Canamex Resources Corp.

Condensed Consolidated Interim Financial Statements

Nine Months Ended September 30, 2012

Expressed in Canadian Dollars

NOTICE TO READER

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

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

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

VANCOUVER, BC
November 29, 2012

Canamex Resources Corp
Condensed Consolidated Statements of Financial Position
(Expressed in Canadian dollars - unaudited)

	Note	September 30, 2012	December 31, 2011
ASSETS			
Current assets			
Cash and cash equivalents		$ 2,546,102	$ 1,925,621
Accounts receivable	4	35,991	12,227
		2,582,093	1,937,848
Non-current assets			
Equipment	6	57,273	50,303
Exploration and evaluation assets	5	3,094,008	1,525,361
Reclamation Bond		13,186	13,673
		3,164,467	1,589,337
TOTAL ASSETS		**$ 5,746,560**	**$ 3,527,185**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	7	$ 227,092	$ 252,034
TOTAL LIABILITIES		227,092	252,034
EQUITY			
Share capital	8	9,289,698	6,143,489
Contributed surplus		907,328	518,048
Deficit		(4,677,558)	(3,386,386)
TOTAL EQUITY		5,519,468	3,275,151
TOTAL LIABILITIES AND EQUITY		**$ 5,746,560**	**$ 3,527,185**

SUBSEQUENT EVENT 12

Approved by the Directors:

"Robert Kramer"

"Richard Barnett"

See accompanying notes to the condensed consolidated interim financial statements

Canamex Resources Corp.
Condensed Consolidated Statements of Comprehensive Income (Loss)
Nine Months ended September 30, 2012 and 2011
(Expressed in Canadian dollars - unaudited)

	Nine months ended		Three months ended	
	September 30, 2012	**September 30, 2011**	**September 30, 2012**	**September 30, 2011**
Expenses				
Consulting	$ 214,010	$ 184,080	$ 108,642	$ 64,420
Management fees	123,000	53,500	66,000	21,500
Office and administrative	137,886	139,451	36,101	52,815
Professional fees	71,614	31,045	35,219	17,280
Share-based payments	438,780	136,274	321,977	100,962
Shareholder communications	153,515	16,476	40,324	11,379
Transfer agent and filing fees	69,684	25,478	15,390	9,273
Travel	82,682	87,692	40,202	12,730
	1,291,172	673,996	663,855	290,359
Net loss and comprehensive loss for the period	**$ (1,291,172)**	**$ (673,996)**	**$ (663,855)**	**$ (290,359)**
Loss per share – basic and diluted	**$ (0.02)**	**$ (0.02)**	**$ (0.01)**	**$ (0.01)**
Weighted average number of shares outstanding	**68,548,143**	**39,612,289**	**74,220,885**	**42,253,277**

See accompanying notes to the condensed consolidated interim financial statements

Canamex Resources Corp.
Condensed Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
Nine Months ended September 30, 2012 and 2011
(Expressed in Canadian dollars - unaudited)

		Share capital				
	Note	Number of shares	Amount	Contributed Surplus	Deficit	Total
Balance at January 1, 2011		**34,092,864**	**$ 2,518,799**	**$ 287,083**	**$(2,423,836)**	**$ 382,046**
Share capital adjustment		-				
Share issued for cash – warrant exercise		1,495,000	224,250	-	-	224,250
Share-based payment		1,848,586	258,802	136,274		395,076
Share issued for cash – private placement		6,500,000	1,012,500			1,012,500
Share issue cost		-	(31,814)	-	-	(31,814)
Net loss for the period		-	-	-	(673,996)	(673,996)
Balance at September 30, 2011		**43,936,450**	**$3,982,537**	**$ 423,357**	**$(3,097,832)**	**$ 1,308,062**
Balance at January 1, 2012		**66,636,450**	**$6,143,489**	**$ 518,048**	**$(3,386,386)**	**$ 3,275,151**
Share-based payment-compensation		-	-	438,780	-	438,780
Share issued for cash – private placement		10,866,000	2,933,820			2,933,820
Share issued for cash – warrant exercise		926,000	198,900			198,900
Share issued for cash – option exercise		1,250,000	125,000			125,000
Share options		-	49,500	(49,500)		-
Share issue cost		-	(161,011)			(161,011)
Net loss for the period		-	-	-	(1,291,172)	(1,291,172)
Balance at September 30, 2012		**79,678,450**	**$ 9,289,698**	**$ 907,328**	**$(4,677,558)**	**$5,519,468**

See accompanying notes to the condensed consolidated interim financial statements

Canamex Resources Corp.
Condensed Consolidated Interim Statements of Cash Flows
Nine Months ended September 30, 2012 and 2011
(Expressed in Canadian dollars - unaudited)

	Nine months ended		Three months ended	
	Sep 30, 2012	Sep 30, 2011	Sep 30, 2012	Sep 30, 2011
Operating activities				
Loss before income taxes	$(1,291,172)	$ (673,996)	$ (663,855)	$ (290,359)
Adjustments for non-cash items:				
Share-based payments	438,780	136,274	321,977	100,962
Stock options exercised	(49,500)	-	(49,500)	-
Changes in non-cash working capital items:				
Accounts receivable	(23,764)	(39,503)	(6,165)	(17,143)
Prepaid expense	486	-	556	-
Accounts payable and accrued liabilities	(24,941)	(48,663)	(14,229)	44,531
Net cash flows used in operating activities	**(950,111)**	**(625,888)**	**(411,216)**	**(162,009)**
Investing activities				
Deferred acquisition costs		-		-
Expenditures on mineral property exploration	(1,575,617)	(618,375)	(658,754)	(521,381)
Net cash flows used in investing activities	**(1,575,617)**	**(95,398)**	**(658,754)**	**(521,381)**
Financing activities				
Proceeds on issuance of common shares - net of share issue costs	3,146,209	1,204,936	3,146,209	-
		-	-	-
Net cash flows from financing activities	**3,146,209**	**1,204,936**	**-**	**-**
Increase in cash and cash equivalents	620,481	(39,327)	2,076,239	(683,390)
Cash and cash equivalents, beginning	1,925,621	281,351	469,863	925,414
Cash and cash equivalents, ending	**2,546,102**	**242,024**	**2,546,102**	**242,024**

See accompanying notes to the condensed consolidated interim financial statements

1. Nature of operations

The Company was incorporated under the laws of Alberta on May 26, 1987. On August 18, 2009, the Shareholders approved both the continuation of the Company from the Business Corporations Act (Alberta) to the Business Corporations Act (British Columbia) and the new articles of the Company. On October 18, 2010, in connection with an Option Agreement (Note 5) and Change of Business, the Company was reinstated as a Tier 2 mining issuer on the TSX Venture Exchange ("TSX-V") and changed its name to Canamex Resources Corp. (the "Company") (TSX-V symbol "*CSQ*" and OTCQX symbol *"CNMXF"*).

The Company's head office and primary place of business is located at 595 Howe Street, Suite 303, Vancouver, British Columbia, Canada, V6C 2T5.

The Company is in the process of acquiring mineral resource properties and has not yet determined whether the properties contain reserves that are economically recoverable. As at September 30, 2012 the Company had not advanced any property to commercial production and is not able to finance day to day activities through operations. The recoverability of the amounts shown for exploration and evaluation assets and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production. Management intends to finance operating costs over the next twelve months through private placements of common shares and/or the exercise of warrants and/or options. The Company has been successful in the past in raising funds for operations, but there is no assurance that it will be able to continue to do so.

2. Significant accounting policies and basis of preparation

The financial statements were authorized for issuance on November 29, 2012 by the directors of the Company.

Statement of compliance to International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These statements should be read in conjunction with the annual audited financial statements for the year ended December 31, 2011, which have been prepared in accordance with IFRS as issued by the IASB.

Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted. Certain comparative figures may have been reclassified to conform to the current year's presentation.

2. Significant accounting policies and basis of preparation (cont'd)

Equipment

Equipment is recorded at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful live of geological equipment at 20% per annum.

Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from those estimates.

Areas requiring a significant degree of estimation and judgment relate to the determination of the useful lives of property, plant and equipment, the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

Loss per share

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its 100% wholly owned subsidiaries, Canamex Resources US Inc. ("Canamex US") and Canamex Guyana Inc. ("Canamex Guyana"). Canamex US was incorporated in the State of Nevada, USA and Canamex Guyana was incorporated in Guyana. As at September 30, 2012, both subsidiaries are 100% owned by Canamex Resources Corp. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Foreign currency translation

The functional currency of the Company and its subsidiaries is measured using the currency of the primary economic environment in which that entity operates. These consolidated financial statements are presented in Canadian dollars which is the parent company's functional and presentation currency. The functional currency of Canamex US and Canamex Guyana is also the Canadian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

2. **Significant accounting policies and basis of preparation** (cont'd)

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Exploration and evaluation expenditures

Amounts reported in exploration and evaluation expenditures include the costs of acquiring licenses, and costs associated with exploration and evaluation activity. Exploration and evaluation expenditures are capitalized and are classified as intangible assets. Costs incurred before the Company has obtained the legal rights to explore an area are expensed.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to the mineral resource property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

In the period ended September 30, 2012, the Company expended $1,568,647 on property interests classified as exploration and evaluation assets.

Share-based payments

The Company has adopted a 10% rolling stock option plan whereby it can grant options to directors, officers, employees, and consultants of the Company. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to contributed surplus. The fair value of options is determined using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

2. Significant accounting policies and basis of preparation (cont'd)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within twelve months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the group commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company does not currently have any derivative financial assets and liabilities.

Impairment of assets

The carrying amounts of the Company's assets (which include exploration and evaluation assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

2. Significant accounting policies and basis of preparation (cont'd)

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically valuates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. At each financial position reporting date presented the Company has not incurred any decommissioning costs related to the exploration and evaluation of its mineral properties and accordingly no provision has been recorded for such site reclamation or abandonment.

Cash and cash equivalents

The Company considers deposits with banks or highly liquid short-term interest bearing securities that are readily convertible to known amounts of cash and those that have maturities of 90 days or less when acquired to be cash equivalents.

3. New accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after January 1, 2012, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

New accounting standards effective January 1, 2013

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 Interests 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. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity’s interests in other entities.

IFRS 13 *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.

3. New accounting standards issued but not yet effective (cont'd)

Amendments to IAS 1 *Presentation of Financial Statements* - The IASB has amended IAS 1 to require entities to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not items may be reclassified into profit or loss in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately.

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* - IFRIC 20 addresses the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. Stripping activity may result in two types of benefits: i) inventory produced and ii) improved access to ore that will be mined in the future. Stripping costs associated with inventory production should be accounted for as a current production cost in accordance with IAS 2 Inventories, and those associated with improved access to ore should be accounted for as an addition to, or enhancement of, an existing asset.

Each of the new standards, IFRS 10 to 13, IFRIC 20 and the amendments to other standards, is effective for the Company beginning on January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.

New accounting standards effective January 1, 2015

IFRS 9 *Financial Instruments* - IFRS 9 was issued in November 2009 and contained requirements for financial assets. This 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, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

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 and loss would generally be recorded in other comprehensive income.

IFRS 9 is effective for annual periods beginning on or after January 2015 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.

4. Accounts receivable

	September 30, 2012	December 31, 2011
Government tax receivable	$ 31,628	$ 12,227
Other	4,363	-
	$ 35,991	$ 12,227

5. Exploration and evaluation assets

Nye County, Nevada USA ("Bruner Property")

On May 28, 2010, the Company entered into a property option agreement with Provex Resources Inc., a company with a director in common with the Company, granting an exclusive right and option to acquire up to a 75% interest in certain mineral claims in Bruner Property.

To earn a 70% interest in the property, the Company must complete a total of US$6,000,000 in expenditures on the property in stages over a seven year period, US$200,000 of which must be completed within the first year. After expending the initial US$200,000, the Company shall be under no further obligation if it elects not to proceed with this option. Upon completing all expenditures, the Company can acquire a further 5% undivided interest in the property by producing a bankable feasibility study. The agreement is subject to a 3.5% net smelter return royalty on the production of certain claims.

To earn its interest in the property, the Company must complete the following expenditures over a seven year period.

Exploration expenditures to be incurred during 12 months ended		**Expenditures**
May 28, 2011 (completed)	Required	US $ 200,000
May 28, 2012 (completed)	Optional	400,000
May 28, 2013 (completed)	Optional	600,000
May 28, 2014	Optional	800,000
May 28, 2015	Optional	1,000,000
May 28, 2016	Optional	1,500,000
May 28, 2017	Optional	1,500,000
Total expenditures required		US $ 6,000,000

5. Exploration and evaluation assets (cont'd)

Aranka North, Guyana ("Aranka North Property")

On June 30, 2011 the Company entered into an Option Agreement with GMV Minerals Inc. (GMV) on the Aranka North Property, a large area containing nominally 98,000 acres in a highly prospective gold region in Guyana, South America. The agreement was accepted for filing by the TSX Venture Exchange on August 2, 2011. The agreement is subject to an underlying 2% net smelter return royalty.

The option is to acquire up to a 100% interest in the Aranka North Property by:

a) making cash payments to GMV totaling US$520,627 over the next 36 months, as follows:

Cash payments required		Payment
On or before August 16, 2011	Paid	US $ 163,737
On or before August 2, 2012	Paid	173,542
On or before August 2, 2013	Not yet paid	183,348
Total cash payments required		US $ 520,627

b) expending US$1,000,000 in exploration work on the properties before December 31, 2013, as follows:

Exploration expenditures to be incurred		Expenditures
On or before December 31, 2011	Incurred	US $ 333,333
On or before December 31, 2012	Incurred	333,333
On or before December 31, 2013	Incurred	333,334
Total expenditures required		US $ 1,000,000

c) issuing a total of 3,750,000 shares to GMV in stages, as follows:

Common shares to be issued		Number of Shares
On or before August 16, 2011	Issued	1,500,000
On or before February 2, 2013	Not issued	1,250,000
On or before August 2, 2014	Not issued	1,000,000
Total shares		3,750,000

In addition, upon exercise of the option, Canamex has agreed to pay GMV US$500,000 cash and issue 500,000 shares in the capital stock of Canamex to GMV for every 500,000 ounces of gold contained in measured and indicated resources as referenced in a National Instrument 43-101 qualifying report, up to a maximum of US$2,000,000 and 2,000,000 shares of Canamex.

5. Exploration and evaluation assets (cont'd)

The agreement was accepted for filing by the TSX-V on August 2, 2011. In accordance with the terms of the agreement, on August 3, 2011, the Company issued 1,500,000 common shares valued at $210,000 to GMV, as well as 348,586 common shares valued at $48,802 as a finder's fee for a total of 1,848,586 common shares valued at $258,802 in connection with the property acquisition.

For the nine months ended September 30, 2012 and year ended December 31, 2011, the Company incurred the following expenditures on the properties:

Bruner Property		Nine months ended September 30, 2012		Year end December 31, 2011
Property acquisition costs				
Balance, beginning of period	$	61,735	$	61,735
Additions		-		-
		61,735		61,735
Exploration and evaluation costs				
Balance, beginning of period		600,879		259,204
Costs incurred during period:				
Drilling and related costs		446,012		131,305
Mineral rights maintenance		57,414		39,552
Field work		7,236		73,672
Geological		221,444		83,523
Travel and accommodation		15,142		13,623
		1,348,127		600,879
Total- Bruner Property	$	1,409,862	$	662,614
Aranka North Property				
Property acquisition costs				
Balance, beginning of period	$	415,138	$	-
Cash payments		177,848		156,336
Common shares issued		-		258,802
		592,986		415,138
Exploration and evaluation costs				
Balance, beginning of period		447,609		-
Costs incurred during period:				
Exploration and related costs		380,480		357,241
Field work		167,455		60,428
Geological		46,615		-
Equipment		29,209		19,803
Office		19,792		10,137
		1,091,160		447,609
Total- Aranka North Property	$	1,684,146	$	862,747
Total exploration and evaluation assets	$	3,094,008	$	1,525,361

6. Equipment

Cost	Equipment
As at January 1, 2010 and December 31, 2010	$ –
Additions of geological equipment	53,279
As at December 31, 2011	53,279
Additions of geological equipment	16,354
At September 30, 2012	69,633
Accumulated Depreciation	
As at January 1, 2011 and December 31, 2011	$ 2,976
Depreciation	9,384
At September 30, 2012	$ 12,360
Carrying Amounts	
Balance, January 1, 2011 and December 31, 2011	**$ 50,303**
At September 30, 2012	**$ 57,273**

7. Trade payables and accrued liabilities

	September 30, 2012	December 31, 2011
Trade payables	$ 89,543	$ 142,187
Amount due to related parties (Note 9)	84,962	36,893
Accrued liabilities	52,587	72,954
	$ 227,092	$ 252,034

8. Share capital and reserves

Authorized share capital

The Company has authorized an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. At September 30, 2012, there were 79,678,450 issued and fully paid common shares (December 31, 2011 – 66,636,450).

Stock options

The Company has adopted a 10% rolling stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant options to directors, officers, employees, and consultants of the Company, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Options granted vest at the discretion of the Board of Directors.

On January 6, 2012, the Company granted 1,625,000 stock options to officers, directors and consultants. Of these options, 1,362,500 vested immediately and 262,500 vest one year from the date of grant. The options have an exercise price of $0.105 per share and expire on January 5, 2017. The estimate grant date fair value of these options was $111,125 of which $95,375 was expensed immediately and $15,750 will be expensed over the term to vesting of the underlying options.

8. Share capital and reserves (cont'd)

Stock options

On September 25, 2012, the Company granted 3,025,000 stock options to officers, directors and consultants. Of these options, 2,362,500 vested immediately and 662,500 vest one year from the date of grant. The options have an exercise price of $0.27 per share and expire on September 24, 2017. The estimate grant date fair value of these options was $410,250 of which $330,750 was expensed immediately and $79,500 will be expensed over the term to vesting of the underlying options.

The grant date fair value of the options granted during the year was estimated based on the following weighted average; expected life of 3.60 years; expected volatility of 111.9%; risk free interest rate of 1.21% and expected dividend yield rate of 0%.

The changes in options during the nine months ended September 30, 2012 and the year ended December 31, 2011 are as follows:

	September 30, 2012			December 31, 2011		
	Number of options		Weighted average exercise price	Number of options		Weighted average exercise price
Options outstanding, beginning of year	2,975,000	$	0.13	2,500,000	$	0.10
Options granted	4,650,000		0.21	975,000		0.20
Options exercised	(1,250,000)		0.10			
Options expired/forfeited	-		-	(500,000)		(0.10)
Options outstanding, end of period	6,375,000	$	0.20	2,975,000	$	0.13
Options exercisable, end of period	5,450,000	$	0.20	2,975,000	$	0.13

The options outstanding and exercisable have an average remaining contractual life of 3.60 years.

Warrants

	September 30, 2012			December 31, 2011		
	Number of warrants		Weighted average exercise price	Number of warrants		Weighted average exercise price
Warrants outstanding, beginning of year	29,760,000	$	0.17	11,000,000	$	0.15
Warrants issued	10,866,000		0.30	29,760,000		0.17
Warrants issued	457,520		0.40	-		-
Warrants exercised	(926,000)		0.21	(1,495,000)		0.15
Warrants expired	-		-	(9,505,000)		0.15
Warrants outstanding, end of period	40,157,520	$	0.21	29,760,000	$	0.17

9. Related party transactions

Related party balances

Amounts due to related parties consist of charges accrued for office administration and management fees or loans to the Company. These amounts are due to directors, officers, or companies controlled by directors or officers.

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

The following amounts due to related parties are included in accounts payable and accrued liabilities:

		September 30, 2012		December 31, 2011
Directors and corporations controlled by directors of the Company	$	19,383	$	25,500
Officers and corporations controlled by officers of the Company		65,579		11,393
	$	84,962	$	36,893

The Company incurred the following transactions with directors/officers of the Company and corporations that are controlled by directors/officers of the Company. The Company has identified these directors/officers as its key management personnel.

	Nine months ended September 30			
		2012		2011
Management fees	$	126,900	$	53,500
Share-based payment		322,082		81,000
Administration fees		75,000		50,000
	$	523,982	$	184,500

10. Financial risk and capital management

The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company’s primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company’s cash is held by a bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution, as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

10. Financial risk and capital management (cont'd)

Foreign exchange risk

Foreign exchange risk is the risk that the future fair value of cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company's financial results are reported in Canadian dollars while it conducts a significant portion of its business activities in US dollars. The assets, liabilities and expenses that are denominated in US Dollars will be affected by changes in the exchange rate between the Canadian dollar and the US Dollar. If the Canadian dollar changes by one percent against the US dollar, with all other variables held constant, the impact on the Company's foreign denominated financial instruments would result in a reduction or increase of after tax net loss of less than $500 for the nine months period ended September 30, 2012.

The Company also conducts business in Guyanese Dollars. The assets, liabilities and expenses that are denominated in Guyanese Dollars will be affected by changes in the exchange rate between the Canadian dollar and the Guyanese Dollar. If the Canadian dollar changes by one percent against the Guyanese dollar, with all other variables held constant, the impact on the Company's foreign denominated financial instruments would result in a reduction or increase of after tax net loss of less than $100 for the nine months period ended September 30, 2012.

Interest rate risk

The Company is not currently exposed to significant interest rate risk.

Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities or return capital to its shareholders. The Company is not exposed to externally imposed capital requirements.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30, 2012	December 31,2011
Cash and cash equivalents	$ 2,546,102	$ 1,925,621
Accounts receivable	35,991	12,227
	$ 2,582,093	$ 1,937,848

Financial liabilities included in the statement of financial position are as follows:

	September 30, 2012	December 31,2011
Non-derivative financial liabilities:		
Trade payables	$ 142,130	$ 215,141
Due to related parties	84,962	36,893
	$ 227,092	$ 252,034

10. Financial risk and capital management (cont'd)

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial assets measured at fair value consist of cash and short-term investments which are classified as level 1.

11. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mining properties.

Geographic segments

The Company's non-current assets are located in the following countries:

	As at September 30, 2012		
	Guyana	**US**	**Total**
Exploration and evaluation assets	$ 1,684,145	$ 1,409,863	$ 3,094,008
Equipment	57,273	-	57,273
	As at December 31, 2011		
	Guyana	**US**	**Total**
Exploration and evaluation assets	$ 862,747	$ 662,614	$ 1,525,361
Equipment	50,303	-	50,303

12. Subsequent event

Subsequent to the quarter end, on November 21, 2012, the Company closed an equity financing pursuant to which Hecla Canada Ltd. ("Hecla"), a wholly-owned Canadian subsidiary of Hecla Mining Company, acquired 14,000,000 common shares of the Company at a price of $0.18 per share for total proceeds of $2,520,000 on a private placement basis (the "Financing").

On closing of the Financing, Hecla holds 14.8% of the Company's issued and outstanding common shares.

All of the securities issued under the Financing are subject to a statutory hold period which will expire on March 22, 2013 in accordance with applicable Canadian securities laws. However, Hecla has agreed that it will be restricted from selling any of its Company shares for a period of 12 months following closing of the Financing, except as may otherwise be approved by Company or in relation to any takeover bid made by a third party not acting in concert with Hecla.