MILL BAY VENTURES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended January 31, 2013 and 2012

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NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited interim consolidated financial statements of the Company for the period ending January 31, 2013 have been prepared in accordance with International Accounting Standard 34 for Interim Financial Reporting under International Financial Reporting Standards. These financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The company's independent auditors have not performed an audit or review of these condensed interim consolidated financial statements.

MILL BAY VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)

	Note	January 31, 2013	April 30, 2012
ASSETS			
Current Assets			
Cash and cash equivalents		$ 82,589	$ 424,828
Interest receivable		-	4,877
Sales taxes recoverable		20,123	30,451
Mining tax credit receivable		44,864	45,864
Prepaid expense		4,145	7,688
		151,721	513,708
Non-Current Assets			
Reclamation bond	**7**	22,973	22,800
Investment	**5**	32,202	35,602
Exploration and evaluation assets	**6**	1,633,405	1,531,707
Other property and equipment	**8**	1,060	1,369
		$ 1,841,361	**$ 2,105,186**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		$ 8,515	$ 32,247
Amounts due to related parties	**10**	6,835	5,709
Non-current liabilities			
Site restoration obligation	**7**	15,000	15,000
		30,350	52,956
SHAREHOLDERS' EQUITY			
Share capital	**9**	12,207,999	12,207,999
Reserves for options		170,732	170,732
Reserves for warrants		172,083	172,083
Reserves for currency translation		(16,000)	(16,000)
Accumulated other comprehensive loss		(130,100)	(126,700)
Deficit		(10,593,703)	(10,355,884)
		1,811,011	2,052,230
		$ 1,841,361	**$ 2,105,186**

Note 1 – Nature of Operations and Going Concern
Note 15 – Subsequent Events

Approved on behalf of the Board of Directors

/s/ Kevin C. Whelan Director *The /s/ William Glasier* Director

MILL BAY VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS & COMPREHENSIVE LOSS
(Unaudited)

	Three months ended January 31		Nine months ended January 31	
	2013	**2012**	**2013**	**2012**
GENERAL AND ADMINISTRATIVE EXPENSES				
Depreciation	$ 103	$ 146	$ 308	$ 439
Accounting and audit fees	-	2,200	1,100	3,600
Consulting fees	15,000	11,000	48,550	12,500
General exploration expenditures	4,235	7,209	15,510	22,251
Investor relations and shareholder information	6,065	10,878	16,076	43,773
Legal fees	998	3,922	2,718	11,887
Listing and filing fees	1,016	867	6,558	3,576
Management fees	22,500	22,500	67,500	67,860
Office and administrative services and supplies	23,701	22,000	61,120	70,303
Stock based compensation	-	-	-	53,246
Transfer agency fees	5,480	5,575	8,855	8,710
Travel and accommodation	3,469	1,983	9,136	8,034
	82,567	88,280	237,431	306,179
OPERATING LOSS	(82,567)	(88,280)	(237,431)	(306,179)
OTHER INCOME (EXPENSE)				
Loss on foreign exchange	(179)	1,137	(700)	(1,178)
Interest income	-	1,036	312	1,178
LOSS FOR THE PERIOD	(82,746)	(86,107)	(237,819)	(306,179)
OTHER COMPREHENSIVE INCOME				
Unrealized gain (loss) on investment securities	(5,900)	(18,400)	(3,400)	(63,100)
TOTAL COMPREHENSIVE LOSS	$ (88,646)	$ (104,507)	$ (241,219)	$ (369,279)
LOSS PER SHARE (Basic and Diluted)	$ -	$ (0.01)	$ (0.01)	$ (0.03)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (Basic and Diluted)	18,746,818	14,794,842	18,352,818	13,374,084

MILL BAY VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF EQUITY
(Unaudited)

	Note	Number of Common Shares	Capital Stock	Reserves for Stock Options	Reserves for Share Purchase Warrants	Reserves for Currency Translation	Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance, April 30, 2011		12,196,539	$ 11,437,431	$ 35,333	$ 88,783	$ (24,031)	$(9,799,326)	$ (46,800)	$ 1,691,390
Net loss for the period		-	-	-		-	(306,179)	-	(306,179)
Common shares and warrants issued for cash		8,000,000	760,000	-	40,000	-	-	-	800,000
Share issuance costs		-	(124,032)	-	43,300	-	-	-	(80,732)
Common shares issued for property payment		50,000	5,000	-	-	-	-	-	5,000
Transfer upon expiration of options and warrants		-	-	(2,292)	-	-	-	-	(2,292)
Stock based compensation		-	-	53,246	-	-	-	-	53,246
Comprehensive gain (loss) on fair value of investments	5	-	-	-	-	-	-	(63,100)	(63,100)
Balance, January 31, 2012		**20,246,539**	**$ 12,078,399**	**$ 86,287**	**$172,083**	**$ (24,031)**	**$(10,105,505)**	**$ (109,900)**	**$2,097,333**
Balance, April 30, 2012		22,446,539	$12,207,999	$ 170,732	$ 172,083	$ (16,000)	$ (10,355,884)	$ (126,700)	$ 2,052,230
Net loss for the period		-	-	-	-	-	(237,819)	-	(237,819)
Comprehensive gain (loss) on fair value of investments	5	-	-	-	-	-	-	(3,400)	(3,400)
Balance, January 31, 2013		**22,446,539**	**$ 12,207,999**	**$ 170,732**	**$ 172,083**	**$ (16,000)**	**$ (10,593,703)**	**$ (130,100)**	**$ 1,810,011**

MILL BAY VENTURES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended January 31		Nine months ended January 31	
	2013	**2012**	**2013**	**2012**
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Loss for the period	$ (82,746)	$ (86,107)	$ (237,819)	$ (306,179)
Items not involving cash in the period:				
Depreciation	103	146	308	439
Stock based compensation	-	-	-	53,246
	(82,643)	(85,961)	(237,511)	(252,494)
Changes in non-cash working capital items (Note 13)	1,468	11,336	(3,031)	19,107
	(81,175)	(74,625)	(240,542)	(233,387)
INVESTING ACTIVITIES				
Investments in exploration and evaluation assets	(10,210)	(121,166)	(101,697)	(378,525)
FINANCING ACTIVITIES				
Shares issued for cash, net	-	28,750	-	725,678
DECREASE IN CASH IN PERIOD	(91,385)	(167,041)	(342,239)	113,766
CASH, beginning of period	173,974	593,225	424,828	312,418
CASH, end of period	$ 82,589	$ 426,184	$ 82,589	$ 426,184
SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION				
Foreign exchange loss (gain)	(179)	(1,137)	(700)	1,178
SUPPLEMENTARY DISCLOSURE OF NON-CASH INVESTING ACTIVITIES				
Mineral property acquisition costs paid by the issuance of common shares	-	5,000	-	5,000

NOTE 1- NATURE OF OPERATIONS AND GOING CONCERN

Mill Bay Ventures Inc. was incorporated under the laws of the Province of British Columbia. The Company owns interests in mineral properties in the Province of British Columbia and the States of Nevada and Utah, U.S.A. The Company's principal business is the exploration and development of its mineral property interests. The Company`s head office and principal place of business is Suite 900 – 570 Granville Street, Vancouver, British Columbia, Canada.

The Company is in the exploration stage of its mineral property interests and has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The carrying value of the mineral property interests represents the total of net costs capitalized, and is not intended to reflect either their present or future value.

The recoverability of amounts shown for mineral property interests and related deferred costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's legal interest in the mineral claims, the ability of the Company to obtain the necessary financing to complete development, and future profitable production or proceeds from the disposition of its mineral property interests. For those properties in which it has a joint venture interest, it is required to contribute its proportionate share of costs or accept dilution of its interest.

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and meet its obligations in the ordinary course of business. There are conditions that cast doubt on the validity of this assumption. As at January 31, 2013, the Company had working capital of $136,371 (January 31, 2012 – $425,931) and an accumulated deficit of $10,593,703 (January 31, 2012 – $9,855,547). The Company will likely be required to raise new financing through the sale of shares to maintain operations. These factors together raise substantial doubt about its ability to continue as a going concern. These unaudited condensed interim consolidated financial statements do not reflect adjustments for the possible future effect on the recoverability and classification of the assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty. Realization values may be substantially different from carrying values as shown in these financial statements should the Company be unable to continue as a going concern.

NOTE 2 – BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34, *"Interim Financial Reporting"* using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Interpretations of the IFRS Committee ("IFRIC") and using the accounting policies consistent with those in the audited consolidated financial statements as at and for the year ended April 30, 2012, except as otherwise noted. These condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended April 30, 2012.

The condensed consolidated interim financial statements were authorized by the audit committee and the board of directors of the Company.

NOTE 2 – BASIS OF PREPARATION (Continued)

Statement of Consolidation and Presentation

These condensed interim financial statements have been prepared on an historical cost basis except for certain items that are measured at fair value including available for sale investments. All dollar amounts presented are in Canadian dollars, which is the Company's functional and reporting currency, unless otherwise specified. The accounting policies in Note 3 of the Company's audited consolidated financial statements as at and for the year ended April 30, 2012 have been applied consistently to all periods in these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its controlled subsidiary. Control exists when the Company has the power, directly or indirectly, to govern the financial and reporting policies of an entity so as to obtain benefits from its activities. The condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary, Golden Reef Mining Co., Inc. Intercompany balances and transactions, income and expenses are eliminated on consolidation.

NOTE 3 – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions about future events that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may differ from these estimates.

Critical judgements exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim financial statements include economic benefits of exploration, and evaluation and development costs.

Information about assumptions and estimations and estimation uncertainties that have a significant risk of resulting in material adjustments include impairment of property, plant and equipment and mining interests; estimated reclamation and closure costs; reserve estimates; valuation of shares-based payments; and income taxes.

NOTE 4 – RECENT ACCOUNTING PRONOUNCEMENTS

IFRS 9 - Financial instruments
IFRS 9 was issued in November 2009 and contained requirements for financial assets. The standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

NOTE 4 – RECENT ACCOUNTING PRONOUNCEMENTS (Continued)

IFRS 9 - Financial instruments (continued)
Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement,* except that fair value changes due to credit risk for liabilities designated at fair value through profit loss would generally be recorded in other comprehensive income.

IFRS 10 Consolidated financial statements
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces *SIC-12 Consolidation – Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements.*

IFRS 11 Joint arrangements
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC–13 *Jointly Controlled Entities – Non-monetary Contributions by Venturers.*

IFRS 12 Disclosure of interest in other entities
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off-balance-sheet vehicles.

IFRS Fair value measurement
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to other standards
In addition, there have been other amendments to existing standards, including IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures.* IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to IFRS 13.

Each of the new standards, IFRS 9 to 13 and the amendments to other standards, is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company is evaluating the impact of these new standards on its consolidated financial statements but does not anticipate these new standards will have a significant impact on its consolidated financial statements.

NOTE 5 – INVESTMENTS

Investments in shares consist of the following:

	Number of Shares	Cost	Accumulated Unrealized Gain (Loss)	January 31, 2013 Fair Value	April 30, 2012 Fair Value
Available-for-sale shares:					
Levon Resources Ltd.	30,000	$ 1,800	$ 11,250	$ 13,050	$ 20,100
CMQ Resources Inc.	30,000	105,500	(103,850)	1,650	3,000
Dynasty Gold Corp.	500,000	55,000	(37,500)	17,500	12,500
Brettco Oil & Gas Inc.	50,000	1	-	1	1
Oniva International Services Corporation	1	1	-	1	1
	610,001	$162,302	$ (130,100)	$ 32,202	$ 35,602

Levon Resources Ltd. ("Levon") and Coral Gold Resources Ltd. ("Coral") are related public companies with common directors. Oniva International Services Corporation ("Oniva") is a private company with common management, which provides office and administration services to the Company. Fair value was determined using quoted market prices as at January 31, 2013 and April 30, 2012.

The Company owns a 16.67% equity interest in Oniva, a private company with common management, which provides office and administration services to the Company. The remaining 83.33% is shared equally between five other companies that are related by common directors and management (see Note 11 for disclosure on the Company's commitment to Oniva). As Oniva is a private company, fair value is not readily determinable as at January 31, 2013 and April 30, 2012; the investment in Oniva is shown at its carrying value as at these dates.

NOTE 6 – EXPLORATION AND EVALUATION ASSETS

	Saskatchewan Coal Lease $	Valentine Claims $	BRX Claims $	Ivanpah Claims $	AC Claims $	Golden Repeat Claims $	JDN Claims $	E & E Claims $	Total $
Balance, April 30, 2012	-	1,274,900	1	1	256,802	1	1	1	1,531,707
Exploration costs incurred in period:									
Assays	-	2,032	-	-	-	-	-	-	2,032
Consulting	-	37,981	-	-	-	-	-	-	37,981
Geological	-	11,434	-	-	-	-	-	-	11,434
Lease payment	-	-	-	-	15,931	-	-	-	15,931
Licenses and taxes	-	17,579	-	-	16,741	-	-	-	34,320
Balance, Jan. 31, 2013	-	1,343,926	1	1	289,474	1	1	1	1,633,405

NOTE 6 – EXPLORATION AND EVALUATION ASSETS (Continued)

	Saskatchewan Coal Lease $	Valentine Claims $	BRX Claims $	Ivanpah Claims $	AC Claims $	Golden Repeat Claims $	JDN Claims $	E & E Claims $	Total $
Balance, April 30, 2011	73,840	998,434	1	1	192,432	1	1	1	1,264,711
Exploration costs incurred in period:									
Assay	-	43,076	-	-	-	-	-	-	43,076
Consulting	-	86,024	-	-	-	-	-	-	86,024
Drilling	-	141,596	-	-	-	-	-	-	141,596
Geological	-	18,352	-	-	43,696	-	-	-	62,048
Licenses and taxes	-	14,174	-	-	31,606	-	-	-	45,780
Balance, Jan. 31, 2012	73,840	1,301,656	1	1	267,734	1	1	1	1,643,235

Saskatchewan Coal Lease
During the year ended April 30, 2012, the Company terminated its Saskatchewan coal leases and wrote off the value of the properties.

Valentine Claims
During 2008, the Company acquired three mineral claims on Valentine Mountain located 42 kilometres west of Victoria, British Columbia by paying $13,000. The Company acquired six additional mineral claims comprising of 4,495 acres on Valentine Mountain, for total consideration of $5,000 and 300,000 common shares of the Company (see Note 10). One of the claims is subject to a 5% NSR to an end price of $1,000,000. The Company also acquired a further 13 mineral claims on Valentine Mountain by staking.

During 2009, the Company purchased five more claims on Valentine Mountain for total consideration of $15,000 in cash and 50,000 common shares of the Company (see Note 10).

During the period ended January 31, 2011, the Company executed a Letter of Intent (the "LOI) with NT Mining Corporation ("NTMG") to enter into an option agreement (the "Option") on the Valentine Mountain property. The Company received $10,000 from NTMG as down payment on the LOI; however, as NTMG did not meet the terms of the Option, the Company terminated the option agreement.

NOTE 6 – EXPLORATION AND EVALUATION ASSETS (Continued)

BRX Claims
During 2003, the Company signed an option agreement with Levon to acquire a 50% joint venture interest in 77 reverted Crown granted claims and four modified grid claims in the Lillooet Mining Division, British Columbia, by issuing 10,000 common shares and incurring exploration expenditures of $100,000 by each of December 17, 2003, 2004 and 2005.

Effective September 1, 2003, Mill Bay signed an amending option agreement with Levon, deferring the issuance of 10,000 common shares and incurring of $100,000 of exploration expenditures due by December 31, 2003 to December 31, 2004.

During 2005, the Company exercised its option to acquire the 50% joint venture interest in the BRX claims by issuing 30,000 common shares and incurring total exploration expenditures of $300,000. Under the joint venture agreement with Levon, each of the participants is required to fund their proportionate share of further exploration expenditures, failure of which will dilute their respective interests. On dilution to 10%, the non-contributor's interest will convert to a 10% net profits royalty interest.

During 2008 and 2007, the Company incurred $25,016 and $67,198, respectively, of deferred exploration expenditures on the BRX claims, which were not proportionately funded by Levon. The Company waived the requirement of proportionate funding by Levon on these specific expenditures. Notwithstanding this waiver, the terms of the Joint Venture Agreement were ratified by the Company and Levon to remain in effect.

During 2011, the Company wrote down the value of the BRX Claims to a nominal value of $1 due to exploration inactivity. The Company is maintaining these claims in good standing.

Ivanpah Claims
During 2007, the Company acquired 16 placer mining claims located in Clark County, Nevada, known as the Ivanpah Property, for consideration of the issuing 220,000 common shares of the Company (issued) and US$128,000 (paid). The claims were acquired from a Company controlled by a director.

During 2010, the Company wrote down the value of the Ivanpah Claims to a nominal value of $1. The Company is keeping all claims in good standing; however, no exploration is currently planned on this property.

AC Claims
During the 2008 fiscal year, the Company entered into an option agreement to acquire 119 mining claims located in Lander County, Nevada, known as the AC Gold Property, covering approximately two square miles, in consideration of paying US$1,500,000 in instalments to the optionor and incurring US$1,500,000 in exploration work on the property over the next 15 years. During the 2008 fiscal year, the Company issued 10,000 common shares as a finder's fee to an arm's length finder in respect of this option agreement.

The option agreement was amended in 2010 to abandon 8 claims, reducing the original 119 claims to 111, reduce the advance minimum royalty payments from US$1,500,000 to US$1,300,000, reduce the expenditure commitments from US$1,500,000 to US$10,000 (incurred), and remove the 3% net smelter returns royalty, all in consideration for issuing 150,000 common shares of the Company. The 150,000 common shares were issued in 50,000-shares instalments in each of 2010, 2011 and 2012 fiscal years.

NOTE 6 – EXPLORATION AND EVALUATION ASSETS (Continued)

AC Claims (continued)
The terms of the amended option agreement are as follows:

Due Date	Advance Minimum Royalty Payments US$	Expenditure Commitments on the Property US$
Execution	5,000 (paid)	-
1st Anniversary	15,000 (paid)	10,000 (incurred)
2nd Anniversary	-	-
3rd Anniversary	15,000 (paid)	-
4th Anniversary	15,000 (paid)	-
5th Anniversary	15,000 (paid)	-
6th Anniversary	20,000	-
7th Anniversary	25,000	-
8th Anniversary	30,000	-
9th Anniversary	35,000	-
10th Anniversary	40,000	-
11th Anniversary	1,085,000	-
Total	1,300,000	10,000

Golden Repeat Claims
The Company owns a 100% interest in 49 mining claims in Elko County, Nevada, U.S.A.

As the Company has not completed any exploration or development on the property in recent years, the Company has written down the prior acquisition and exploration costs of to a nominal value. This resulted in a 2009 write down of $21,331, included in operations of the Company.

During the year ended April 30, 2011, the Company entered into an option with Dynasty Gold Corp. ("Dynasty") whereby Dynasty can earn a 51% interest in the claims for the following consideration:

- Pay $50,000 in cash (received), issue 500,000 shares of its common stock (received) on signing of the Option Agreement, and incur an aggregate $200,000 in exploration expenditures on the claims in year one of the Option.
- Pay $75,000, issue 500,000 shares of its common stock and incur an aggregate $300,000 in exploration expenditures on the claims in year two of the Option.
- Pay $100,000, issue 500,000 shares of its common stock, and incur an aggregate $400,000 in exploration expenditures on the claims in year three of the Option.
- Pay $250,000, issue 1,000,000 shares of its common stock, and incur an aggregate $600,000 in exploration expenditures on the claims in year four of the Option.

Dynasty can earn up to 70% interest in the claims by paying $2,000,000 after it has earned its initial 51% in the Claims. The Company will retain a 3% NSR.

NOTE 6 - EXPLORATION AND EVALUATION ASSETS (Continued)

Golden Repeat Claims (continued)

During the year ended April 30, 2012, the Company signed and amending agreement providing for a reduction in the option payment in year two of the Option from $75,000 to $50,000 and a reduction in required exploration expenditures on the property from $300,000 to $100,000. Dynasty is presently in default of its second-year option payment and the parties are negotiating suitable terms to resolve the default.

JDN claims

The Company has a 50% interest in 27 mining claims in Lander County, Nevada, U.S.A. The remaining 50% interest is owned by a subsidiary of Coral Gold Resources Ltd.

E & E Claims

The Company has a 100% interest in 26 mining claims in Eureka County, Nevada, U.S.A.

NOTE 7 – RECLAMATION BOND

The Company has hypothecated a term deposit in the amount of $13,000 (April 30, 2012 – $13,000) as security to the Province of British Columbia for future mineral claims site reclamation. The Company has also provided non-interest bearing cash bonds amounting to $9,973 (April 30, 2012 – $9,800) in favour of the U.S. Bureau of Land Management as a deposit relating to its claims located in the State of Nevada.

NOTE 8 – OTHER PROPERTY AND EQUIPMENT

	Office equipment	Mining equipment, USA	Automotive equipment	Total
Cost				
Balance at April 30, 2011	$ 5,455	$ 255,466	$ 39,713	$ 300,634
Additions	-	-	-	-
Balance at April 30, 2012 and January 31, 2013	$ 5,455	$ 255,466	$ 39,713	$ 300,634

	Office Equipment	Mining equipment, USA	Automotive equipment	Total
Accumulated depreciation and impairment loss				
Balance at April 30, 2011	$ 3,502	$ 255,466	$ 39,713	$ 298,681
Depreciation	585	-	-	585
Balance at April 30, 2012	4,087	255,466	39,713	299,266
Depreciation	308	-	-	308
Balance at January 31, 2013	$ 4,395	$ 255,466	$ 39,713	$ 299,574

NOTE 8 – OTHER PROPERTY AND EQUIPMENT (Continued)

Net book value amounts

At January 31, 2013	$	1,060
At April 30, 2012	$	1,369

NOTE 9 - SHARE CAPITAL

Authorized

An unlimited number of common shares without par value.

Issued

During the nine-month period ended January 31, 2013, there were no changes in share capital.

Share purchase warrants

The continuity of warrants for the three months ended January 31, 2013 is as follows:

	Number Outstanding	Weighted Average Exercise Price
Balance at April 30, 2011	6,009,366	$0.25
Expired	-	-
Issued	10,880,000	0.22
Balance at April 30, 2012	16,889,366	0.23
Expired	(6,009,366)	0.25
Issued	-	-
Balance at January 31, 2013	10,880,000	$0.22

The summary of share purchase warrants outstanding is as follows:

Exercise Price per Share	Expiry Date	January 31, 2013	April 30, 2012
$0.25	October 5, 2012	-	1,499,998
$0.25	November 9, 2012	-	4,509,368
$0.25-$0.50	September 22, 2013	8,680,000	8,680,000
$0.10	April 25, 2014	2,200,000	2,200,000
		10,880,000	16,889,366

Share-based payments

The Company has an equity-settled stock option plan under which the Board of Directors may grant options to directors, officers, other employees and key consultants. The purpose of the plan is to advance the interests of the Company by encouraging these individuals to acquire shares in the Company and thereby remain associated with, and seek to maximize the value of, the Company.

NOTE 9 - SHARE CAPITAL (Continued)

Share-based payments (continued)

Under the plan, the number of shares reserved for issuance pursuant to the exercise of all options under the plan may not exceed 10% of the issued and outstanding common shares on a non-diluted basis at any time. The options expire not more than five years from the date of grant, or earlier if the individual ceases to be associated with the Company, and vest over terms determined at the time of grant.

The following table summarizes information about stock options outstanding as at January 31, 2013:

	Number Outstanding	Weighted Average Exercise Price
Balance at April 30, 2011	67,500	$1.20
Issued	1,740,000	0.15
Forfeited	(10,000)	1.20
Balance at April 30, 2012 and January 31, 2013	1,797,500	$0.19

The summary of stock incentive options outstanding and exercisable is as follows:

Exercise Price per Share	**Expiry Date**	**January 31, 2013**	**April 30, 2012**
$1.20	March 12, 2013	17,500	17,500
$1.20	November 21, 2013	40,000	40,000
$0.15	October 6, 2016	1,740,000	1,740,000
		1,797,500	1,797,500

Escrow shares

As at January 31, 2013, 159,000 common shares were held in escrow (2012 – 330,000).

NOTE 10 – RELATED PARTY BALANCES AND TRANSACTIONS

Management transactions

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel for the nine months ended January 31, 2013 and 2012 are as follows:

	2013	2012
Salaries and benefits	$ 127,950	$ 127,400
Stock-based compensation	-	19,890
	$ 127,950	$ 147,290

NOTE 10 – RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

Other related party transactions
During the nine-month period ended January 31, 2013, $24,298 (2012 - $38,982) was charged for office, occupancy and miscellaneous costs and salaries, and administrative services paid on behalf of the Company by Oniva International Services Corp. (“Oniva”). The Company takes part in a cost-sharing arrangement to reimburse Oniva for a variable percentage of its overhead expenses, to reimburse its out-of-pocket expenses incurred on behalf of the Company, and to pay a percentage-based fee on the total overhead and corporate expenses. The arrangement may be terminated with one month notice by either party.

Due to related parties
As at January 31, 2013, the Company owed $3,655 (April 30, 2012 - $2,631) to Oniva in the ordinary course of business. The Company receives rent, office and administrative supplies and services from Oniva, a private company related by common management. The Company also owed $3,180 (April 30, 2012 - $3,078) to directors and officers of the Company in the ordinary course of business. The amounts due to related parties are non-interest bearing, unsecured and due on demand.

NOTE 11 – FINANCIAL INSTRUMENTS

The fair value of the Company’s cash, amounts receivable, due to related parties, and accounts payables and accrued liabilities approximate their carrying values because of the short-term nature of these instruments. The fair value of the Company’s available for sale securities is detailed in Note 5.

The Company’s financial instruments are exposed to certain financial risks, credit risk, liquidity risk and market risk.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company’s cash is exposed to credit risk.

The Company manages credit risk, in respect of cash, by maintaining the majority of cash at high credit-rated Canadian financial institutions. As at January 31, 2013, cash did not exceed the amounts covered under federal deposit insurance (April 30, 2012 – excess of $324,828).

Concentration of credit risk exists with respect to the Company’s cash, as the majority of the amounts are held with a single Canadian financial institution.

The Company’s amounts receivable consist primarily of Harmonized Sales Tax due from the Government of Canada. As such, the Company considers this risk to be minimal.

Liquidity Risk
Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company had cash at January 31, 2013 in the amount of $82,589 (2012 – $426,184) in order to meet short-term business requirements. At January 31, 2013, the Company had current liabilities of $15,350 (2012 – $41,367). Accounts payable have contractual maturities of approximately 30 days or are due on demand and are subject to normal trade terms. Amounts due to related parties are without stated terms of interest or repayment.

NOTE 11 – FINANCIAL INSTRUMENTS (Continued)

Market Risk

Market risk consists of interest rate risk, foreign currency risk and other price risk. These are discussed further below.

Interest Rate Risk

Interest rate risk consists of two components:

a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk. The Company's cash is currently held in highly liquid short-term investments and therefore management considers the interest rate risk to be minimal.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

At this time, the Company is not exposed to material foreign currency risk.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its investment in related parties as they are carried at fair value based on quoted market prices.

Classification of Financial Instruments

IFRS 7 – *Financial Instruments: Disclosures* – establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of the Company's other receivables, due to related parties, and accounts payable and accrued liabilities approximate their carrying values because of the short-term nature of these instruments. The fair value of the Company's cash and investments is categorized as a Level 1 in the Fair Value Hierarchy.

NOTE 12 – CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its properties and to maintain flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity as well as cash.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

As at January 31, 2013, the Company had $136,371 of capital (April 30, 2012 – $475,752), a decrease of capital of $339,381 during the nine months ended January 31, 2013 (2012 – increase of $94,660).

NOTE 13 - CASH PROVIDED BY (USED IN) CHANGES IN NON-CASH WORKING CAPITAL ITEMS

	Nine months ended January 31, 2013	2012
Interest receivable and other receivable	$ 4,877	$ 99
Mining tax credit receivable	1,000	3,917
Goods and services tax recoverable	10,328	41,594
Prepaid expense	3,543	13,242
Reclamation bonds	(173)	-
Accounts payable and accrued liabilities	(23,732)	(29,035)
Due to related parties	1,126	(10,710)
	$ (3,031)	$ 19,107

NOTE 14 – FOREIGN OPERATIONS

The consolidated statement of financial position as at January 31, 2013 includes $289,474 for exploration and evaluation assets located in Nevada, USA (April 30, 2012 – $256,802).

NOTE 15 – SUBSEQUENT EVENTS

On April 9, 2013, the Company's shareholders will be asked to approve a consolidation in which the Company will exchange one new common share for every three old common shares. The Company's issued and outstanding capital of 22,446,539 shares will be reduced to 7,482,180 shares. In conjunction with the share consolidation, the shareholders will also be asked to approve changing the Company's name from Mill Bay Ventures Inc. to Great Thunder Gold Corp.