EVERTON RESOURCES INC.
(An exploration stage Company)

Condensed Consolidated Interim Financial Statements

For the three months ended January 31, 2013

(Unaudited)

(Expressed in Canadian Dollars)

Everton Resources Inc.
(An exploration stage Company)

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Management's responsibility for financial statements

The unaudited condensed consolidated interim financial statements of Everton Resources Inc. are the responsibility of the Board of Directors. Management has developed and is maintaining a system of internal controls to obtain reasonable assurance that the Company's assets are safeguarded, transactions are authorized and financial information is reliable.

The unaudited condensed consolidated interim financial statements have been prepared by management, on behalf of the Board of directors, in accordance with the accounting policies disclosed in the notes to these financial statements. Where necessary management has made informed judgements and estimates in accounting for transactions which were not complete at the financial position date. In the opinion of management, the unaudited condensed consolidated interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards.

Established processes are in place to provide management with sufficient knowledge to support it in its representations in exercising reasonable diligence that: i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by, the consolidated financial statements, and: ii) the consolidated financial statements fairly present, in all material respects the financial condition, results of operations and cash flows of the Company as at the date of and for the periods presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed consolidated interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed consolidated interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed consolidated interim financial statements together with other financial information of the Company for issuance to shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Andre Audet"
Chief Executive Officer

"Sabino Di Paola"
Chief Financial Officer

March 25, 2013

Notice of no review or audit

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

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

The Company's independent auditor has not performed a review or audit of these condensed consolidated interim financial statements.

Everton Resources Inc.
(An exploration stage Company)
Unaudited Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

As at	**January 31, 2013**	October 31, 2012
	$	$
ASSETS		
Current assets		
Cash and cash equivalents (Note 4)	**982,497**	1,358,737
Marketable securities and warrants (Note 5)	**2,179,968**	2,361,357
Accounts receivable	**93,277**	83,359
Prepaid expenses	**225,789**	210,488
	3,481,531	4,013,941
Non-current assets		
Option to acquire mineral exploration property (Note 7)	**1,162,781**	1,162,781
Property, plant and equipment	**24,617**	26,855
Mineral exploration properties (Note 6)	**2,584,635**	2,644,635
Exploration and evaluation assets (Note 6)	**16,522,205**	16,070,322
Total assets	**23,775,770**	23,918,534
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**794,038**	586,978
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	**37,493,346**	37,493,346
Warrants (Note 9)	**839,350**	888,362
Contributed surplus	**8,879,910**	8,830,898
	47,212,606	47,212,606
Accumulated other comprehensive income	**1,668,136**	1,833,136
Accumulated deficit	**(25,899,010)**	(25,714,186)
	(24,230,874)	(23,881,050)
Total shareholders' equity	**22,981,732**	23,331,556
Total liabilities and shareholders' equity	**23,775,770**	23,918,534

Contingencies and commitments (Note 15)
Post reporting date events (Note 16)
Going concern (Note 2d)

On behalf of the Board

(signed) "Andre Audet"
Andre Audet, Director

(signed) "Michael Farrant"
Michael Farrant, Director

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

Everton Resources Inc.
(An exploration stage Company)
Unaudited Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Three months ended	
	January 31, 2013	January 31, 2012
	$	$
Operating expenses		
Management fees	**66,750**	45,305
Travel and promotion	**74,622**	51,465
Professional fees	**119,605**	81,840
General and administrative	**58,788**	127,868
Amortization	**-**	965
Stock-based compensation	**-**	33,665
	(319,765)	(341,108)
Other income (loss)		
Interest and other income	**1,931**	2,884
Gain on sale of long-term investment	**-**	224,605
Unrealized loss on financial assets at fair value through profit or loss	**(6,944)**	(27,258)
Loss on sale of marketable securities	**(9,445)**	(66,052)
Foreign exchange gain (loss)	**149,399**	(9,926)
	134,941	124,253
Net loss	**(184,824)**	(216,855)
Other comprehensive income (loss)		
Reclassification of net realized loss on available-for-sale investments	**(9,445)**	(158,553)
Net unrealized (loss) gain on available-for-sale investments	**(155,555)**	347,022
Comprehensive income	**(165,000)**	188,469
Total comprehensive loss	**(349,824)**	(28,386)
Basic and diluted loss per common share	**(0.001)**	(0.002)
Basic and diluted weighted average number of common shares outstanding	**146,654,225**	111,691,725

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

Everton Resources Inc.
(An exploration stage Company)
Unaudited Condensed Consolidated Interim Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share capital		Warrants	Contributed surplus	Subtotal	Accumulated OCI	Accumulated Deficit	Total
	# of shares	$	$	$	$	$	$	$
Balance, October 31, 2011	**111,691,725**	**35,084,315**	**1,436,482**	**7,840,441**	**44,361,238**	**2,602,275**	**(20,017,996)**	**26,945,517**
Shares issued for cash (net of issue costs)	19,962,500	1,284,031	-	-	1,284,031	-	-	1,284,031
Shares issued for option agreement	15,000,000	1,125,000			1,125,000			1,125,000
Stock-based compensation	-	-	-	190,389	190,389	-	-	190,389
Warrants issued	-	-	251,948	-	251,948	-	-	251,948
Expiry of warrants	-	-	(800,068)	800,068	-	-	-	-
Transactions with owners	34,962,500	2,409,031	(548,120)	990,457	2,851,368	-	-	2,851,368
Net loss	-	-	-	-	-	-	(5,696,190)	(5,696,190)
Reclassification of net realized gain on available-for-sale investments	-	-	-	-	-	(1,145,208)	-	(1,145,208)
Net unrealized gain on available-for-sale investments	-	-	-	-	-	228,027	-	228,027
Taxes on other comprehensive loss						148,042		148,042
Comprehensive loss	-	-	-	-	-	(769,139)	(5,696,190)	(6,465,329)
Balance, October 31, 2012	**146,654,225**	**37,493,346**	**888,362**	**8,830,898**	**47,212,606**	**1,833,136**	**(25,714,186)**	**23,331,556**
Expiry of warrants	-	-	(49,012)	49,012	-	-	-	-
Transactions with owners	-	-	(49,012)	49,012	-	-	-	-
Net loss	-	-	-	-			(184,824)	(184,824)
Reclassification of net realized loss on available-for-sale investments	-	-	-	-	-	(9,445)	-	(9,445)
Net unrealized loss on available-for-sale investments	-	-	-	-	-	(155,555)	-	(155,555)
Comprehensive loss	-	-	-	-	-	(165,000)	(184,824)	(349,824)
Balance, January 31, 2013	**146,654,225**	**37,493,346**	**839,350**	**8,879,910**	**47,212,606**	**1,668,136**	**(25,899,010)**	**22,981,732**

	Share capital		Warrants	Contributed surplus	Subtotal	Accumulated OCI	Accumulated Deficit	Total
	# of shares	$	$	$	$	$	$	$
Balance, October 31, 2011	**111,691,725**	**35,084,315**	**1,436,482**	**7,840,441**	**44,361,238**	**2,781,306**	**(20,197,027)**	**26,945,517**
Stock-based compensation	-	-	-	33,665	33,665	-	-	33,665
Transactions with owners	-	-	-	33,665	33,665	-	-	33,665
Net loss	-	-	-	-	-	-	(216,855)	(216,855)
Reclassification of net realized gain on available-for-sale investments	-	-	-	-	-	(158,553)	-	(158,553)
Net unrealized gain on available-for-sale investments	-	-	-	-	-	347,022	-	347,022
Comprehensive income	-	-	-	-	-	188,469	(216,855)	(28,386)
Balance, January 31, 2012	**111,691,725**	**35,084,315**	**1,436,482**	**7,874,106**	**44,394,903**	**2,969,775**	**(20,413,882)**	**26,950,796**

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

Everton Resources Inc.
(An exploration stage Company)
Unaudited Condensed Consolidated Interim Statements of Cash Flows
(*Expressed in Canadian dollars)*

	Three months ended January 31	
	2013	2012
		$
OPERATING ACTIVITIES		
Net loss	**(184,824)**	(216,855)
Adjustments for:		
Stock-based compensation	**-**	33,665
Amortization	**-**	965
Interest income	**(1,931)**	(2,884)
Gain on sale of long-term investment	**-**	(224,605)
Unrealized loss on financial assets at fair value through profit and loss	**6,944**	27,258
Loss on sale of marketable securities (Note 5)	**9,445**	66,052
Unrealized gain on foreign exchange	**(149,378)**	(9,926)
Changes in working capital items (Note 11)	**181,841**	63,769
Net cash used in operating activities	**(137,903)**	(262,561)
INVESTING ACTIVITIES		
Proceeds from sale of marketable securities	**-**	345,757
Proceeds from sale of long-term investment	**-**	244,705
Proceeds from sale of short-term investments	**-**	165,121
Deferred corporate transaction costs	**-**	(25,000)
Option payments received (Note 7)	**60,000**	50,000
Interest received	**1,931**	2,884
Exploration and evaluation costs	**(300,268)**	(890,449)
Tax credits and mining duties received	**-**	980
Net cash used in investing activities	**(238,337)**	(106,002)
Decrease in cash	**(376,240)**	(368,563)
Cash, beginning of period	**1,358,737**	946,964
Cash, end of period	**982,497**	578,401

Supplemental cash flow information is provided in Note 11

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

1. NATURE OF OPERATIONS

Everton Resources Inc. ("Everton") was incorporated under the Business Corporations Act (Alberta) on November 7, 1996 and commenced operations on December 19, 1996. Until June 2002, the Company was involved in an internet related business. In November 2002, the Company commenced its current nature of operations which involves the acquisition, exploration and development of mineral resource properties. Everton and its subsidiaries (the "Company") are in the exploration stage and do not derive any revenue from the development of their properties. The address of the Company's corporate office is 2742 St. Joseph Blvd, Suite 205, Ottawa, Ontario, Canada, K1C 1G5. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V"') under the symbol "EVR" and on the OTCQX Exchange in the U.S. under the symbol "EVRRF".

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Company applies IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRSs issued and outstanding as of January 31, 2013. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended October 31, 2012. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending October 31, 2013 could result in restatement of these unaudited condensed consolidated interim financial statements.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2(c).

These Financial Statements were authorized for issue by the Board of Directors on March 25, 2013.

(b) Basis of measurement and functional currency

These Financial Statements have been prepared on a historical cost basis, except for the available-for-sale financial instruments and financial assets at fair value through profit or loss which are measured at fair value, and are expressed in Canadian dollars, which is the Company's functional and presentation currency. The functional currency for each consolidated entity is determined by the currency of the primary economic environment in which it operates.

(c) Critical accounting estimates, judgments and assumptions

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the application of the Company's exploration and evaluation expenditure policy, recoverable value of mining assets (mineral exploration properties and exploration and evaluation assets), the valuation of stock-based compensation and warrants, assessment of contingencies and the ability of the Company to continue as a going concern.

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement to determine whether it is likely that future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves or resources. The determination of a resource is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates directly impact when the Company defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable extraction operation can be established. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of exploration and evaluation assets requires management's judgment, among others, regarding the following: determining if the period for which the entity has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own share, the probable life of share options and warrants granted and the time of exercise of those share options and warrants. The model used by the Company is the Black-Scholes valuation model.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcomes of future events.

(d) Going concern assumption

These Financial Statements have been prepared on a basis which assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. In assessing whether this assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. This assessment is based upon planned actions that may or may not occur for a number of reasons including the Company's own resources and external market conditions.

As at January 31, 2013, the Company had a working capital surplus, excluding marketable securities of $507,525, including $982,497 in cash. The Company is currently in an arbitration process to have the Shoal Lake East option payments deferred to later periods.

During the quarter Focus Graphite Inc. launched a legal claim against the Company and as a result has not released the escrowed shares to Everton. Everton has taken the appropriate action to resolve the issue and have the Focus shares released from escrow in the near future.

The Company anticipates having sufficient funds to discharge its current liabilities and meet its corporate administrative expenses for at least twelve months. However, the Company will require additional financing, through various means including but not limited to equity financing, to continue the exploration program on its properties and/or to acquire additional exploration properties and to meet its entire general and administrative costs. There is no assurance that the Company will be successful in raising the additional required funds. This material uncertainty casts significant doubt regarding the Company's ability to continue as a going concern.

(e) Basis of consolidation

These Financial Statements incorporate the financial statements of the Company and its subsidiaries. Everton Resources Inc. is the ultimate parent company of the consolidated group. Subsidiaries are consolidated from the date on which the Company obtains control and continue to be consolidated until control ceases. Control is established when the Company has the power to govern the financial and operating policy decisions of the entity, and generally exists where more than 50% of the voting power of the entity is held by the Company. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All material intercompany transactions and balances are eliminated in full on consolidation.

Where the ownership of a subsidiary is less than 100%, and a non-controlling interest thus exists, any losses of that subsidiary are attributed to the non-controlling interests even if that results in a deficit. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

An associate is an entity in which the Company or its subsidiaries have significant influence, and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in, without having control over, the financial and operating policy decisions of the entity, and generally exists where between 20% and 50% of the voting power of the entity is held by the Company. As at January 31, 2013, the Company does not have any associates.

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The subsidiaries of the Company at January 31, 2013 and their principal activities are described below:

Name of subsidiary	Place of incorporation	Ownership interest	Principal activity
Everton Minera Dominicana S.A.	Dominican Republic	100%	Exploration Company
Tropical Resources S.A.	Dominican Republic	100%	Exploration Company
Pan Caribbean Metals Inc.	British Virgin Islands	100%	Holding Company
Dominican Metals Inc.	British Virgin Islands	100%	Holding Company
Hays Lake Gold Inc.	Canada	100%	Exploration Company

3. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Standards, amendments and interpretations issued but not yet effective up to the date of the issuance of the consolidated financial statements are listed below, none of which have been early adopted by the Company. Certain other standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements.

IFRS 9, "Financial Instruments"

This new standard is part of the IASB's project to replace IAS 39, "Financial Instruments: Recognition and Measurement" and provides guidance on the classification and measurement of financial assets, financial liabilities, hedge accounting and derecognition. This standard is effective for annual periods beginning on or after January 1, 2015. Earlier application is permitted. The Company is currently evaluating the impact of this pronouncement on its consolidated financial statements.

IFRS 10, "Consolidated Financial Statements"

This new standard provides guidance on the determination of control where this is difficult to assess and replaces IAS 27 Consolidated and Separate Financial Statements that address the accounting for consolidated financial statements. It also addresses the issues covered in SIC 12, "Consolidation – Special Purpose Entities". This standard is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is currently evaluating the impact of this pronouncement on its consolidated financial statements.

IFRS 11, "Joint Arrangements"

This new standard replaces IAS 31 Interest in Joint Ventures and SIC 13 Jointly Controlled Entities – Non Monetary Contributions by Ventrurers. IFRS 11 removes the option to account for jointly controlled entities ("JCEs") using proportionate consolidation. JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. This pronouncement is not expected to have a material impact on the Company's consolidated financial statements.

IFRS 12, "Disclosure of Interests in Other Entities"

This new standard provides disclosure guidance on interests in subsidiaries, joint arrangements, associates and structured entities. This standard is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is currently evaluating the impact of this pronouncement on its consolidated financial statements.

(Expressed in Canadian dollars)

3. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED (Continued)

IFRS 13, "Fair Value Measurement"

This new standard sets out a single IFRS definition and measurement framework for fair value. This standard is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is currently evaluating the impact of this pronouncement on its consolidated financial statements.

Amendment to IAS 1, "Presentation of Financial Statements"

This amendment requires an entity to group items presented in other comprehensive income/(loss) into those that, in accordance with other IFRSs: (a) will not be reclassified subsequently to profit or loss and (b) will be reclassified subsequently to profit or loss when specific conditions are met. It is applicable for annual periods beginning on or after July 1, 2012. The Company expects this will change the current presentation of items in other comprehensive income/(loss), however, it will not affect the measurement or recognition of such items.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes the following:

	January 31, 2013	October 31, 2012
	$	$
Cash	**810,674**	1,187,476
Investment savings accounts	**171,823**	171,261
Total cash and cash equivalents	**982,497**	1,358,737

As at January 31, 2013 and October 31, 2012, cash includes amounts held in investment saving accounts with interest rates ranging from 1.20% to 1.50%.

(Expressed in Canadian dollars)

5. MARKETABLE SECURITIES AND WARRANTS

As at January 31, 2013, the following securities were included in marketable securities and warrants:

	Cost	Cumulative impairment	Fair value adjustment	Fair value
	$	$	$	$
Augyva Inc. - 25,000 common shares	17,250	(15,625)	1,125	2,750
Electra Gold Limited - 2,000,000 common shares	20,000	-	-	20,000
Focus Graphite - 3,300,000 common shares	198,000	-	1,947,000	2,145,000
Marketable securities	**235,250**	**(15,625)**	**1,948,125**	**2,167,750**
Nemaska - 250,000 warrants	38,098	-	(25,880)	12,218
Warrants	**38,098**	**-**	**(25,880)**	**12,218**
Marketable securities and warrants	**273,348**	**(15,625)**	**1,922,245**	**2,179,968**

On January 7, 2013, 500,000 warrants in Nemaska Exploration Inc. expired unexercised. The warrants had an exercise price of $0.60. The Company recorded a realized loss on the expiry of the warrants of $9,445.

There were no purchase or sale of marketable securities during the three months ended January 31, 2013.

As at October 31, 2012, the following securities were included in marketable securities and warrants:

	Cost	Cumulative impairment	Fair value adjustment	Fair value
	$	$	$	$
Augyva Inc. - 25,000 common shares	17,250	(15,625)	1,125	2,750
Electra Gold Limited - 2,000,000 common shares	20,000	-	-	20,000
Focus Graphite - 3,300,000 common shares	198,000	-	2,112,000	2,310,000
Marketable securities	**235,250**	**(15,625)**	**2,113,125**	**2,332,750**
Exploration Nemaska Inc. ("Nemaska") - 500,000 warrants	123,025	-	(113,580)	9,445
Nemaska - 250,000 warrants	38,098	-	(18,936)	19,162
Warrants	**161,123**	**-**	**(132,516)**	**28,607**
Marketable securities and warrants	**396,373**	**(15,625)**	**1,980,609**	**2,361,357**

During the year ended October 31, 2012, the Company sold 398,000 shares of Nemaska for net proceeds of $147,962 realizing a loss of $3,347.

The Company received 25,002 common shares of Monarques Resources Inc. as part of a spinoff of Nemaska Exploration Inc. The shares were sold for gross proceeds of $3,525 and realized a gain of $3,525.

(Expressed in Canadian dollars)

5. MARKETABLE SECURITIES AND WARRANTS (Continued)

During the year ended October 31, 2012, the Company sold 5,700,000 shares of Strike Minerals Inc. for net proceeds of $506,515, realizing a gain of $136,015.

For presentation the Company reclassified its investment in Focus Graphite from long term investments to marketable securities as the final escrow period comes due on May 27, 2013, which is less than a full financial year from the date of the financial statements.

Investment in Focus Graphite Inc.

The Company holds common shares in Focus Graphite Inc. ("Focus"), formerly Focus Metals Inc., which are classified as available-for-sale financial assets and are measured at fair value. The Company does not exercise significant influence over Focus.

November 30, 2012, the Company announced that it has been named as a defendant, along with a current officer, a former officer and a third party, in a motion to institute proceedings, filed by Focus, in Montreal, Quebec. The motion relates to a transaction in which Everton sold certain mining claims in the Labrador Trough in 2009 and 2010, specifically with respect to the disclosure of an NSR on these properties. While the plaintiff is unable to quantify the value of its loss at this time, it is seeking an order for $120,000 and certain declarations in this motion. In addition, the Company holds 3,300,000 common shares in Focus, which are currently in escrow. Focus has not released 900,000 shares from escrow which were due to be released on November 27, 2012.

Everton has retained the law firm of Heenan Blaikie LLP and intends to take all appropriate action in relation to the motion.

Under a Surplus Security Escrow agreement, the 6,000,000 common shares of Focus, received by the Company in May 2010 further to the sale of certain properties, were subject to a 36 month staged release escrow, and will be/ have been released according to the following schedule:

	Number of shares	Date of release from escrow
Shares issued under escrow agreement	6,000,000	
	(300,000)	May 27, 2010
	(300,000)	November 27, 2010
	(600,000)	May 27, 2011
	(600,000)	November 27, 2011
	(900,000)	May 27, 2012
Shares released as at October 31, 2012	**(2,700,000)**	
	900,000	November 27, 2012
	2,400,000	May 27, 2013
Shares escrowed as at October 31, 2012	**3,300,000**	

During the year ended October 31, 2012, the Company sold 1,500,000 shares of Focus for net proceeds of $1,099,014, realizing a gain of $1,009,014.

(Expressed in Canadian dollars)

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS

	January 31, 2013		October 31, 2012	
	Mineral exploration properties	**Exploration and evaluation assets**	Mineral exploration properties	Exploration and evaluation assets
Dominican Republic				
a) Cuance	**$ -**	**$ 1,025,717**	$ -	$ 1,025,517
a) Los Hojanchos	**-**	**325,975**	-	325,776
b) La Cueva (Loma El Mate)	**183,836**	**988,005**	183,836	974,573
c) Jobo Claro	**302,280**	**542,723**	302,280	537,530
d) Maimon Copper	**-**	**884,550**	-	873,003
e) Ampliacion Pueblo Viejo	**1,258,460**	**6,702,875**	1,258,460	6,503,442
e) La Lechoza	**-**	**919,056**	-	919,056
f) Ponton (Loma Hueca)	**197,198**	**707,606**	197,198	506,685
g) Pun	**24,944**	**280,437**	24,944	269,342
h) Other	**-**	**176,067**	-	166,204
	$ 1,966,718	**$ 12,553,011**	$ 1,966,718	$ 12,101,128
Canada				
Quebec				
l) Opinaca	**$ 440,452**	**$ 2,754,707**	$ 500,452	$ 2,754,707
m) Wildcat	**176,465**	**1,125,390**	176,465	1,125,390
British Columbia				
n) Hot Springs	**1,000**	**89,097**	1,000	89,097
	$ 617,917	**$ 3,969,194**	$ 677,917	$ 3,969,194
TOTAL	**$ 2,584,635**	**$ 16,522,205**	$ 2,644,635	$ 16,070,322

Dominican Republic

a) Cuance and Los Hojanchos, Dominican Republic

On August 18, 2003, Everton entered into an option agreement with Globestar Mining Corporation (''Globestar'') to earn up to a 70% interest in three gold and base metals concessions, namely Cuance, Los Hojanchos and Loma de Payabo concessions. The concessions, collectively known as the Everton Concession Group, are located in the Central Cordillera of the Dominican Republic within the Maimon Copper and Los Ranchos Formations. The above agreement was amended on August 25, 2005, August 22, 2006, December 28, 2006, August 14, 2007, February 20, 2008, September 29, 2008 and September 3, 2009.

Everton agreed to incur exploration expenditures totaling US$1,170,000 (CAD$1,184,000) by July 31, 2010 to earn a 50% interest in two of these properties, Cuance and Los Hojanchos (a minimum of US$585,000 (CAD$592,000) per concession). The Company has earned its undivided 50% interest in the two properties, and a joint venture has been formed with Globestar effective March 31, 2009, with Everton acting as the operator.

The exploration licenses are currently being renewed.

b) La Cueva (Loma El Mate), Dominican Republic

On December 8, 2003, the Company entered into an earn-in agreement with Brigus Gold Corp. (“Brigus”) for the La Cueva (Loma El Mate) Project, located in the Dominican Republic, which is contiguous to the southeast corner of the Pueblo Viejo Gold Mine concession. The Company had the option to acquire a 50% interest in the property by incurring cumulative expenditures of US$500,000 (CAD$567,000) over a two year

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS (Continued)

period, issuing 200,000 common shares and paying an option fee of US$70,000 (CAD$79,000). All of the above conditions were met and the Company acquired its 50% interest.

On September 26, 2012 the Company signed an option agreement with Brigus whereby Everton can acquire Brigus' remaining interest in the property. The terms of the agreement are described below (Note 6.e).

The exploration licenses are currently being renewed.

c) Jobo Claro, Dominican Republic

The Company holds a 100% interest in the Jobo Claro concession which it acquired from a local concession holder in 2007. The property is adjacent to the Pueblo Viejo Mine in the Dominican Republic.

The exploration licenses are currently being renewed.

d) Maimon Copper, Dominican Republic

In January 2005, five polymetallic concessions were granted to the Company: Miranda, Loma Blanca, Caballero, Los Naranjos and Tocoa. These five concessions which are located within the Maimon Formation in the Dominican Republic were held 100% by the Company. In November 2005, the Company was granted another three polymetallic concessions in the same area: La Sidra, El Llano and La Yautia.

During the year ended October 31, 2009, the Company wrote down the cost of the Loma Blanca, Caballero and Los Naranjos concessions to $Nil ($120,318 in exploration and evaluation costs) as the projects no longer fit the Company's strategy.

During the year ended October 31, 2011, the Company wrote down the cost of the Tocoa and Miranda concessions to $Nil ($119,167 in exploration and evaluation costs) as the projects no longer fit the Company's strategy.

As at January 31, 2013, Maimon Copper consists of 3 properties: La Sidra, El Llano and La Yautia.

The exploration licenses are currently being renewed.

e) Ampliacion Pueblo Viejo, La Lechoza, Dominican Republic

In April 2007, the Company obtained an option to acquire from Brigus an undivided 50% interest in the Ampliacion Pueblo Viejo ("APV") (which includes the La Lechoza prospect) concession.

<u>APV and La Lechoza</u>

To earn its 50% interest in the APV Concession, which includes the La Lechoza prospect, the Company was required to make cash payments totaling US$700,000 (CAD$818,460), incur US$2,500,000 (CAD$2,660,000) in exploration work and issue 1,200,000 common shares over a three-year period. During the year ended October 31, 2010, all remaining conditions were met and the Company earned its initial 50% interest in the property.

On February 14, 2011, the Company signed an amended agreement with Brigus whereby Everton could earn an additional 20% interest in the concession by incurring an additional US$2,500,000 (CAD$2,471,000) in exploration work by April 10, 2012. Everton's interest in the property at January 31, 2013 remains at 50%.

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS (Continued)

The exploration licenses are currently being renewed.

On September 26, 2012, Everton, Brigus Gold Corp., Brigus Gold ULC and Linear Gold Caribe SA., executed an option agreement (the "Option Agreement") pursuant to which Everton was granted an option to have the sole and exclusive right to acquire all of the issued and outstanding common shares of Linear Gold Caribe SA. (the "Option") in order to to purchase Brigus' remaining interest in the APV, Ponton (Note 6.f) and La Cueva (Note 6.b) concessions ("the Concessions"). The exercise price of the Option was 15,000,000 common shares of Everton (Note 7).

The above transaction is subject to regulatory approval.

f) Ponton (Loma Hueca), Dominican Republic

In April 2007, the Company obtained an option to acquire from Brigus an undivided 50% interest in the Ponton (Loma Hueca) concession.

Under the initial option agreement, the Company could earn a 50% interest in the Ponton (Loma Hueca) Concession by making cash payments totaling US$100,000, completing work commitments of US$600,000 and issuing 200,000 common shares over a three-year period. The Company has made the US$100,000 and issued the 200,000 common shares in accordance with the agreement, and has earned a 50% interest in the Ponton (Loma Hueca Concession).

Furthermore, the Company could increase its interest in the concession to 65% by incurring all additional expenditures on the concession to the completion of a bankable feasibility study and by paying Brigus US$250,000 (CAD$247,000) and issuing 300,000 additional common shares.

On September 26, 2012 the Company signed an option agreement with Brigus whereby Everton can acquire Brigus' remaining interest in the property. The terms of the agreement are described in Note 7.

g) Pun

In September 2011 the Company entered into a purchase agreement for the Pun exploration concession adjacent to Ponton. The Pun concession covers an area of 3,675 Ha.

The Company is required to make a payment of US$50,000 on the first anniversary of the option. Everton may opt to acquire 100% ownership of the concession for a payment of US$200,000. Everton can at any time without penalty drop the option or transfer the rights to a third party after giving the optionor a right of first refusal.

The optionor retains a 1% NSR if Everton opts to acquire the concession. Everton is the operator and has complete discretion on how to conduct the exploration activities without any limitations as to minimum expenditures or work commitment.

h) Other

Other properties consist of several eastern Dominican Republic concessions.

(Expressed in Canadian dollars)

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS (Continued)

Canada

i) Shoal Lake West (Duport), Ontario

Under an option agreement, dated October 7, 2008, between the Company and Halo Resources Ltd. (''Halo''), the Company can acquire a 51% interest in mining claims located in Glass Township, Shoal Lake Ontario, by issuing 5,438,400 HLG common shares (converted to 2,012,208 Everton shares on September 17, 2009), making cash payments totalling $770,000 over 4 years and incurring $1,500,000 in exploration work by May 1, 2010.

On July 5, 2012, the Company signed a mutual release and quitclaim deed with Halo Resources in which the Company released all of its claims in the Shoal Lake West (Duport) property. Under the quitclaim deed the Company no longer has any commitments or obligations with respect to Halo Resources and the Shoal Lake West (Duport) property.

j) Shoal Lake East (Machin), Ontario

Under an option agreement, dated September 19, 2008, between the Company and Machin Mines Ltd. (''Machin''), the Company can acquire a 100% interest in 15 patents and 8 claims located in Glass Township, Shoal Lake Ontario, for cash consideration of $1,517,000 over 4 years and the issuance of 500,000 HLG common shares (converted to 185,000 Everton shares on September 17, 2009).

As at January 31, 2013, the remaining commitments are as follows:

	Cash payments
	$
2 quarterly payments of $27,000 ending September 30, 2012	54,000
On or before September 30, 2012	1,114,000
	1,168,000

Machin retains a 1.5% NSR on the first 500,000 ounces of gold produced and 2% on all gold produced in excess of 500,000 ounces. The Company has the right to purchase one-third of the NSR at any time prior to commercial production for $1,000,000.

In October 2012 the Company sought arbitration to have the amounts and timing of the remaining option payments adjusted. As at January 31, 2013 no arbitration meeting date has been set yet.

k) Shoal Lake East (KPM), Ontario

On December 19, 2008, the Company signed an agreement with Kenora Prospectors & Miners Ltd ("KPM") to acquire a 100% interest in the Kenora property, located in Glass Township, Ontario, for cash consideration of $3,260,000 over 4 years.

As at January 31, 2013, the remaining commitments are as follows:

	Cash payments
	$
3 quarterly payments of $30,000, ending December 31, 2012	90,000
On or before December 31, 2012	2,242,684
	2,332,684

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS (Continued)

KPM retains a 1.5% NSR on the first 500,000 ounces of gold and silver produced and 2% on all gold and silver produced in excess of 500,000 ounces. The Company has the right to purchase one-third of the NSR at any time prior to commercial production for $1,000,000.

In October 2012 the Company sought arbitration to have the amounts and timing of the remaining option payments adjusted. As at January 31, 2013 no arbitration meeting date has been set yet.

l) Opinaca, Quebec

On December 9, 2004, Everton signed an option agreement with Azimut Exploration to initially earn 50% undivided interest in the Opinaca property by incurring a minimum $2,800,000 in exploration work and making cash payments totaling $180,000 over 5 years. Everton has earned 50% of the property to date.

After earning 50% interest, Everton is able to increase its undivided interest to 65%, by incurring $500,000 in exploration work and making cash payments totaling $100,000 over 5 years.

On November 15, 2011, the Company executed an option agreement with Aurizon Mines Ltd. (“Aurizon”) whereby Aurizon can acquire up to an undivided 60% ownership interest in the Opinaca property, in which Everton and Azimut Exploration (‘’Azimut”) each hold an undivided 50% interest, by making total cash payments of $880,000, $440,000 payable to Everton, and incurring exploration expenditures of $9,000,000.

Aurizon can earn a 50% interest in the property by making cash payments totaling $580,000 ($290,000 to Everton) and incurring exploration expenditures of $6,000,000 over four years, including 5,000 meters of drilling by the second anniversary.

Aurizon will be the operator during the earn-in period for the initial 50% interest in the property, after which a joint venture will be formed.

After earning its initial 50% interest in the property, Aurizon may then elect to earn an additional interest of 10%, for a total interest of 60%, by making cash payments totaling $300,000 ($150,000 to Everton) over three years from the election date, incurring exploration expenditures totaling $3,000,000 over three years from the election date, and delivering an independent pre-feasibility study on or before the fourth anniversary of the second option.

In addition, in the event that prior to the end of the eighth year of the initial option agreement, mineral resources of at least 2,000,000 ounces of gold, at an average grade of at least 6 grams of gold per tonne, are estimated with at least 1,000,000 ounces classified in the indicated category or higher, Aurizon shall make a payment of $1,500,000 ($750,000 to Everton), payable in Aurizon common shares, subject to regulatory approval. During the summer of 2012 Aurizon spent approximately $1,300,000 (combined on Opinaca-Wildcat properties) in exploration. The program consists of surface sampling and geochemical analysis, geochemical surveys at the Opinaca-Wildcat properties.

m) Wildcat, Quebec

On January 25, 2005, Everton acquired a 100% interest inclaims grouped in 7 different blocks. These claims were acquired from an independent prospector for a cash consideration of $100,000 and the issuance of 300,000 shares of Everton for a value of $120,000.

On October 13, 2010, the Company executed an option agreement with Aurizon whereby Aurizon can acquire up to an undivided 65% interest in Everton’s wholly-owned Wildcat property, by making total cash payments of $300,000 and incurring expenditures of $6,250,000.

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS (Continued)

Aurizon can earn an initial 50% interest in the property by incurring expenditures of $3,250,000 over four years, including 3,000 meters of drilling within two years. Aurizon will be the operator during the earn-in period for the initial 50% interest in the property, after which a joint venture will be formed.

After earning its initial 50% interest in the property, Aurizon may then elect to earn an additional interest of 15%, for a total interest of 65%, by making cash payments totaling $300,000 over three years from the election date, incurring exploration expenditure of $1,000,000 by each of the first, second and third anniversary dates ($3,000,000 in total) of the second option election deadline, and delivering an independent pre-feasibility study by the end of the fourth anniversary of the of the second option.

In addition, in the event that prior to the end of the eighth year of the initial option agreement, mineral resources of at least 2,000,000 ounces of gold, at an average grade of at least 6 grams of gold per tonne, are estimated with at least 1,000,000 ounces classified in the indicated category or higher, Aurizon shall make a payment of $1,500,000 payable in Aurizon common shares, subject to regulatory approval. During the summer of 2012 Aurizon spent approximately $1,300,000 in exploration (combined on Opinaca-Wildcat properties). The program consists of surface sampling and geochemical analysis, geochemical surveys at the Opinaca-Wildcat properties.

n) Sirmac Lithium, Quebec

In 2009 the Company acquired Sirmac lithium property which consists of 15 designated claims by map-staking.

On January 7, 2011, the Company signed an agreement with Exploration Nemaska ("Nemaska") whereby Nemaska acquired a 100% interest in the property for $30,000 cash, 500,000 shares, initially valued at $275,000, and 500,000 share purchase warrants, each warrant entitling the Company to purchase one common share of Nemaska at a price of $0.60 until January 7, 2013. The warrants initially were recorded at a fair value of $123,025, based on the Black-Scholes option pricing model. The Company recorded a gain on the sale of the property of $407,188. The Company retains a 1% NSR which can be purchased by Nemaska at any time for $1,000,000. On January 7, 2013, the 500,000 warrants expired unexercised. The Company recorded a loss on the expiry of $9,445.

In accordance with an adjustment clause in the sale agreement with Nemaska, Nemaska was required to separate its lithium related assets and its non-lithium related assets into two separate companies on or before June 30, 2011. Given that this did not occur, Nemaska was required to issue to Everton on July 1, 2011, an additional 250,000 common shares (initially valued at $107,500) and 250,000 warrants, each warrant entitling the Company to purchase one common share of Nemaska at a price of $0.60 until June 30, 2013. The warrants were initially recorded at a value of $38,098, based on the Black-Scholes option pricing model.

o) Hot Springs, British Columbia

By agreement dated April 11, 1997 the Company acquired a 100% interest in certain claims in British Columbia from four directors in exchange for 417,143 shares of the Company.

Hot Springs property is located in the New Westminster Mining Division in British Columbia, Canada. The property is owned 100% by the Company.

(Expressed in Canadian dollars)

6. MINERAL EXPLORATION PROPERTIES AND EXPLORATION AND EVALUATION ASSETS (Continued)

Option agreement with Electra Gold Ltd.

On June 5, 2012, Everton signed an option agreement with Electra Gold Ltd. ("Electra"), whereby Electra can acquire a 100% interest in the Company's Hot Springs property. Everton has retained a 2% NSR.

Under the terms of the agreement, Electra has the right to acquire a 100% interest in the property by issuing 20,000,000 common shares of Electra, making cash payments totaling $1,900,000 to Everton and incurring exploration expenditures totaling $500,000, in accordance with the following timeline:

Date	Common shares		Cash payments		Exploration expenditures
On approval from the TSX Venture Exchange (received)	2,000,000	$	25,000	$	-
On or before 1st anniversary	2,000,000	$	25,000	$	100,000
On or before 2nd anniversary	2,000,000	$	50,000	$	200,000
On or before 3rd anniversary	2,000,000	$	100,000	$	200,000
On or before 4th anniversary	2,000,000	$	200,000	$	-
On or before 5th anniversary	10,000,000	$	500,000	$	-
On completion of a feasibility study	-	$	1,000,000	$	-
	20,000,000	$	1,900,000	$	500,000

The following table reflects the changes to mineral exploration properties and exploration and evaluation assets between October 31, 2012 and January 31, 2013:

	Three months ended January 31, 2013	Year ended October 31, 2012
	$	$
Balance, beginning of the year	**18,714,957**	21,965,570
Additions		
Drilling	**96,979**	593,318
Project consulting	**19,285**	24,368
Geophysical survey	**551**	49,973
Geological survey	**216,866**	544,343
Geochemical survey	**19,974**	170,906
Report preparation	**1,990**	69,345
Resource estimate	**-**	6,101
Renewal of licenses and permits	**-**	40,350
General field expenses	**96,238**	87,672
	451,883	1,586,376
Acquisition of mineral exploration properties	**-**	234,000
Write-down of mineral exploration properties and exploration and evaluation assets	**-**	(4,975,989)
Option payments received	**(60,000)**	(95,000)
	(60,000)	(4,836,989)
Balance, end of the period	**19,106,840**	18,714,957

(Expressed in Canadian dollars)

7. OPTION TO ACQUIRE MINERAL EXPLORATION PROPERTY

	January 31, 2013	October 31 2012
Option to acquire Linear Gold Caribe SA.	**$ 1,162,781**	$ 1,162,781
Total	**$ 1,162,781**	$ 1,162,781

On September 26, 2012, Everton, Brigus Gold Corp., Brigus Gold ULC and Linear Gold Caribe SA., executed an option agreement (the "Option Agreement") pursuant to which Everton was granted an option to have the sole and exclusive right to acquire all of the issued and outstanding common shares of Linear Gold Caribe SA. (the "Option") in order to to purchase Brigus' remaining interest in the APV (Note 6.e), Ponton (Note 6.f) and La Cueva (Note 6.b) concessions ("the Concessions"). The exercise price of the Option was 15,000,000 common shares of Everton (the "Shares"). Everton placed the Shares in trust with the Company's corporate lawyers.

On October 23, 2012, Everton proceeded with the issuance of the Shares in favour of Brigus Gold ULC thereby exercising the Option. The 15,000,000 shares were valued at $0.075 per share, the fair value on that day. On the same day, Everton delivered an Acquisition Notice to Brigus Gold under Section 4.3 of the Option Agreement confirming that Everton has elected to exercise its right to acquire all of the issued and outstanding shares of Linear Gold Caribe SA.

The purchase price agreed to by the parties is $1,000,000 payable in two (2) equal installments of $500,000. The first installment is payable upon the receipt of the final approval of the TSX Venture Exchange and is payable in cash. The second installment is payable in cash, in shares or a combination of both at the sole discretion of Everton, and payable on or before November 15, 2012. Subsequent to year end both parties agreed that the both payments would be delayed until approval of the transaction was received by the TSX Venture and the renewal of certain concessions.

Brigus will also receive a sliding scale NSR royalty on the Concessions equal to 1.0% when the price of gold is less than US$1,000 per ounce, 1.5% when the price of gold is between US$1,000 and US$1,400 per ounce, and 2.0% when the price of gold is above US$1,400 per ounce.

Everton will also issue Brigus a promissory note equal to the greater of $5 million or 5,000,000 common shares of Everton. The promissory note will be subject to completion of a NI 43-101 compliant measured and indicated resource estimate on the Concessions of a minimum 1 million ounces of gold equivalent ("AuEq") (at an average grade of 2.5 g/t AuEq or higher for APV and 1.5 g/t AuEq or higher for Ponton and La Cueva) or actual gold production from the Concessions plus a NI 43-101 compliant measured and indicated resource estimate on the Concessions (at an average grade of 2.5 g/t AuEq or higher for APV and 1.5 g/t AuEq or higher for Ponton and La Cueva) exceeding 1 million ounces of gold equivalent.

In connection with the acquisition of the outstanding shares of Linear Gold Caribe SA., the parties need to execute a share purchase agreement to confirm the transaction.

As at January 31, 2013, no such agreement had been signed by the parties and no payment had been made by Everton as the Ponton and La Cueva concessions were still in the process of renewal.

(Expressed in Canadian dollars)

8. SHARE CAPITAL

Authorized

The authorized capital of the company consists of unlimited common shares without par value.

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

There were no common shares issued by the Company in the first quarter 2013.

9. WARRANTS

The following table reflects the continuity of warrants:

	Number of warrants	Weighted average exercise price
		$
Balance, October 31, 2011	**17,590,660**	**0.36**
Granted	21,030,875	0.15
Expired	(9,560,540)	0.38
Balance, October 31, 2012	**29,060,995**	**0.36**
Granted	-	-
Expired	(504,000)	0.38
Balance, January 31, 2013	**28,556,995**	**0.36**

On November 12, 2012, 504,000 share purchase warrants with an average exercise price of $0.38 expired unexercised. The warrants had a Black Scholes value of $49,012.

On September 25, 2012, the Company announced that the TSX Venture Exchange granted its acceptance to extend the expiry date on 3,633,000 warrants issued in connection with a non-brokered private placement completed in October, 2010. The original expiry date of October 29, 2012 was extended to October 29, 2013. The exercise price will remain at $0.40. The Company elected to not revalue the warrants that were extended, in accordance with its accounting policies.

(Expressed in Canadian dollars)

9. WARRANTS (Continued)

As at January 31, 2013, the following warrants were issued and outstanding:

Number of warrants	Fair value	Exercise price	Expiry date
	$	$	
19,962,500	149,719	0.15	August 24, 2014
1,068,375	102,230	0.08	August 24, 2014
3,633,000	277,790	0.40	October 29, 2013
3,491,920	269,760	0.35	August 25, 2013
400,800	39,851	0.25	August 25, 2013
28,556,595	**839,350**		

10. STOCK OPTIONS

Under the terms of the Company's stock option plan (the "Plan") all options are granted with an exercise price equal to the closing market price on the day immediately preceding the date of grant. The term of options is determined by the Board of Directors and is typically three or five years with a maximum term of 10 years. Options issued to consultants who perform investor relations activities will be subject to a vesting schedule whereby no more than 25% of the options granted may vest in any three month period. The maximum number of options authorized for issue shall be 10% of the outstanding shares in issue at the date of the option grant.

On August 31, 2012, the Company announced that its Stock Option plan has been amended to increase the time allowed for directors, officers, consultants, or employees to exercise their options from 60 days to 12 months from the date they cease to be a director, officer, consultant, or employee of the company.

The company increased the maximum number of common shares reserved for issuance under its stock option plan from 10,277,629 to 13,152,922, representing 10% of the outstanding common shares as at August 31, 2012. These options may be granted to the Company's employees, officers, directors and persons providing ongoing services to the Company, subject to regulatory approval.

On July 31, 2012, the Board of Directors approved the grant of 2,500,000 stock options with a weighted average price of $0.06 expiring July 31, 2017 to Directors, Officers and Consultants of the Company which vested immediately. The value to the stock-based compensation was $137,426.

There were no stock options issued by the Company during the first quarter 2013. During the first quarter there were no stock options which were exercised, expired or forfeited.

(Expressed in Canadian dollars)

10. STOCK OPTIONS (Continued)

As at January 31, 2013, the following stock options were outstanding and exercisable:

	Outstanding			Exercisable	
Range of exercise prices	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average outstanding exercise price	Number vested	Weighted average vested exercise price
$0.10-$0.15	1,370,000	0.88	$0.10	1,370,000	$0.10
$0.22-$0.32	3,682,000	2.44	$0.27	3,682,000	$0.27
$0.335-$0.40	960,000	2.67	$0.36	960,000	$0.33
$0.10-$0.20	2,500,000	4.50	$0.16	2,500,000	$0.16
	8,512,000	**2.82**	**$0.22**	**8,512,000**	**$0.22**

11. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended	
	January 31, 2013	January 31, 2012
	$	$
Changes in working capital are as follows:		
Accounts receivable	**(9,918)**	28,156
Amount due from related party	**-**	(843)
Prepaid expenses	**(15,301)**	35,492
Accounts payable and accrued liabilities	**207,060**	964
	181,841	63,769
Exploration and evaluation costs included in accounts payable and accrued liabilities	**124,423**	519,715

12. SEGMENT REPORTING

The Company has one reportable operating segment, being that of acquisition and exploration and evaluation activities. The Company has the following noncurrent assets located in the Dominican Republic and in Canada:

	January 31, 2013	October 31, 2012
Dominican Republic		
Option to acquire mineral exploration property	**$ 1,162,781**	$ 1,162,781
Property, plant and equipment	**24,617**	26,855
Mineral exploration properties	**1,966,718**	1,966,718
Exploration and evaluation assets	**12,553,011**	12,101,128
Total	**$ 15,707,129**	$ 15,257,482

(Expressed in Canadian dollars)

12. SEGMENT REPORTING (Continued)

	January 31, 2013	October 31, 2012
Canada		
Property, plant, equipment	$ -	$ -
Mineral exploration properties	617,917	677,917
Exploration and evaluation assets	3,969,194	3,969,194
Total	$ 4,587,111	$ 4,647,111

All Dominican Republic exploration mineral claims are held by the Company's Dominican Republic subsidiaries with all cost incurred in the subsidiaries capitalized to exploration and evaluation properties.

13. RISK MANAGEMENT AND CAPITAL MANAGEMENT

Risk management

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include credit risk, liquidity risk, foreign currency risk, interest rate risk, market risk and political risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(i) Credit risk

Credit risk is the risk of an unexpected loss if a party to its financial instruments fails to meet its contractual obligations. The Company's financial assets exposed to credit risk are primarily composed of cash, short-term investments, accounts receivable, amount due from related party and long-term receivable and maximum exposure is equal to the carrying values of these assets. The Company's cash is held at several large financial institutions. It is management's opinion that the Company is not exposed to significant credit risk.

None of the Company's financial assets are secured by collateral or other credit enhancements.

(ii) 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 manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. The Company's working capital, excluding marketable securities totals $507,525 as at January 31, 2013 ($1,065,606 as at October 31, 2012), including $982,497 in cash and cash equivalents and current liabilities totalling $794,038 ($586,978 as at October 31, 2012). The Company's financial liabilities are all due within 12 months. The Company anticipates having sufficient funds to discharge its current liabilities and meet its corporate administrative expenses for several months. However, the Company will require additional financing, through various means including but not limited to equity financing, to continue the exploration program on its properties and/or to acquire additional exploration properties and to meet its entire general and administrative costs. There is no assurance that the Company will be successful in raising the additional required funds.

All current liabilities are due on demand.

13. RISK MANAGEMENT AND CAPITAL MANAGEMENT (Continued)

(iii) Foreign currency risk

The Company has exposure to financial risk arising from fluctuations in exchange rates (US dollars and Dominican Peso "DOP") and the degree of volatility of these rates. Although the Company may incur significant future commitments denominated in foreign currencies, the Company does not use forward exchange contracts to reduce exposure to foreign currency risk. A reasonably possible change in US dollars or DOP's with all other variables held constant would not have a material impact on the net loss.

(iv) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not entered into any derivative contracts to manage this risk. The Company's policy as it relates to its cash balances is to invest excess cash in highly liquid, low-risk, short-term interest-bearing investments (such as investment savings accounts and guaranteed investment certificates) with maturities of 360 days or less from the original date of acquisition. The Company has limited exposure to financial risk arising from fluctuations in interest rates earned on cash and short-term investments and the volatility of these rates. As at January 31, 2013, cash and short-term investments total $982,497 ($1,358,737 as at October 31, 2012) and interest income derived from these investments during the period ended January 31, 2013 was $1,931 (2012 - $2,884). A reasonably possible change in interest rates with all other variables held constant would not have a material impact on the net loss.

(v) Market risk

The Company holds shares of publicly listed companies in the mineral exploration industry. The Company is exposed to market risk in trading these shares and unfavourable market conditions could result in the disposal at less than their value at January 31, 2013. At January 31, 2013, the value of these publicly listed shares (including those held in escrow) is $2,179,968 ($2,361,357 as at October 31, 2012). At January 31, 2013, had the bid price for these shares been 10% lower, the comprehensive loss for the period would have been approximately $217,997 higher ($236,136 at October 31, 2012). Conversely, had the bid price been 10% higher, the comprehensive loss for the period would have been approximately $217,997 lower ($236,136 at October 31, 2012).

(vi) Political risk

The Company carries out some of its exploration activities in the Dominican Republic. These activities may be subject to political, economic or other risks that could influence the Company's exploration activities and future financial situation.

<u>*Capital management*</u>

The Company manages its capital to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. In the management of capital, the Company includes the components of shareholders' equity. As long as the Company is in the exploration stage of its mining properties, it is not the intention of the Company to contract additional debt obligations to finance its work programs. 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 acquire or dispose of assets. The Company is not subject to any externally imposed capital requirements. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

(Expressed in Canadian dollars)

14. RELATED PARTY TRANSACTIONS

Key management compensation

The following table reflects compensation of key management personnel, including the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and Directors:

	Three months ended January 31,	
	2013	2012
	$	$
Salaries (including bonuses) (1)	**78,500**	90,835
Benefits	**1,500**	1,737
Share-based compensation	**-**	-
	80,000	92,572

(1) Includes directors' fees which have been included in M*anagement and consulting fees* in the consolidated statements of comprehensive loss.

15. CONTINGENCIES & COMMITMENTS

A) The Company's operations are governed by governmental laws and regulations regarding environmental protection. Environmental consequences are hardly identifiable, in term of level, impact or deadline. At the present time and to the best knowledge of its management, the Company is in conformity with the laws and regulations in effect. Restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the exploration and evaluation assets at the time;

B) The Company has a commitment to pay consultants a total of $9,000 per month for their acceptance to act as the Company's advisor until February 2013 and $6,000 month thereafter until September 2013.

16. POST REPORTING DATE EVENTS

On February 28, 2013 the Company entered into a Royalty Purchase Agreement with Diagnos Inc. on the on the Labrador Trough Gold, Nickel, Copper and Zinc properties. Everton will acquire all of Diagnos' rights, title and interest to the royalty on these properties in exchange for 2,000,000 common shares and 500,000 common share purchase options with an exercise price of $0.10 and an expiry date of 5 years from the date of grant.