recoverable		6,300	40,765
		13,054	40,765
NON-CURRENT			
Property and Equipment	6	850	1,196
Oil and Gas Property	7	108,053	108,053
		121,957	150,014
LIABILITIES			
CURRENT			
Bank Indebtedness		-	16
Trade and Other Payables	8	207,527	317,691
Promissory Notes	10	272,966	155,364
		480,493	473,071
SHAREHOLDERS' DEFICIENCY			
Share Capital		3,178,514	2,993,514
Share Purchase Warrant Reserve		276,310	276,310
Deficit		(3,813,360)	(3,592,881)
		(358,536)	(323,057)
		121,957	150,014

Nature and Continuance of Operations (Note 1)
Subsequent Event (Note 17)

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

Approved on behalf of the Board:

"Paul Heney"	**"Bradley J. Moynes"**
Paul Heney, Chief Executive Officer and Director	Bradley J. Moynes, President and Director

RAINCHIEF ENERGY INC.

Consolidated Statements of Changes in Shareholders' Deficiency

For the Years Ended December 31, 2013, 2012, and 2011

(Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital $	Share Subscription Advance $	Share Purchase Warrant Reserve $	Deficit $	Total Shareholders' Deficit $
Balance, December 31, 2010		37,573,908	2,786,932	196,263	276,310	(3,184,297)	75,208
Shares Issued for Cash, Net of Issuance Costs	11(b)(i)	1,703,334	233,327	(196,263)	-	-	37,064
Shares Surrendered and Cancelled	5	(4,500,000)	(97,336)	-	-	-	(97,336)
Share Subscriptions Received		-	-	41,064	-	-	41,064
Net Comprehensive Loss		-	-	-	-	(182,323)	(182,323)
Balance, December 31, 2011		34,777,242	2,922,923	41,064	276,310	(3,366,620)	(126,323)
Shares Issued for Cash, Net of Issuance Costs	11(b)(ii)	1,330,000	26,051	(41,064)	-	-	(15,013)
Shares Issued for Exercise of Warrants	11(b)(iii)	2,200,000	44,137	-	-	-	44,137
Shares Repurchased and Cancelled	11(b)(iv)	(1,100,000)	(22,097)	-	-	-	(22,097)
Shares Reissued	11(b)(v)	200,000	-	-	-	-	-
Shares Issued for Services	11(d)	750,000	22,500	-	-	-	22,500
Net Comprehensive Loss		-	-	-	-	(226,261)	(226,261)
Balance, December 31, 2012		38,157,242	2,993,514	-	276,310	(3,592,881)	(323,057)
Shares Issued in Settlement of Debt	11(b)(vii)	10,000,000	10,000	-	-	-	10,000
Share Consolidation	11(b)(vi)	(47,190,898)	-	-	-	-	-
Balance, April 3, 2013		966,344	3,003,514	-	276,310	(3,592,881)	(313,057)
Shares Issued for Post-Consolidation Rounding	11(b)(vi)	835	-	-	-	-	-
Shares Issued in Settlement of Debt	11(b)(vii)	50,250,000	115,000	-	-	-	115,000
Share Issued for Cash	11(b)(viii)	1,200,000	60,000	-	-	-	60,000
Net Comprehensive Loss		-	-	-	-	(220,479)	(220,479)
Balance, December 31, 2013		52,417,179	3,178,514	-	276,310	(3,813,360)	(358,536)

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

RAINCHIEF ENERGY INC.

Consolidated Statements of Comprehensive Loss

For the Years Ended December 31, 2013, 2012, and 2011

(Expressed in Canadian Dollars)

	Note	2013 $	2012 $	2011 $
EXPENSES				
Accounting, Audit, and Legal		40,151	51,624	56,638
Advertising, Promotion, and Website Development		585	-	6,000
Consulting		80,000	75,000	80,668
Depreciation		346	201	282
Development Costs		-	-	14,046
Filing and Transfer Agent Fees		15,791	21,283	20,264
Interest and Bank Charges		516	459	484
Investor Relations		3,663	-	-
Management Fees	13(b)	60,000	60,000	60,000
Office Expenses, Rent, and Telephone		(709)	632	11,534
Property Investigation		13,054	-	9,487
Share-Based Compensation	11(d)	-	22,500	-
Travel		-	649	11,802
		213,397	232,348	271,205
LOSS BEFORE OTHER ITEMS		(213,397)	(232,348)	(271,205)
Foreign Exchange Loss		(6,666)	(783)	(8,454)
Gain on Surrender of Shares	5	-	-	97,336
Gain on Settlement of Debts	13(c)	334	6,870	-
Settlement of Legal Claim	9	(750)	-	-
NET LOSS FOR THE YEAR		(220,479)	(226,261)	(182,323)
Other Comprehensive Income		-	-	-
NET COMPREHENSIVE LOSS FOR THE YEAR		(220,479)	(226,261)	(182,323)

POST-SHARE CONSOLIDATION	11(b)(vi)			
Basic and Diluted Loss per Share		(0.008)	(0.301)	(0.258)
Weighted Average Number of Shares Outstanding		28,866,035	751,051	707,756

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

RAINCHIEF ENERGY INC.

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2013, 2012, and 2011

(Expressed in Canadian Dollars)

	Note	2013 $	2012 $	2011 $
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net Loss for the Year		(220,479)	(226,261)	(182,323)
Non-Cash Items				
Depreciation		346	201	282
Shares-Based Payments		-	22,500	-
Gain on Surrender of Shares		-	-	(97,336)
Gain on Settlement of Debts		(334)	(6,870)	-
		(220,467)	(210,430)	(279,377)
Change in Non-Cash Working Capital Accounts	12(a)	49,635	121,896	45,164
		(170,832)	(88,534)	(234,213)
FINANCING ACTIVITIES				
Shares Issued for Cash, Net of Issuance Costs		60,000	26,051	37,064
Share Subscription Receivable		-	-	20,374
Shares Subscription Advance		-	(41,064)	41,064
Shares Issued on Exercise of Warrants		-	44,137	-
Repurchase of Common Shares		-	(22,097)	-
Issuance of Promissory Notes		117,602	155,364	-
		177,602	162,391	98,502
INVESTING ACTIVITIES				
Acquisition of Equipment		-	-	(1,346)
Acquisition of Oil and Gas Property		-	(108,053)	-
		-	(108,053)	(1,346)
INCREASE (DECREASE) IN CASH		6,770	(34,196)	(137,057)
(Bank Indebtedness) Cash, Beginning of the Year		(16)	34,180	171,237
CASH (BANK INDEBTEDNESS), END OF THE YEAR		6,754	(16)	34,180

Supplemental Cash Flow Information (Note 12)

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

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RAINCHIEF ENERGY INC.

Notes to the Consolidated Financial Statements

December 31, 2013 and 2012

(Expressed in Canadian Dollars)

NOTE 1 – NATURE AND CONTINUANCE OF OPERATIONS

Rainchief Energy Inc. (the "Company") was incorporated on December 28, 2000, under the Company Act of the Province of British Columbia, Canada. The Company is engaged in identifying, financing, and developing oil and gas energy resource properties in North America, including the development of the Gulf Jensen Oil Prospect in New Mexico, United States (Note 7). Prior to 2012, the Company was engaged in the financing and development of photovoltaic solar energy projects in Europe (Note 5).

The head office, principal address, and records office of the Company are located at Suite 1110 – 1185 West Georgia Street, Vancouver, British Columbia, V6E 4E6.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards on the basis that the Company is a going concern and will be able to meet its obligations and continue its operations for its next fiscal year. Several conditions as set out below cast uncertainties on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon the financial support from its creditors, shareholders, and related parties, its ability to obtain financing for its development projects, and upon the attainment of future profitable operations.

The Company has not yet achieved profitable operations, has incurred significant operating losses and negative cash flows from operations, and has been reliant on external financing of equity. As at December 31, 2013, the Company has accumulated losses of $3,813,360 since inception and a working capital deficiency of $467,439. There is no assurance that the Company will be successful with generating and maintaining profitable operations, or able to secure future debt or equity financing for its working capital and development activities.

These consolidated financial statements do not reflect any adjustments to the amounts and classifications of assets and liabilities which would be necessary should the Company be unable to continue as a going concern.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as available-for-sale that have been measured at fair value. Cost is the fair value of the consideration given in exchange for net assets.

b) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were approved and authorized for issue by the Board of Directors on April 30, 2014.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries (collectively, the "Company"). Intercompany balances and transactions are eliminated in preparing the consolidated financial statements. The following companies have been consolidated within these consolidated financial statements:

Entity	Country of Incorporation	Holding	Functional Currency
Rainchief Energy Inc.	Canada	Parent Company	Canadian Dollar
Jaydoc Capital Corp. (Note 5)	Canada	100%	Canadian Dollar
Rainchief Renewable-1 S.R.L.	Italy	100%	Canadian Dollar

The Company through its subsidiaries, Jaydoc Capital Corp. and Rainchief Renewable-1 S.R.L., was engaged in the development of photovoltaic solar energy projects in Europe until December 31, 2011.

d) Foreign Currency

These consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the parent company. Each subsidiary determines its own functional currency (Note 2(c)) and items included in the financial statements of each subsidiary are measured using that functional currency.

i) Transactions and Balances in Foreign Currencies

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognized in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and are not retranslated. Non-monetary items measured at fair value are translated using the exchange rate at the date when fair value was determined.

ii) Foreign Operations

On consolidation, the assets and liabilities of foreign operations are translated into Canadian dollars at the exchange rate prevailing at the reporting date and their revenues and expenses are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on the translation are recognized in other comprehensive income and accumulated in the currency translation reserve in equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in earnings and recognized as part of the gain or loss on disposal.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognized to write off the cost of the property and equipment less their residual values over their useful lives using the declining balance method at 30% per annum for computer equipment and 20% for furniture and equipment, except in the year of acquisition when one-half of the rate is used. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

f) Oil and Gas Property

The Company follows the full cost method of accounting for oil and gas properties whereby all costs relating to the acquisition, exploration, and development of oil and gas reserves are capitalized on a property-by-property basis. Such costs include land acquisition costs, geological and geophysical costs, drilling and other costs related to exploration and development activities and do not necessarily reflect present or future values. Proceeds from the disposal of oil and gas properties are applied against the capitalized costs of the related property.

Upon commencement of production, capitalized costs are depleted using the unit-of-production method, based on estimated probable and proven oil and gas reserves determined by independent engineers.

g) Impairment of Non-Current Assets

The carrying amounts of non-current assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Individual assets are grouped together as a cash generating unit for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are independent from other group assets.

The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. An impairment loss exists if the asset's or cash generating unit's carrying amount exceeds the recoverable amount and is recorded as an expense immediately. In assessing the value in use, the estimated future cash flows are adjusted for the risks specific to the cash generating unit and are discounted to their present value with a discount rate that reflects the current market indicators.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Provision for Restoration and Rehabilitation

A provision for restoration and rehabilitation is recognized when there is a present legal or constructive obligation as a result of exploration and development activities undertaken, it is more likely than not that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligation includes the cost of removing facilities, abandoning sites, and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. The estimated cost is capitalized into the cost of the related asset and amortized on the same basis as the related assets. The liability is increased over time to reflect an accretion to the amount ultimately payable on the date it is paid.

As at December 31, 2013 and 2012, the Company has no material restoration and rehabilitation obligations.

i) Share Capital

The Company records proceeds from share issuances, net of commissions and issuance costs. Shares issued for other than cash consideration are valued at the quoted price on the Over-the-Counter Bulletin Board in the United States based on the earliest of: (i) the date the shares are issued, and (ii) the date the agreement to issue the shares is reached.

j) Share-Based Payments

The fair value method of accounting is used for share-based payment transactions. Under this method, the cost of stock options and other share-based payments is recorded based on the estimated fair value using the Black-Scholes option-pricing model at the grant date and charged to profit over the vesting period. The amount recognized as an expense is adjusted to reflect the number of equity instruments expected to vest.

Upon the exercise of stock options and other share-based payments, consideration received on the exercise of these equity instruments is recorded as share capital and the related share-based payment reserve is transferred to share capital. The fair value of unexercised equity instruments are transferred from reserve to retained earnings upon expiry.

k) Loss per Share

Basic loss per share is calculated by dividing net loss by the weighted average number of common shares issued and outstanding during the reporting period. Diluted loss per share is the same as basic loss per share, as the issuance of shares on the exercise of stock options and share purchase warrants is antidilutive.

l) Income Taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

i) Current Income Tax

Current income tax assets and liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Income Taxes (Continued)

ii) Deferred Income Tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

m) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified at fair value through profit or loss) are added to, or deducted from, the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets and financial liabilities are measured subsequently as described below. The Company does not have any derivative financial instruments.

i) Financial Assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Financial assets at fair value through profit or loss;
- Loans and receivables;
- Held-to-maturity investments; and
- Available-for-sale financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) Financial Instruments (Continued)

i) Financial Assets (Continued)

- ***Financial assets at fair value through profit or loss*** – Financial assets at fair value through profit or loss include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The Company's cash falls into this category of financial instruments.

- ***Loans and receivables*** – Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method less any provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company currently does not hold financial assets in this category.

- ***Held-to-maturity investments*** – Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, other than loans and receivables. Investments are classified as held-to-maturity if the Company has the intention and ability to hold them until maturity. The Company currently does not hold financial assets in this category.

  Held-to-maturity investments are measured subsequently at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired as determined by reference to external credit ratings, then the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

- ***Available-for-sale financial assets*** – Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Company currently does not hold financial assets in this category.

  Available-for-sale financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognized in profit or loss. When the asset is disposed of or is determined to be impaired, the cumulative gain or loss recognized in other comprehensive income is reclassified from the equity reserve to profit or loss, and presented as a reclassification adjustment within other comprehensive income.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of available-for-sale financial assets, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated in the revaluation reserve.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) Financial Instruments (Continued)

ii) Financial Liabilities

For the purpose of subsequent measurement, financial liabilities are classified as either financial liabilities at fair value through profit or loss, or other financial liabilities upon initial recognition.

- ***Financial liabilities at fair value through profit or loss*** – Financial liabilities at fair value through profit or loss include financial liabilities that are either classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. Liabilities in this category are measured at fair value with gains or losses recognized in profit or loss. The Company's bank indebtedness falls into this category of financial instruments.

- ***Other financial liabilities*** – Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method amortization process. The Company's trade and other payables and promissory notes payable fall into this category of financial instruments.

A financial liability is derecognized when it is extinguished, discharged, cancelled or expired.

n) Comparative Figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year. These reclassifications have no effect on the consolidated net comprehensive loss for the years ended December 31, 2013 and 2012.

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies which are described in Note 2, management is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant judgments, estimates, and assumptions that have the most significant effect on the amounts recognized in the consolidated financial statements are described below.

a) Deferred Tax Assets

Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods in order to utilize recognized deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted.

RAINCHIEF ENERGY INC.

Notes to the Consolidated Financial Statements
December 31, 2013 and 2012
(Expressed in Canadian Dollars)

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

b) Oil and Gas Reserves and Resources

Measurements of depletion, depreciation, impairment, and rehabilitation and restoration obligations are determined in part based on the Company's estimate of oil and gas reserves and resources. The estimation of reserves and resources is an inherently complex process and involves the exercise of professional judgment.

Oil and gas reserves and resources estimates are based on a range of geological, technical and economic factors, including projected future rates of production, projected future commodity prices, engineering data, and the timing and amount of future expenditures, all of which are subject to uncertainty. Changes in market and regulatory conditions and assumptions can materially impact the estimation of net reserves.

c) Provision for Restoration and Rehabilitation

The Company recognizes a provision for future abandonment activities in the financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the statement of financial position date. The measurement of the restoration and rehabilitation obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

NOTE 4 – ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The accounting standard, amendment, and interpretation listed below is issued but not yet effective up to the date of issuance of the Company's consolidated financial statements. The Company intends to adopt the following standard and interpretation, if applicable, when it becomes effective. The Company has not yet determined the impact of this standard on its consolidated financial statements.

IFRS 9 – Financial Instruments

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of International Accounting Standards ("IAS") 39 and applies to the classification and measurement of financial assets and financial liabilities, as defined in IAS 39. The standard was initially effective for annual period beginning on or after January 1, 2013, but Amendments to IFRS 9-Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to January 1, 2015.

RAINCHIEF ENERGY INC.

Notes to the Consolidated Financial Statements
December 31, 2013 and 2012
(Expressed in Canadian Dollars)

NOTE 5 – ACQUISITION OF JAYDOC CAPITAL CORP.

On December 22, 2010, the Company acquired all of the issued and outstanding common shares of Jaydoc Capital Corp. ("Jaydoc"), a company incorporated under the Business Corporations Act of the Province of British Columbia, Canada. Jaydoc was acquired to facilitate the Company's business venture in solar energy development. The purchase price of $98,600 was satisfied by the issuance of 4,000,000 common shares with a fair value of $80,000 and 7,000,000 share purchase warrants with a fair value of $18,600. The Company incurred legal fees of $25,646 in connection with the acquisition.

On November 22, 2010, the former shareholders of Jaydoc (the "vendors") subscribed to 5,000,000 common shares of the Company upon the exercise of warrants for gross proceeds totaling $101,386 (US$100,000) at an exercise price of US$0.02 per share. The fair value of these warrants in the amount of $13,286 was transferred from reserve to share capital accordingly. The remaining 2,000,000 warrants expired unexercised.

On December 31, 2010, the Company wrote down the intangible asset due to the lack of reliable measurement of the future cash flows of the solar energy project.

On March 4, 2011, the Company entered into a Stock Surrender, Settlement and Voluntary Pooling Agreement with the vendors who agreed to surrender 50% of the common shares received for the sale of Jaydoc and 50% of the common shares received upon the exercise of warrants. Accordingly, a total of 4,500,000 common shares were returned to the treasury of the Company as final settlement of deficiencies identified by the Company in certain representations arising out of the Jaydoc acquisition. The Company recorded the book value of the shares surrendered in the amount of $97,336 as a gain in 2011.

NOTE 6 – PROPERTY AND EQUIPMENT

	Computer Equipment $	Furniture and Equipment $	Total $
COST			
At December 31, 2011	5,236	1,656	6,892
Additions	-	-	-
At December 31, 2012	5,236	1,656	6,892
Additions	-	-	-

(Expressed in Canadian Dollars)

At December 31, 2013	5,236	1,656	6,892
ACCUMULATED DEPRECIATION			
At December 31, 2011	3,999	1,496	5,495
Depreciation	169	32	201
At December 31, 2012	4,168	1,528	5,696
Depreciation	321	25	346
At December 31, 2013	4,489	1,553	6,042
NET BOOK VALUE			
At December 31, 2012	1,068	128	1,196
At December 31, 2013	747	103	850

NOTE 7 – OIL AND GAS PROPERTY

On February 10, 2012, the Company entered into an agreement with Nueva Oil and Gas Corporation ("Nueva") for a farm-in interest in certain oil and gas leases in Curry County, New Mexico, United States (the "Gulf Jensen Oil Prospect"). Nueva is an arm's length private oil company based in Calgary, Canada.

Pursuant to the terms of the agreement, the Company agreed to pay US$33,400 (CDN$34,140) upon execution of the agreement and undertook to fund 100% of the cost of an initial seismic program. In addition, the Company was granted an option to acquire a 90% working interest in the Gulf Jensen Oil Prospect which the Company exercised on April 4, 2012 and paid Nueva US$75,000 (CDN$73,913). The Company's net revenue interest is 80.0% inclusive of the lessor royalties and the over-riding royalties.

As of December 31, 2013 and 2012, capitalized acquisition costs of the Gulf Jensen Oil Prospect totalled $108,053.

NOTE 8 – TRADE AND OTHER PAYABLES

	2013 $	2012 $
Trade Payables	44,958	169,123
Accrued Liabilities	130,468	20,000
Legal Claim Provision (Note 9)	-	60,750
Related Party Payable (Note 13(a)(i))	32,101	67,818
	207,527	317,691

NOTE 9 – LEGAL CLAIM

In March 2009, the Company was served with a Notice of Termination citing breach of a licensing agreement by the Company as a result of its default on certain royalty payments. On December 31, 2009, the Company recorded a provision for the total amount of claim against the Company of $60,750.

In July 2013, the Supreme Court of British Columbia found in favour of the plaintiff and awarded damages, costs and interest. In December 2013, the Company paid the plaintiff $61,500 cash as final settlement of all claims.

NOTE 10 – CONVERTIBLE PROMISSORY NOTES

During 2012, the Company issued convertible promissory notes totaling $155,364. The notes are non-interest bearing, unsecured, and had a maturity date of December 31, 2013. The maturity date was extended to December 31, 2015, per agreements with the holders.

During 2013, the Company issued convertible promissory notes totaling $118,000. The notes are non-interest bearing and unsecured. The notes have a maturity date of December 31, 2015, with the exception of one note ($62,000) which has a maturity date of December 31, 2014.

The notes are convertible into common shares of the Company in whole or in part at the option of the holder upon terms to be determined by the Company either 10 days prior to repayment of the notes or the maturity date, whichever shall occur first.

The notes shall become immediately payable should the Company complete financing in excess of US$5,000,000 prior to the maturity date and shall bear interest at 3% per annum compounded annually should the Company default on the notes.

(Expressed in Canadian Dollars)

NOTE 10 – CONVERTIBLE PROMISSORY NOTES (Continued)

As at December 31, 2013, the notes included $99,702 owed to related parties of the Company (2012 - $32,102).

During 2013, the Company made note repayments totaling $6,961.

NOTE 11 – SHARE CAPITAL

a) Authorized Capital

Unlimited number of common shares without par value.

b) Issued and Outstanding Common Shares

i) On January 24, 2011, the Company completed a private placement of 1,300,001 shares at US$0.15 per share, raising gross proceeds of US$195,000 ($196,263).

On March 14, 2011, the Company completed a private placement of 403,333 shares at US$0.15 per share, raising gross proceeds of US$60,500 ($59,356).

ii) On January 17, 2012, the Company completed a private placement of 1,330,000 units at US$0.03 per unit, raising gross proceeds of US$39,900 ($41,064). Each unit consists of one common share and one share purchase warrant exercisable into one common share at US$0.03 per share until December 31, 2013.

iii) During the year ended December 31, 2012, the Company issued a total of 2,200,000 common shares upon the exercise of warrants at an exercise price of US$0.02 per share for total gross proceeds of US$44,000 ($44,137).

iv) On March 2, 2012, the Company repurchased 1,100,000 units at US$0.02 per unit for a total cost of US$22,000 ($22,097). These units were initially issued in a private placement completed in May 2010 at a subscription price of US$0.02 per unit for total gross proceeds of US$22,000 ($22,097). Each unit consisted of one common share and one warrant exercisable into one common share at US$0.02 per share until March 30, 2015. These units were returned to treasury and cancelled.

v) On March 21, 2012, the Company issued 200,000 common shares to the President of the Company and a person related to the President. The related parties purchased these shares in the Company in 2002; however, the share certificates evidencing the share subscription were not recorded by the share transfer agent as a result of a clerical oversight. Accordingly, the Directors of the Company authorized the issuance of share certificates to the related parties as evidence of their ownership of the shares and to accurately reflect the number of common shares outstanding.

vi) Effective April 3, 2013, the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The Company issued 835 shares to round up fractional entitlements resulting from the consolidation. The basic loss per share calculations disclosed in the consolidated statements of comprehensive loss for the years ended December 31, 2012 and 2011, have been adjusted to reflect the share consolidation.

NOTE 11 – SHARE CAPITAL (Continued)

b) Issued and Outstanding Common Shares (Continued)

vii) In January 2013, the Company entered into a debt settlement agreement with a company controlled by a Director and Officer of the Company to settle outstanding accounts payable of $10,000. The Company agreed to issue 10,000,000 pre-April 3, 2013, share consolidation shares.

In April 2013, the Company entered into a debt settlement agreement with an arm's length party to settle outstanding accounts payable of $54,486. The Company paid $15,000 in cash and issued 250,000 post-April 3, 2013, share consolidation shares with a fair value of $15,000. The Company recorded a gain of $24,486 on the settlement of this debt.

In September 2013, the Company entered into a debt settlement agreement with a company controlled by a Director and Officer of the Company to settle outstanding accounts payable of $50,000. The Company agreed to issue 50,000,000 post-April 3, 2013, post-share consolidation shares with a fair value of $100,000. The Company recorded a loss of $50,000 on the settlement of this debt.

viii) On August 13, 2013, the Company completed a private placement of 1,200,000 shares at US$0.05 per share, raising gross proceeds of $60,000.

c) Share Purchase Warrants

The continuity of warrants for the year ended December 31, 2013, is summarized below. The quantity and exercise price of warrants have been restated to reflect the share consolidation which took effect on April 3, 2013 (Note 11(b)(vi)).

Expiry Date	Exercise Price	December 31, 2012	Issued	Exercised	Expired/ Cancelled	December 31, 2013
December 31, 2013	US$1.50	26,600	-	-	(26,600)	-
June 30, 2014	US$40.00	6,400	-	-	-	6,400
March 30, 2015	US$1.00	116,200	-	-	-	116,200
October 15, 2015	US$2.00	10,000	-	-	-	10,000
October 28, 2015	US$1.00	20,000	-	-	-	20,000
Total		179,200	-	-	(26,600)	152,600
Weighted Average Exercise Price		US$2.49	-	-	US$1.50	US$2.70

(Expressed in Canadian Dollars)

NOTE 11 – SHARE CAPITAL (Continued)

c) Share Purchase Warrants (Continued)

The continuity of warrants for the year ended December 31, 2012, is summarized below. The quantity and exercise price of warrants have been restated to reflect the share consolidation which took effect on April 3, 2013 (Note 11(b)(vi)).

Expiry Date	Exercise Price	December 31, 2011	Issued	Exercised	Expired/ Cancelled	December 31, 2012
December 31, 2013	US$1.50	-	26,600	-	-	26,600
June 30, 2014	US$40.00	6,400	-	-	-	6,400
March 30, 2015	US$1.00	182,200	-	(44,000)	(22,000)	116,200
October 15, 2015	US$2.00	10,000	-	-	-	10,000
October 28, 2015	US$1.00	20,000	-	-	-	20,000
Total		218,600	26,600	(44,000)	(22,000)	179,200
Weighted Average Exercise Price		US$2.19	US$1.50	US$1.00	US$1.00	US$2.49

The continuity of warrants for the year ended December 31, 2011, is summarized below. The quantity and exercise price of warrants have been restated to reflect the share consolidation which took effect on April 3, 2013 (Note 11(b)(vi)).

Expiry Date	Exercise Price	December 31, 2010	Issued	Exercised	Expired/ Cancelled	December 31, 2011
March 22, 2011	US$50.00	1,000	-	-	(1,000)	-
June 30, 2014	US$40.00	6,400	-	-	-	6,400
March 30, 2015	US$1.00	182,200	-	-	-	182,200
October 15, 2015	US$2.00	10,000	-	-	-	10,000
October 28, 2015	US$1.00	20,000	-	-	-	20,000
Total		219,600	-	-	(1,000)	218,600
Weighted Average Exercise Price		US$2.41	-	-	US$50.00	US$2.19

d) Share-Based Payments

During the year ended December 31, 2013, the Company did not have any share-based payments.

On April 17, 2012, the Company issued 750,000 common shares at a fair value of US$0.03 per share to the Directors of the Company as compensation for services rendered. Accordingly, share-based compensation of $22,500 was recorded.

e) Escrow Shares

As at December 31, 2013, the Company did not have any shares held in escrow (2012 – 562,500).

NOTE 12 – SUPPLEMENTAL CASH FLOW INFORMATION

		2013 $	2012 $	2011 $
a)	**Change in Non-Cash Working Capital Accounts**			
	GST/HST Recoverable	34,465	(15,537)	(12,024)
	Trade and Other Payables	(110,163)	137,433	57,188
	Trade and Other Payables – Settled via Share Issuance	125,333	-	-
		49,635	121,896	45,164
b)	**Significant Non-Cash Financing Activity**			
	Shares Issued for Settlement of Debts	125,000	-	-
	Shares Issued for Services	-	22,500	-
		125,000	22,500	-
c)	**Other Information**			
	Interest Paid	-	40	-

(Expressed in Canadian Dollars)

Income Taxes Paid	-	-	-

NOTE 13 – RELATED PARTIES TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed. Details of transactions between the Company and other related parties, in addition to those transactions disclosed elsewhere in these consolidated financial statements, are described below.

a) Related Party Balances

(i) Trade and other payables

As at December 31, 2013, the Company has $32,101 (2012 - $67,818) in trade and other payables owed to key management personnel. The amounts owed to key management personnel arose from outstanding management fees and are non-interest bearing, unsecured and have no specified terms of repayment.

(ii) Promissory Notes

Included in promissory notes as at December 31, 2013, was $37,702 (2012 - $32,102) including US$17,000 owed to a company controlled by a Director (also an officer) of the Company.

Included in promissory notes as at December 31, 2013, was $62,000 (2012 - $Nil) owed to an individual who is a former officer of the Company.

NOTE 13 – RELATED PARTIES TRANSACTIONS (Continued)

b) Compensation of Key Management Personnel

The Company incurred management fees and share-based payments for services provided by key management personnel for the years ended December 31, 2013, 2012 and 2011, as described below. All related party transactions were in the ordinary course of business and were measured at their exchange amount.

	2013 $	2012 $	2011 $
Management Fees	60,000	60,000	60,000
Share-Based Payments (Note 11(d))	-	22,500	-
	60,000	82,500	60,000

c) Loss on Settlement of Debts

The Company incurred a loss on settlement of debts to a related party in the amount of $50,000 (see Note 11(b)(vii)).

NOTE 14 – INCOME TAX

a) Deferred Tax Assets and Liabilities

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consists of the following amounts:

	December 31, 2013 $	December 31, 2012 $
Non-Capital Losses	3,549,994	3,299,209
Capital Losses	2,718	2,718
Property and Equipment	29,302	28,956
Share Issuance Costs	25,789	45,303
	3,607,803	3,376,186

As at December 31, 2013, the Company has non-capital losses of approximately $3,549,900 which may be applied to reduce Canadian taxable income of future years. These non-capital losses expire as follows:

2014	17,300
2015	86,300
2026	313,100
2027	515,300
2028	367,400
2029	1,157,900
2030	307,400
2031	301,400
2032	233,000
2033	250,800
	3,549,900

(Expressed in Canadian Dollars)

NOTE 14 – INCOME TAX (Continued)

b) Income Tax Expense

The income tax expense of the Company is reconciled to the net loss for the year as reported in the consolidated statement of comprehensive loss as follows:

	2013 $	2012 $	2011 $
Recovery of Income Tax Calculated at the Statutory Rate of 13.5%	(31,268)	(30,545)	(24,614)
Permanent Differences	-	3,038	-
Deferred Tax Assets Not Recognized	31,268	29,534	34,193
Effect of Change in Tax Rates	-	-	(6,570)
Expiration of Non-Capital Losses and Other	-	(2,027)	(3,009)
Income Tax Expense	-	-	-

NOTE 15 – FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarized in Note 2(m). The Company's risk management is coordinated in close co-operation with the board of directors and focuses on actively securing the Company's short to medium-term cash flows and raising finances for the Company's capital expenditure program. The Company does not actively engage in the trading of financial assets for speculative purposes.

The most significant financial risks to which the Company is exposed are described below.

a) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is dependent upon the availability of credit from its suppliers and its ability to generate sufficient funds from equity and debt financing to meet current and future obligations. The Company has a working capital deficiency of $467,439 as at December 31, 2013. There can be no assurance that such financing will be available on terms acceptable to the Company.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

c) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company is in the exploration and development stage and has not yet commenced commercial production or sales. Therefore, the Company is not exposed to significant credit risk.

d) Commodity Price Risk

Commodity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commodity prices. The ability of the Company to develop its oil and gas properties and the future profitability of the Company are directly related to the market price of oil. The Company has not hedged any of its future sales. The Company's input costs are also affected by the price of fuel. The Company closely monitors commodity prices to determine the appropriate course of action.

NOTE 15 – FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

e) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk to the extent it incurs mineral exploration expenditures and operating costs in foreign currencies including the U.S. Dollar. The Company does not hedge its exposure to fluctuations in the related foreign exchange rates.

f) Fair Values

The Company uses the following hierarchy for determining fair value measurements:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. The Company's financial instruments were measured at fair value use Level 1 valuation technique during the years ended December 31, 2013 and 2012. The carrying values of the Company's financial assets and liabilities approximate their fair values.

NOTE 16 – CAPITAL MANAGEMENT

The Company's objective for managing its capital structure is to safeguard the Company's ability to continue as a going concern and to ensure it has the financial capacity, liquidity and flexibility to fund its on-going operations and capital expenditures including investment in resource properties it has or may acquire.

The Company manages its share capital as capital, which as at December 31, 2013, amounted to $3,178,514. At this time, the Company's access to the debt market is limited and it relies on equity issuances and the support of shareholders to fund its investments in capital assets and development of oil and gas properties. The

Company monitors capital to maintain a sufficient working capital position to fund annualized administrative expenses and capital investments.

As at December 31, 2013, the Company had a working capital deficiency of $467,439. The Company will issue shares and may from time to time adjust its capital spending to maintain or adjust the capital structure. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits.

The Company's share capital is not subject to external restrictions. The Company has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future. There were no changes in the Company's approach to capital management during the year ended December 31, 2013.

NOTE 17 – SUBSEQUENT EVENT

Promissory Notes Payable

Subsequent to December 31, 2013, the Company received $18,000 from a non-arm's length party and $4,000 from an arm's length party. The Company issued convertible promissory notes with the same terms as the other promissory notes described in Note 10.

EX-99.1 7 mda.htm MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS FOR THE YEARS ENDED DECEMBER 31, 2013 AND

RAINCHIEF ENERGY INC

Management's Discussion and Analysis of Financial Conditions
And Results Of Operations ("MD&A")

For The Year Ending December 31, 2013

Management's Discussion and Analysis of Financial Conditions and Results of Operations ("MD&A")

For the year ending December 31, 2013

This report is dated April 30, 2014.

The following discussion and analysis prepared as at April 30 2014, explains trends in the financial condition and results of operations of Rainchief Energy Inc. ("REI" or "the Company") for the year ended December 31, 2013 as compared to the same period in 2012 and 2011. This discussion and analysis of the results of operations and financial condition of the Company should be read in conjunction with the consolidated financial statements of the Company for the year ended December 31, 2013. The Company's critical accounting estimates, significant accounting policies and risk factors have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). All financial statement figures are reported in Canadian dollars unless explicitly stated otherwise.

Caution on Forward-Looking Information

This report contains certain statements that constitute forward-looking information. These forward-looking statements are not descriptive of historical matters and may refer to management's expectation or plans. These statements include, but are not limited to statements concerning our business objectives and plans and future trends in our industry. Inherent in forward-looking statements are risks and uncertainties beyond management's ability to predict or control including risks that may affect REI's operating or capital plans. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements in this discussion and analysis as well as contained in other components of the annual report. Such statements are based upon a number of assumptions that may prove incorrect, including but not limited to, the following assumptions: that there is no material deterioration in general business and economic conditions; that there are no unanticipated fluctuations in interest or exchange rates; that there is no cancellation or unfavorable variation to its current major contracts; that if required, REI is able to finance future acquisitions on reasonable terms; and that REI maintains its ongoing relations with its business partners. We caution you that the foregoing list of important factors and assumptions is not exhaustive. You should also carefully consider matters discussed under "Risk and Uncertainties" contained elsewhere in this discussion. REI undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the list of factors, whether as a result of new information or future events or otherwise, except as may be required under applicable laws.

Overview
The Company is a British Columbia corporation, incorporated on December 28, 2000. The registered and corporate office is at Suite 1825, 900 Georgia Street West; Vancouver, British Columbia, V6C 2W6, telephone (604) 484-5761. The Company does not have an agent in the United States.

The Company was incorporated under the name Black Diamond Holdings Corporation. On June 26, 2007, the Company changed its name from Black Diamond Holdings Corporation to Black Diamond Brands Corporation. On November 21, 2008 the Company changed its name to Rainchief Energy Inc. The Company is listed as a fully reporting issuer on the FINRA OTC bulletin board and is traded under the symbol "RCFEF".

The Company is an energy exploration company focused on the identification and evaluation for acquisition of energy assets worldwide. The Company seeks to acquire an ownership interest in fossil fuel and alternative energy projects, and implement strategic financing and development programs in order to generate revenue from these assets. The Company will also seek out opportunities to partner with other companies in order to participate in larger energy projects.

Organization Structure

As of the date of this report the Company has two wholly-owned subsidiaries. Jaydoc Capital Corporation was acquired on December 22, 2010. Rainchief Renewable-1 SRL was incorporated under the laws of the Republic of Italy.

Recent corporate developments

During the period commencing on January 1, 2013, the Company experienced the following corporate developments:

Share Consolidation
Effective April 3, 2013, the common shares of the Company were consolidated at the ratio of one new common share for every 50 old common shares. The basic loss per share calculations disclosed in the consolidated statement of comprehensive loss for the years ended December 31, 2012 and 2011 have been adjusted to reflect the subsequent share consolidation.

Debt Settlements
In January 2013, the Company issued 10,000,000 pre-share consolidation common shares to a company controlled by the President of the Company to settle outstanding accounts payable of $10,000.

In April 2013, the Company entered into a debt settlement agreement with an arm's length party to settle outstanding accounts payable of $54,486. The Company paid $15,000 in cash and agreed to issue 250,000 post-share consolidation common shares with a fair value of $15,000. The Company recorded a gain of $24,486 on this transaction.

In September 2013, the Company entered into a debt settlement agreement with a company controlled by President of the Company to settle outstanding accounts payable of $50,000. The Company agreed to issue 50,000,000 post-April 3, 2013 share consolidation shares with a fair value of $100,000. The Company recorded a loss of $50,000 on the settlement of this debt.

Private Placement in 2013
On August 13, 2013, the Company completed a private placement of 1,200,000 shares at US$0.05 per share raising gross proceeds of $60,000.

Convertible Promissory Notes Payable
During 2013, the Company issued convertible promissory notes totaling $118,000. The notes are non-interest bearing, and unsecured. The notes have a maturity date of December 31, 2015 with the exception of one note ($62,000) which has a maturity date of December 31, 2014. The notes are convertible into common shares of the Company in whole or in part at the option of the holder upon terms to be determined by the Company either 10 days prior to repayment of the notes or the maturity date, whichever shall occur first. The notes shall become immediately payable should the Company complete financing in excess of US$5,000,000 prior to the maturity date, and shall bear interest at 3% per annum compounded annually should the Company default on the notes.

During 2013, the Company made note repayments totaling $6,961.

Selected Annual Information

The following table provides a brief summary of the Company's annual financial data for the latest three fiscal years ended December 31, 2013:

	Years ended December 31,		
	2011	2012	2013
	$	$	$
Net loss	(182,323)	(226,261)	(220,479)
Basic and diluted loss per share (post-share consolidation)	(0.258)	(0.301)	(0.008)
Total assets	60,805	150,014	121,957
Total liabilities	187,128	473,071	480,493

Results of Operations

For the years ended December 31, 2013, 2012, and 2011, the Company had net losses of $220,479, $226,261 and $182,323, respectively.

Accounting, Audit and Legal expenses decreased by $11,473 from $51,624 for the year ended December 31, 2012 to $40,151 for the year ended December 31, 2013. Audit and accounting fees reduced by $7,124 as a result of cost reductions negotiated by management and the reversal of excess accruals in previous periods. Legal fees reduced by $4,349 as a result of reduced requirements for legal services. Accounting, Audit and Legal expenses decreased by $5,014 from $56,638 for the year ended December 31, 2011 to $51,624 for the year ended December 31, 2012.

The Company incurred $585 on Advertising, Promotion and Website Development during the year ended December 31, 2013 as compared with $Nil during the year ended December 31, 2012. Advertising, Promotion and Website Development costs during the year ended December 31, 2011 amounted to $6,000 expended on maintenance of the company website.

Consulting expense for the year ended December 31, 2013 amounted to $80,000, an increase of $5,000 as compared with $75,000 for the year ended December 31, 2012 as a result of additional management and administration services procured during the year. Consulting expense for the year ended December 31, 2012 decreased by $668 to $75,000 as compared with $75,668 for the year ended December 31, 2011.

The Company did not incur any project development costs during the years ended December 31, 2013 and 2012, respectively. During the year ended December 31, 2011, the Company incurred development costs of $14,046 in connection with the evaluation of potential oil and gas project acquisition.

Filing and Transfer Agents Fees for the year ended December 31, 2013 decreased by $5,492 to $15,791 from $21,283 for the year ended December 31, 2012 as a result of decreased corporate activity during the year, together with the reversal of amounts accrued in prior periods. Filing and Transfer Agents Fees for the year ended December 31, 2012 amounted to $21,283, an increase of $1,019 from $20,264 incurred during the year ended December 31, 2011. The increase resulted from additional filings required by the United States Securities and Exchange Commission.

The company incurred $3,663 in Investor relations expenses during the year ended December 31, 2013 as compared with $Nil in the years ended December 31, 2012 and 2011, respectively.

Management Fees for the year ended December 31, 2013 amounted to $60,000, unchanged from the amounts incurred during the years ended December 31, 2012 and 2011 respectively.

Administrative expenses for the year ended December 31, 2013 decreased by $1,341 to $(709) as compared with $632 expended on this category of expenses during the year ended December 31, 2012 as a result of cost containment by management and the reversal of expenses accrued in prior periods. Administrative expenses for the year ended December 31, 2012 decreased by $10,902 to $632 as compared with $11,534 expended on these category of expenses during the year ended December 31, 2011. The decrease resulted from management's decision to share office space with another unrelated company.

During the year ended December 31, 2013 the Company incurred property investigation costs of $13,054 in connection with the Gulf Jensen project. The Company did not incur property investigation costs during the year ended December 31, 2012. During the year ended December 31, 2011 property investigation costs of $9,487 were incurred in connection with an oil and gas project.

The Company incurred Stock-based compensation expense in the amount of $22,500 during the year ended December 31, 2012. The Company did not incur Stock-based compensation expense during the years ended December 31, 2013 and 2011.

The Company did not incur travel expenses during the year ended December 31, 2013. Travel expenses for the year ended December 31, 2012 decreased by $11,153 to $649 from $11,802 during the year ended December 31, 2011 as a result of reduced project evaluation activities during the year.

The Company incurred losses on foreign exchange of $6,666, $783, and $8,454 for the years ended December 31, 2013, 2012 and 2011, respectively. These losses resulted from changes in the foreign currency exchange rates between the Canadian and US Dollars.

During the year ended December 31, 2011, the Company realized a gain of $97,336 in respect of shares issued in connection with the Jaydoc acquisition and subsequently returned to Treasury in accordance with a Stock Surrender, Settlement and Voluntary Pooling Agreement.

During the year ended December 31, 2013, the Company realized a net gain on the settlement of certain debts in the amount of $334, as compared to a net gain on settlement of debts during the year ended December 31, 2012 of $6,870. During the year ended December 31, 2011, the Company did not settle any debt.

The Company was the respondent in a lawsuit filed in the Supreme Court of British Columbia. The Plaintiff sought damages in the amount of $60,750, claiming breach c a licensing agreement relating to the Company's use of certain photographs, the copyright to which is held by the plaintiff. The Company recorded a contingent liabilit for this amount as at December 31, 2009. In July 2013 the Supreme Court of British Columbia found in favour of the Plaintiff and awarded damages, interest and costs. I December 2013 the Company paid the Plaintiff $61,500 in full and final settlement of the matter.

Financial position

For the year ended December 31, 2013 the Company had a working capital deficiency of $467,439 as compared with a working capital deficiency of $432,306 as at December 31, 2012, an increase of $35,133. The increase in working capital deficiency during the year ended December 31, 2013 is due to an increase in Convertible Promissory Notes Payable of $117,602 and a reduction GST Recoverable of $34,465, offset by an increase in Cash of $6,738 and a reduction in Accounts Payable of $110,164.

Liquidity and Capital Resources

The Company completed private placements raising gross proceeds of $60,000 cash for the year ended December 31, 2013. Cash provided from private placements and the issuance of shares pursuant to the exercise of purchase warrants in the year ended December 31, 2012 was $29,124.

In addition, the issuance of Convertible Promissory Notes provided $117,602 (year ended December 31, 2012 -$155,364).

Changes in working capital accounts during the year ended December 31, 2013 provided $49,635 (2012 – $121,896).

The use of cash during the year ended December 31, 2013 was $220,467 to fund the Company's continuing operations. The uses of cash during the year ended December 31, 2012 were $88,534 to fund the Company's continuing operations, plus $108,053 to acquire an oil and gas property and $22,097 to repurchase certain common shares.

Quarterly Disclosure – Eight Quarters Preceding Most Recently Completed Financial Year

The following table sets forth selected unaudited financial information prepared by management of the Company.

	Three months ended			
	March 31, 2013	June 30, 2013	September 30, 2013	December 31, 2013
	$	$	$	$
Revenues	-	-	-	-
Net profit (loss)	(42,916)	(27,742)	(101,714)	(48,107)
Basic and Diluted profit (loss) per share (post-share consolidation)	(0.046)	(0.026)	(0.002)	(0.003)

	Three months ended			
	March 31, 2012	June 30, 2012	September 30, 2012	December 31, 2012
	$	$	$	$
Revenues	-	-	-	-
Net profit (loss)	(44,679)	(148,372)	(75,147)	41,937
Basic and Diluted profit (loss) per share (post-share consolidation)	(0.062)	(0.202)	(0.102)	0.065

Earnings Information

The Company has not paid any dividends on its common shares. The Company has no present intention of paying dividends on its common shares as it anticipates that all available funds will be invested to finance the growth of its business.

Transactions with Related Parties

As reported in the audited consolidated financial statements for the year ended December 31, 2013, the Company was involved in certain transactions with related parties:

	2013	2012	2011
	$	$	$
Management fees	60,000	60,000	60,000
Share-based payments	-	22,500	-
	60,000	82,500	60,000

Subsequent events

Subsequent to December 31, 2013, the Company received $18,000 from a non-arm's length party and $4,000 from an arm's length party. The notes have maturity dates of December 31, 2015 and bear the same terms as the promissory notes issued in 2013 described above.

Significant Accounting Policies

The Company's critical accounting estimates are described in the Company's 2013 Consolidated Annual Financial Statements.

New Accounting Standards Not Yet Adopted

The accounting standard, amendment, and interpretation listed below is issued but not yet effective up to the date of issuance of the Company's consolidated financial statements. The Company intends to adopt the following standard and interpretation, if applicable, when it becomes effective. The Company has not yet determined the impact of this standard on its consolidated financial statements.

IFRS 9 – Financial Instruments
IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of International Accounting Standards ("IAS") 39 and applies to the classification and measurement of financial assets and financial liabilities, as defined in IAS 39. The standard was initially effective for annual period beginning on or after January 1, 2013, but Amendments to IFRS 9-Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to January 1, 2015.

Off Balance Sheet Arrangements

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative financial obligations, or with respect to any obligations under a variable interest equity arrangement.

Financial Instruments

a) Financial Instruments

The financial instrument guidelines require all financial assets, except those held to maturity and derivative financial instruments, to be measured at fair market value. All financial liabilities are measured at fair value if they are held for trading. Other financial liabilities are measured at amortized cost.

The Company classifies its financial instruments into one of the following balance sheet categories:

- Held-for-trading financial assets and liabilities that are initially measured at fair value and where subsequent changes in fair value are recognized in the statement of operations;
- Available-for-sale financial assets that are initially measured at fair value and where subsequent changes in fair value are recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts are transferred to and recorded in net income; and
- Held-to-maturity investments, loans and receivables, or other financial liabilities – all of which are initially measured at cost and where subsequent changes in cost are amortized using the effective interest rate method.

Accordingly, the Company has classified its financial instruments as follows:

- Cash is classified as financial assets at fair value through profit or loss and accordingly carried at its fair value;
- Bank indebtedness is classified as financial liabilities at fair value through profit or loss and accordingly carried at its fair value; and
- Trade and other payables and promissory notes are classified as other financial liabilities and are currently carried at their amortized cost.

The Company undertakes certain transactions in foreign currencies denominated in U.S. dollars and as such is subject to risk due to fluctuations in exchange rates. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

Internal Control over Financial Reporting

As at the date of this report, management is not aware of any change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Outstanding Share Data

(a) Common shares
Authorized
Unlimited number of common shares without par value.

Issued and outstanding as at December 31, 2013
52,417,179 common shares for a net consideration of $3,178,514.

(b) Stock Options
Outstanding stock options as at December 31, 2013 – Nil.

(c) Share Purchase Warrants

Outstanding share purchase warrants as at December 31, 2013:
152,600 warrants at a weighted average exercise price of US$2.70 per share.
The warrants expire on various dates between June 30, 2014 and October 28, 2015.

Risk Factors.

Risks Related to the Business

We have a history of operating losses and need additional capital to implement our business plan. For the year ended December 31, 2013, we recorded a net loss of from operations of $220,479 as compared to a net loss of $226,261 for the year ended December 31, 2012. The financial statements have been prepared using IFRS principles applicable to a going concern. However, as shown in note 1 to the consolidated financial statements, our ability to continue operations is uncertain.

We continue to incur operating losses, and have a consolidated deficit of $3,813,360 as at December 31, 2013. Operations for the year ended December 31, 2013 have been funded primarily from the issuance of share capital, debt financing and the continued support of creditors. Historically, we have met working capital needs primarily by selling equity to Canadian residents, raising debt finance and from loans (including loans from relatives of principal shareholders).

We estimate that we will require at least $1,500,000 to begin a series of energy property acquisitions. A full implementation of our business plan for these property acquisitions will be delayed until the necessary capital is raised. See Item 5, "Operating and Financial Review and Prospects."

Our entry into the alternative energy property acquisition business may not be successful and there are risks attendant on these activities.

The alternative energy property acquisition business is highly competitive, and is populated with many companies, large and small, with the capital and expertise to evaluate, purchase, and exploit producing and non-producing opportunities. Even with capital and experience, industry risks are significant. Environmental compliance is an increasingly complex and costly obstacle to many new projects, and often times, and even if permits are obtained, they may be sufficiently restrictive that a property cannot be exploited to its full potential.

We may not be able to locate acquisition opportunities, or finance those we can identify. We offer no assurance that our entry into this business activity will be successful.

Risks Related to Our Stock.

If we have to raise capital by selling securities in the future, your rights and the value of your investment in the Company could be reduced. If we issue debt securities, the lenders would have a claim to our assets that would be superior to the stockholder rights. Interest on the debt would increase costs and negatively impact operating results. If we issue more common stock or any preferred stock, your percentage ownership will decrease and your stock may experience additional dilution, and the holders of preferred stock (called preference securities in Canada) may have rights, preferences and privileges which are superior to (more favorable) the rights of holders of the common stock. It is likely the Company will sell securities in the future. The terms of such future transactions presently are not determinable.

If the market for our common stock is illiquid in the future, you could encounter difficulty if you try to sell your stock. Our stock trades on the "OTC.BB" but it is not actively traded. If there is no active trading market, you may not be able to resell your shares at any price, if at all. It is possible that the trading market in the future will continue to be "thin" or "illiquid," which could result in increased price volatility. Prices may be influenced by investors' perceptions of us and general economic conditions, as well as the market for beverage companies generally. Until our financial performance indicates substantial success in executing our business plan, it is unlikely that there will be coverage by stock market analysts will be extended. Without such coverage, institutional investors are not likely to buy the stock. Until such time, if ever, as such coverage by analysts and wider market interest develops, the market may have a limited capacity to absorb significant amounts of trading. As the stock is a "penny stock," there are additional constraints on the development of an active trading market – see the next risk factor.

The penny stock rule operates to limit the range of customers to whom broker-dealers may sell our stock in the market. In general, "penny stock" (as defined in the SEC's rule 3a51-1 under the Securities Exchange Act of 1934) includes securities of companies which are not listed on the principal stock exchanges, or the Nasdaq National Market or the Nasdaq Capital Market, and which have a bid price in the market of less than $5.00; and companies with net tangible assets of less than $2 million ($5 million if the issuer has been in continuous operation for less than three years), or which has recorded revenues of less than $6 million in the last three years.

As "penny stock" our stock therefore is subject to the SEC's rule 15g-9, which imposes additional sales practice requirements on broker-dealers which sell such securities to persons other than established customers and "accredited investors" (generally, individuals with net worth in excess of $1 million or annual incomes exceeding $200,000, or $300,000 together with their spouses, or individuals who are the officers or directors of the issuer of the securities). For transactions covered by rule 15g-9, a broker-dealer must make a special suitability determination for the purchaser and have received the purchaser's written consent to the transaction prior to sale. This rule may adversely affect the ability of broker-dealers to sell our stock, and therefore may adversely affect our stockholders' ability to sell the stock in the public market.

Your legal recourse as a United States investor could be limited. The Company is incorporated under the laws of British Columbia. Most of the assets now are located in Canada. Our directors and officers and the audit firm are residents of Canada. As a result, if any of our shareholders were to bring a lawsuit in the United States against the officers, directors or experts in the United States, it may be difficult to effect service of legal process on those people who reside in Canada, based on civil liability under the Securities Act of 1933 or the Securities Exchange Act of 1934. In addition, we have been advised that a judgment of a United States court based solely upon civil liability under these laws would probably be enforceable in Canada, but only if the U.S. court in which the judgment were obtained had a basis for jurisdiction in the matter. We also have been advised that there is substantial doubt whether an action could be brought successfully in Canada in the first instance on the basis of liability predicated solely upon the United States' securities laws.

Approval

The Board of Directors of Rainchief Energy Inc. has approved the disclosures in this MD&A.

Additional Information
Additional information relating to the Company is available on SEDAR at www.sedar.com or EDGAR at www.sec.gov.