Canamex Resources Corp.

Consolidated Financial Statements

For the Year Ended December 31, 2013

Expressed in Canadian Dollars

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Canamex Resources Corp.

We have audited the accompanying consolidated financial statements of Canamex Resources Corp. which comprise the consolidated statements of financial position as at December 31, 2013 and 2012 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years ended December 31, 2013 and 2012, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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

Manning Elliott LLP

CHARTERED ACCOUNTANTS
Vancouver, British Columbia
April 4, 2014

Canamex Resources Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	December 31, 2013	December 31, 2012
ASSETS			
Current assets			
Cash and cash equivalents		$ 808,935	$ 4,203,188
Amounts receivable	4	9,937	71,531
Prepaid expenses		31,174	48,547
		850,046	4,323,266
Non-current assets			
Equipment	6	39,884	53,795
Exploration and evaluation assets	5	6,285,563	3,728,838
Reclamation bond		14,340	13,364
		6,339,787	3,795,997
TOTAL ASSETS		$ 7,189,833	$ 8,119,263
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	7, 9	$ 166,650	$ 178,361
TOTAL LIABILITIES		166,650	178,361
SHAREHOLDERS' EQUITY			
Share capital	8	12,169,033	12,044,033
Reserves	8	1,002,493	943,963
Deficit		(6,148,343)	(5,047,094)
TOTAL SHAREHOLDERS' EQUITY		7,023,183	7,940,902
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 7,189,833	$ 8,119,263
SUBSEQUENT EVENTS	13		

Approved on behalf of the Board:

"Robert Kramer"

"Greg Hahn"

The accompanying notes form an integral part of the consolidated financial statements

Canamex Resources Corp.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian dollars)

	Years ended December 31, 2013	2012
Expenses		
Consulting	$ 236,639	$ 211,098
Management fees	313,000	301,500
Office and administrative	181,137	169,883
Professional fees	62,715	87,467
Share-based payments	58,530	462,845
Shareholder communications	131,987	226,811
Transfer agent and filing fees	52,991	90,079
Travel	64,250	111,025
	1,101,249	1,660,708
Net loss and comprehensive loss	$ (1,101,249)	$ (1,660,708)
Loss per share – basic and diluted	$ (0.01)	$ (0.02)
Weighted average number of shares outstanding	96,947,272	73,636,375

The accompanying notes form an integral part of the consolidated financial statements

Canamex Resources Corp.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share capital				
	Number of shares	Amount	Reserves	Deficit	Total
Balance at December 31, 2011	66,636,450	$ 6,143,489	$ 518,048	$ (3,386,386)	$ 3,275,151
Share-based payment-compensation	-	-	462,845	-	462,845
Share issued for cash – private placement	25,007,911	5,475,107	-	-	5,475,107
Share issued for cash – warrant exercise	2,137,500	380,625	-	-	380,625
Share issued for cash – option exercise	2,025,000	203,000	-	-	203,000
Share options	-	83,500	(83,500)	-	-
Warrants	-	6,372	(6,372)	-	-
Share issue cost	-	(248,060)	52,942	-	(195,118)
Net loss for the year	-	-	-	(1,660,708)	(1,660,708)
Balance at December 31, 2012	95,806,861	$ 12,044,033	$ 943,963	$ (5,047,094)	$ 7,940,902
Share issued for property acquisition	1,250,000	125,000	-	-	125,000
Share-based payment-compensation	-	-	58,530		58,530
Net loss for the year	-	-	-	(1,101,249)	(1,101,249)
Balance at December 31, 2013	97,056,861	$ 12,169,033	$ 1,002,493	$ (6,148,343)	$ 7,023,183

Canamex Resources Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Years ended December 31,	
	2013	2012
Operating activities		
Loss before income taxes	$ (1,101,249)	$ (1,660,708)
Adjustments for non-cash items:		
Share-based payments	58,530	462,845
	(1,042,719)	(1,197,863)
Changes in non-cash working capital items:		
Amounts receivable	61,594	(59,305)
Prepaid expense	17,373	(48,546)
Accounts payable and accrued liabilities	(11,711)	(73,673)
Net cash flows used in operating activities	(975,463)	(1,379,387)
Investing activities		
Acquisition of equipment	-	(16,372)
Reclamation bond	(976)	309
Expenditures on exploration and evaluation assets	(2,417,814)	(2,190,597)
Net cash flows used in investing activities	(2,418,790)	(2,206,660)
Financing activities		
Proceeds on issuance of common shares - net of share issue costs	-	5,863,614
Net cash flows from financing activities	-	5,863,614
Decrease in cash and cash equivalents	(3,394,253)	2,277,567
Cash and cash equivalents, beginning	4,203,188	1,925,621
Cash and cash equivalents, ending	$ 808,935	$ 4,203,188
Non-cash transactions		
Shares issued for exploration and evaluation assets	$ 125,000	$ -

The accompanying notes form an integral part of the consolidated 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, the Company was reinstated as a Tier 2 mining issuer on the TSX Venture Exchange and changed its name to Canamex Resources Corp. (the "Company").

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 December 31, 2013 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 exploration over the next twelve months with cash on hand or 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 exploration, but there is no assurance that it will be able to continue to do so.

2. Significant accounting policies and basis of preparation

The Company's consolidated financial statements were authorized for issuance on April 4, 2014 by the Board of Directors.

Statement of compliance

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

Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified for specific financial instruments carried at fair value where applicable. The consolidated 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.

Consolidation

These consolidated financial statements include the accounts of the Company and its 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. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Equipment

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

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

Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated 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 consolidated 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.

Share issue costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred share issue costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. The Company charges share issue costs to share capital when the related shares are issued. Deferred share issue costs related to financing transactions that are not completed are charged to expenses.

Foreign currency translation

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.

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.

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

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.

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 reserves. The fair value of options is determined using a Black–Scholes Option 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 comprehensive loss.

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)

Impairment of assets (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 taxes are recorded using the asset and liability method of tax allocation. Under this method, deferred income tax assets and liabilities are determined based on temporary differences at the reporting date between the tax basis 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

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, 2013, 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 adopted 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 I FRS 7 *Financial Instruments: Disclosure,* IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates end Joint Ventures.* IFRS 7 has been amended to require more extensive disclosures about offsetting (also known as netting/ of financial instruments. 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 3.0 to IFRS 13.

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.

3. New accounting standards (cont'd)

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.

The mandatory adoption of each of the new standards, IFRS 7, IFRS 10 to 13, IFRIC 20 and the amendments to other standards, is effective for the Company beginning on January 1, 2013. The adoption of the above new standards and the amendments to other standards did not have a significant impact on the Company's consolidated financial statements.

New accounting standards effective January 1, 2014

IFRIC *21 Levies* - IFRIC 21 was issued in May 2013 and provides an interpretation of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past activity or event ("obligating event") described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 2014. The Company is currently evaluating the impact of the adoption of this interpretation on its consolidated financial statements.

Amendments to IAS 36 *Impairment of Assets*- IAS 36 was amended in May 2013 which restricts the requirement to disclose the recoverable amount of an asset or cash generating unit ("CGU") to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. The amendments are effective for annual periods beginning on or after January 2014 and should be applied retrospectively. The Company is currently evaluating the impact of the adoption of this standard on its consolidated financial statements

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. Amounts receivable

		December 31, 2013		December 31, 2012
Government sales tax recoverable	$	9,937	$	71,531

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 at the time, 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 (completed)	Optional	800,000
May 28, 2015 (completed)	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

In connection with a private placement closed during 2012 which raised gross proceeds of $2,520,000, the Company is obligated to incurring exploration costs of no less than $1,890,000 (75%) of the gross proceeds on the Bruner Property. As of December 31, 2013, the Company has expended $1,964,898 of that amount on the Property.

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 region in Guyana, South America. 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 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	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	Incurred	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	Issued	1,250,000
On or before August 2, 2014	Unissued	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)

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. On February 1, 2013, the Company issued 1,250,000 common shares to GMV valued at $125,000.

For the years ended December 31, 2013 and December 31, 2012, the Company incurred the following expenditures on the properties:

Bruner Property		Year ended December 31, 2013		Year ended December 31, 2012
Property acquisition costs				
Balance, beginning of the year	$	61,735	$	61,735
Additions during the year		-		-
		61,735		61,735
Exploration and evaluation costs				
Balance, beginning of the year		1,754,927		600,879
Costs incurred during the year:				
Drilling and related costs		923,010		689,691
Mineral rights maintenance		123,448		57,245
Field work		32,036		9,609
Geological		648,573		373,198
Travel and accommodation		38,191		24,305
		3,520,185		1,754,927
Total- Bruner Property	$	3,581,920	$	1,816,662
Aranka North Property				
Property acquisition costs				
Balance, beginning of the year	$	592,986	$	415,138
Cash payments		188,456		177,848
Common shares issued		125,000		-
		906,442		592,986
Exploration and evaluation costs				
Balance, beginning of the year		1,319,190		447,609
Costs incurred during the year:				
Exploration and related costs		287,161		498,085
Field work		99,512		252,674
Geological		46,980		46,615
Equipment and depreciation		19,157		48,174
Office		25,201		26,033
		1,797,201		1,319,190
Total- Aranka North Property	$	2,703,643	$	1,912,176
Total exploration and evaluation assets	$	6,285,563	$	3,728,838

6. Equipment

	Cost	Accumulated Depreciation	Net
As at December 31, 2011	$ 53,279	$ (2,976)	$ 50,303
Additions of geological equipment	16,372	-	16,372
Depreciation	-	(12,880)	(12,880)
At December 31, 2012	$ 69,651	$ (15,856)	$ 53,795

As at December 31, 2012	$ 69,651	$ (15,856)	$ 53,795
Additions of geological equipment	-	-	-
Depreciation	-	(13,911)	(13,911)
At December 31, 2013	$ 69,651	$ (29,767)	$ 39,884

7. Trade payables and accrued liabilities

	December 31, 2013	December 31, 2012
Trade payables	$ 91,133	$ 93,154
Amount due to related parties (Note 9)	40,017	45,207
Accrued liabilities	35,500	40,000
	$ 166,650	$ 178,361

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 December 31, 2013, there were 97,056,861 issued and fully paid common shares (December 31, 2012- 95,805,861)

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.

The Company uses the Black-Scholes option pricing model to value the stock options granted during the year. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. The model requires management to make estimates which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

8. Share capital and reserves (cont'd)

Stock options (cont'd)

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 estimated 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. The total share-based payment recorded for these options during the year ended December 31, 2013 is $258 (2012: $110,867).

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 estimated 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 total share-based payment recorded for these options during the year ended December 31, 2013 is $58,272 (2012: $351,978).

The weighted average grant date fair values of the options granted during the year ended December 31, 2012 were estimated based on the following weighted average assumptions: share price at grant date of $0.16; exercise price of $0.21; 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%. No options were granted or exercised during the year ended December 31, 2013.

The changes in options during the year ended December 31, 2013 and the year ended December 31, 2012 are summarized as follows:

	December 31, 2013		December 31, 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of year	5,525,000	$ 0.21	2,975,000	$ 0.13
Options granted	-	-	4,650,000	0.21
Options exercised	-	-	(2,025,000)	0.10
Options expired/forfeited	(900,000)	0.23	(75,000)	0.10
Options outstanding, end of the year	4,625,000	$ 0.21	5,525,000	$ 0.21
Options exercisable, end of the year	4,625,000	$ 0.21	4,600,000	$ 0.21

Details of options outstanding at December 31, 2013 are as follows:

	December 31, 2013		
Date of expiry	Contractual life, years	Number of options	Exercise price
March 9, 2016	2.19	250,000	$ 0.15
July 6, 2016	2.52	525,000	0.22
July 12, 2016	2.53	100,000	0.22
January 5, 2017	3.02	1,325,000	0.105
September 24, 2017	3.73	2,425,000	0.27
	3.28	4,625,000	$ 0.21

8. Share capital and reserves (cont'd)

Warrants

	December 31, 2013		December 31, 2012	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning of year	38,946,020	$ 0.21	29,760,000	$ 0.17
Warrants issued (1)	-	-	10,866,000	0.30
Warrants issued (2)	-	-	457,520	0.40
Warrants exercised	-	-	(2,137,500)	0.18
Warrants expired	(21,722,500)	0.20	-	-
Warrants outstanding, end of the year	17,223,520	$ 0.29	38,946,020	$ 0.21

(1) 10,866,000 warrants were issued in conjunction with a private placement completed on August 9, 2012. Each warrant grants the holder the right to purchase one common share of the Company for $0.30 per share until August 9, 2014.

(2) 457,520 warrants were issued to finders as compensation for a private placement completed on August 9, 2012. Each warrant grants the holder the right to purchase one common share of the Company for $0.40 until August 9, 2013 then $0.50 until August 9, 2014. The estimated fair value of the warrants issued was $52,942 and was estimated based on an expected life of 1.25 years; expected volatility of 126.6%; risk free interest rate of 1.15% and expected dividend yield rate of 0%.

	December 31, 2013	
Date of expiry	Number of warrants	Exercise price
April 3, 2014 (1)	4,800,000	0.25
April 28, 2014 (2)	1,100,000	0.25
August 9, 2014	10,866,000	0.30
August 9, 2014 (3)	457,520	0.50
	17,223,520	$ 0.29

(1) On February 5, 2014 the Company received regulatory acceptance to reduce 4,310,077 warrants exercise price to $0.15, while the remainder 489,923 will remain exercisable at $0.25.

(2) On February 5, 2014 the Company received regulatory acceptance to reduce 1,100,000 warrants exercise price to $0.175.

(3) 457,520 warrants at $0.40 until August 9, 2013 then $0.50 until August 9, 2014.

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:

	December 31, 2013	December 31, 2012
Directors and corporations controlled by directors of the Company	$ 40,017	$ 45,207
	$ 40,017	$ 45,207

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.

	Year ended December 31,			
		2013		2012
Management and administrative fees	$	294,000	$	283,500
Fees for outside/independent directors		19,000		18,000
Capitalized fees on long-term assets to a director		93,229		-
Share-based payment		-		315,000
	$	406,229	$	616,500

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 year ended December 31, 2013.

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 year ended December 31, 2013.

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 instruments classified as fair value through profit or loss:

	December 31, 2013	December 31,2012
Cash and cash equivalents	$ 808,935	$ 4,203,188

Financial instruments classified as other financial liabilities:

	December 31, 2013	December 31,2012
Trade payables	$ 131,150	$ 138,361

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 on a recurring basis consist of cash and cash equivalents which is classified as level 1.

11. Segmented information

Operating segments

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

Geographic segments

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

	As at December 31, 2013		
	Guyana	US	Total
Exploration and evaluation assets	$ 2,703,643	$ 3,581,920	$ 6,285,563
Equipment	39,884	-	39,884
	As at December 31, 2012		
	Guyana	US	Total
Exploration and evaluation assets	$ 1,912,176	$ 1,816,662	$ 3,728,838
Equipment	53,795	-	53,795

12. Income taxes

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2013	2012
Canadian statutory income tax rate	25.75%	25.00%
Expected income tax recovery	$ 286,256	$ 415,177
Non-deductible expenses and others	4,833	(77,826)
Rate change	38,479	-
Change in unrecognized deferred income tax assets	(329,568)	(337,351)
Income tax recovery	$ –	$ –

12. Income taxes (cont'd)

Significant components of the Company's deferred income tax assets (liabilities) are as follows:

	2013	2012
Non-capital losses	$ 1,734,966	$ 1,481,566
Share issuance costs and others	45,441	62,032
Cumulative eligible expenditures	40,725	39,159
Mineral properties	(517,388)	(604,407)
Equipment	(11,965)	(16,139)
	1,291,779	962,211
Unrecognized deferred income tax assets	(1,291,779)	(962,211)
Net deferred income tax assets	$ –	$ –

The Company has available for deduction against future taxable income Canadian non-capital losses of approximately $4,866,000. Of these losses, $227,000 will expire by 2025 and must be utilized in a similar business to the discontinued operations. The remaining $4,639,000 will begin to expire starting in 2026. The Company also has non capital losses of $1,079,325 available for deduction against future taxable income in Guyana which have no expiry date. Additionally, the Company has net operating losses of $2,731,935 which can be applied against future operating income in the United States, which will begin to expire starting 2030.

In assessing the realizability of deferred income tax assets, management considers whether it is more likely than not that some portion of all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax assets considered realizable could change materially in the near term based on future taxable income during the carry forward period.

13. Subsequent events

(a) On February 5, 2014, the Company received regulatory acceptance to the reduction of the exercise prices of the following previously issued Warrants:

4,310,077 warrants that were previously issued on April 4, 2011 are now exercisable at $0.15 per share on or before April 3, 2014 (including 500,000 that are held by Insiders). A balance of 489,923 warrants that are held by Insiders will remain exercisable at $0.25 on or before April 3, 2014. All of these warrants expired unexercised on April 3, 2014.

1,100,000 warrants that were previously issued on April 29, 2011 are now exercisable at $0.175 per share on or before April 28, 2014.

(b) During February 2014, the Company completed a non-brokered private placement and received gross proceeds of $2,160,000. The Company issued 24,000,000 common shares at $0.09 per share. No finders' fees were incurred and no warrants were issued in this private placement.

(c) On March 14, 2014, the Company granted 4,400,000 options stock options to officers, directors and consultants. Of these options, 2,725,000 vested immediately and 1,675,000 vest one year from the date of grant. The options have an exercise price of $0.13 per share and expire on March 13, 2019.