Canamex Resources Corp.

Condensed Consolidated Interim Financial Statements

Nine months ended September 30, 2014

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 26, 2014

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

	Note	September 30, 2014	December 31, 2013
ASSETS			
Current assets			
Cash and cash equivalents		$ 1,382,281	$ 808,935
Amounts receivable	4	15,842	9,937
Prepaid expenses		19,485	31,174
		1,417,608	850,046
Non-current assets			
Equipment	6	10,050	39,884
Exploration and evaluation assets	5	8,780,969	6,285,563
Reclamation bond		14,959	14,340
		8,805,978	6,339,787
TOTAL ASSETS		**$ 10,223,586**	**$ 7,189,833**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	7, 9	$ 685,652	$ 166,650
TOTAL LIABILITIES		685,652	166,650
SHAREHOLDERS' EQUITY			
Share capital	8	15,861,039	12,169,033
Reserves	8	1,516,844	1,002,493
Deficit		(7,839,949)	(6,148,343)
TOTAL SHAREHOLDERS' EQUITY		9,537,934	7,023,183
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 10,223,586**	**$ 7,189,833**

Approved on behalf of the Board:

"Mark Billings"

"Michael Stark"

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

Canamex Resources Corp.
Condensed Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian dollars - unaudited)

	Note		Nine months ended September 30, 2014		2013		Three months ended September 30, 2014		2013
Expenses									
Consulting	9	$	129,046	$	197,960	$	35,298	$	25,000
Management fees	9		195,920		235,500		64,172		78,000
Office and administrative			158,410		108,411		34,966		40,645
Professional fees			139,096		60,270		92,790		31,750
Share-based payments	8, 9		514,351		58,530		27,056		19,424
Shareholder communications			138,313		105,325		53,952		9,093
Survivor benefit	9		360,000		-		-		-
Transfer agent and filing fees			23,811		27,411		5,440		7,077
Travel			32,659		55,712		1,902		2,449
Net loss and comprehensive loss for the period		**$**	**(1,691,606)**	**$**	**(849,119)**	**$**	**(315,576)**	**$**	**(213,438)**
Loss per share – basic and diluted		**$**	**(0.01)**	**$**	**(0.01)**	**$**	**(0.00)**	**$**	**(0.00)**
Weighted average number of shares outstanding			**116,225,359**		**96,910,341**		**122,056,861**		**97,056,861**

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

Canamex Resources Corp.
Condensed Consolidated Interim Statements of Changes in Equity
Nine Months ended September 30, 2014 and 2013
(Expressed in Canadian dollars- unaudited)

	Share capital				
	Number of shares	Amount	Reserve	Deficit	Total Shareholders' Equity
Balance at January 1, 2013	**95,806,861**	**$ 12,044,033**	**$ 943,963**	**$ (5,047,094)**	**$7,940,902**
Shares issued for property acquisition	1,250,000	125,000	-	-	125,000
Share-based payment-options	-	-	58,530		58,530
Net loss for the period	-	-	-	(849,119)	(849,119)
Balance at September 30, 2013	**97,056,861**	**$ 12,169,033**	**$ 1,002,493**	**$ (5,896,213)**	**$ 7,275,313**
Balance at January 1, 2014	**97,056,861**	**$ 12,169,033**	**$ 1,002,493**	**$ (6,148,343)**	**$7,023,183**
Shares issued for cash	24,000,000	2,160,000	-	-	2,160,000
Share-based payment-options	-	-	514,351	-	514,351
Shares issued for property acquisition	1,000,000	140,000	-	-	140,000
Subscription received	-	1,419,229	-	-	1,419,229
Share issue costs	-	(27,223)	-	-	(27,223)
Net loss for the period	-	-	-	(1,691,606)	(1,691,606)
Balance at September 30, 2014	**122,056,861**	**$ 15,861,039**	**$ 1,516,844**	**$ (7,839,949)**	**$9,537,934**

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

Canamex Resources Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars - unaudited)

	Nine months ended September 30, 2014	2013
Operating activities		
Net Loss	$ (1,691,606)	$ (849,119)
Adjustments for non-cash items:		
Share-based payments	514,351	58,530
	(1,177,255)	(790,589)
Changes in non-cash working capital items:		
Amounts receivable	(5,904)	62,152
Prepaid expenses	11,689	28,487
Accounts payable and accrued liabilities	519,003	132,284
Net cash flows used in operating activities	**(652,467)**	**(567,666)**
Investing activities		
Expenditures on exploration and evaluation assets	(2,465,573)	(1,965,014)
Reclamation bond	(619)	(446)
Net cash flows used in investing activities	**(2,466,192)**	**(1,965,460)**
Financing activities		
Proceeds on issuance of common shares - net of share issue costs	2,272,776	-
Subscription received	1,419,229	
Net cash flows from financing activities	**3,692,005**	**-**
Net cash flows from financing activities	573,346	(2,533,126)
Cash and cash equivalents, beginning	808,935	4,203,188
Cash and cash equivalents, ending	**$ 1,382,281**	**$ 1,670,062**

Non-cash transactions		
Shares issued for exploration and evaluation assets	**$ 140,000**	**$ 125,000**

The accompanying notes form an integral part of 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 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 September 30, 2014 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 condensed consolidated interim financial statements were authorized for issuance on November 26, 2014 by the Board of Directors.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These interim financial statements do not contain all of the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended December 31, 2013.

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 life of geological 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.

In the nine months ended September 30, 2014, the Company incurred costs of $2,461,155 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 reserves. 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 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 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

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

	September 30, 2014	December 31, 2013
Government sales tax recoverable	$ 15,842	$ 9,937

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.

5. Exploration and evaluation assets (cont'd)

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 (completed)	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 September 30, 2014, the Company has met that requirement.

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 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 (paid),

b) expended US $1,000,000 in exploration work on the properties before December 31, 2013, (expended) and,

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	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.

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. On February 1, 2013, the Company issued 1,250,000 common shares to GMV valued at $125,000. On June 25, 2014, the Company issued 1,000,000 common shares to GMV valued at $140,000.

5. Exploration and evaluation assets (cont'd)

For the nine months ended September 30, 2014 and year ended December 31, 2013, the Company incurred the following expenditures on the properties:

Bruner Property		**Nine months ended September 30, 2014**		**Year ended December 31, 2013**
Property acquisition costs				
Balance, beginning of the period	$	61,735	$	61,735
Additions during the period		-		-
		61,735		61,735
Exploration and evaluation costs				
Balance, beginning of the period		3,520,185		1,754,927
Costs incurred during the period:				
Drilling and related costs		1,093,804		923,010
Mineral rights maintenance		118,105		123,448
Field work		51,278		32,036
Geological		870,187		648,573
Travel and accommodation		60,276		38,191
		5,713,835		3,520,185
Total- Bruner Property	$	5,775,570	$	3,581,920
Aranka North Property				
Property acquisition costs				
Balance, beginning of the period	$	906,442	$	592,986
Cash payments		-		188,456
Common shares issued		140,000		125,000
		1,046,442		906,442
Exploration and evaluation costs				
Balance, beginning of the period		1,797,201		1,319,190
Costs incurred during the period:				
Exploration and related costs		81,375		287,161
Field work		27,763		99,512
Geological		-		46,980
Equipment and depreciation		32,449		19,157
Office		20,169		25,201
		1,958,957		1,797,201
Total- Aranka North Property	$	3,005,399	$	2,703,643
Total exploration and evaluation assets	$	8,780,969	$	6,285,563

6. Equipment

	Cost	Accumulated Depreciation	Net
As at December 31, 2012	$ 69,651	$ (15,856)	$ 53,795
Depreciation	-	(13,911)	(13,911)
At December 31, 2013	$ 69,651	$ (29,767)	$ 39,884

As at December 31, 2013	$ 69,651	$ (29,767)	$ 39,884
Depreciation	-	(29,834)	(29,834)
At September 30, 2014	$ 69,651	$ (59,601)	$ 10,050

7. Trade payables and accrued liabilities

	September 30, 2014	December 31, 2013
Trade payables	$ 277,328	$ 91,133
Amount due to related parties (Note 9)	380,324	40,017
Accrued liabilities	28,000	35,500
	$ 685,652	$ 166,650

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, 2014, there were 122,056,861 issued and fully paid common shares.

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 March 14, 2014, the Company granted 4,400,000 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. The estimated grant date fair value of these options was $541,405 of which $433,346 was expensed immediately and $108,059 will be expensed over the term to vesting of the underlying options.

The weighted average grant date fair values of the options granted above were estimates based on the following weighted average assumptions: share price at grant date of $0.13; exercise price of $0.13; expected life of 4.95 years; expected volatility of 171.3%; risk free interest rate of 1.34% and expected dividend yield rate of 0%.

On April 15, 2014, the Company granted 250,000 stock options to a director. The options were vested immediately. The options have an exercise price of $0.13 per share and expire on April 15, 2019. The estimated grant date fair value of these options was $26,893.

The weighted average grant date fair values of the options granted above were estimates based on the following weighted average assumptions: share price at grant date of $0.115; exercise price of $0.13; expected life of 4.75 years; expected volatility of 170.6%; risk free interest rate of 1.47% and expected dividend yield rate of 0%.

The Company also recorded share-based payment of $58,530 in the year ended 2013 for options which vested from previous year's option grants.

The changes in options during the nine months ended September 30, 2014 and the year ended December 31, 2013 are summarized as follows:

	September 30, 2014		December 31, 2013	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of year	4,625,000	$ 0.21	5,525,000	$ 0.21
Options granted	4,650,000	0.13	-	-
Options expired/forfeited	(450,000)	0.21	(900,000)	0.23
Options outstanding, end of the period	8,825,000	$ 0.17	4,625,000	$ 0.21
Options exercisable, end of the period	7,150,000	$ 0.18	4,625,000	$ 0.21

Details of options outstanding at September 30, 2014 are as follows:

	September 30, 2014		
Date of expiry	Contractual life, years	Number of options	Exercise price
March 9, 2016	1.44	250,000	$ 0.15
July 6, 2016	1.77	325,000	0.22
July 12, 2016	1.78	100,000	0.22
January 5, 2017	3.27	1,225,000	0.105
September 24, 2017	2.98	2,275,000	0.27
March 13, 2019	4.45	4,400,000	$ 0.13
April 15, 2019	4.55	250,000	$ 0.13
	3.70	8,825,000	$ 0.17

8. Share capital and reserves (cont'd)

Warrants

	September 30, 2014		December 31, 2013	
	Number of warrants	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
Warrants outstanding, beginning of year	17,223,520	$ 0.29	38,946,020	$ 0.21
Warrants expired	-	-	(21,722,500)	0.20
Warrants outstanding, end of the period(1)(2)	17,223,520	$ 0.29	17,223,520	$ 0.29

(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. All of these warrants expired unexercised.

(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. All of these warrants expired unexercised. 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%.

	September 30, 2014	
Date of expiry	**Number of warrants**	**Exercise price**
April 3, 2014(1)	4,800,000	0.15
April 28, 2014(2)	1,100,000	0.175
August 9, 2014	10,866,000	0.30
August 9, 2014 (3)	457,520	0.50
	17,223,520	$ 0.21

(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. All of these warrants expired unexercised on April 3, 2014.
(2) On February 5, 2014 the Company received regulatory acceptance to reduce 1,100,000 warrants exercise price to $0.175. All of these warrants expired unexercised on April 28, 2014
(3) 457,520 warrants at $0.40 until August 9, 2013 then $0.50 until August 9, 2014. All of these warrants expired unexercised on 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:

	September 30, 2014	December 31, 2013
Directors and corporations controlled by directors of the Company[(1)]	$ 380,324	$ 40,017
	$ 380,324	$ 40,017

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,	
	2014	2013
Management and administrative fees	$ 223,923	$ 288,000
Survivor benefit[(1)]	360,000	-
Fees for outside/independent directors	39,456	15,000
Share-based payment	347,070	-
	$ 970,449	$ 303,000

(1) Pursuant to a management contract obligation, the Company has accrued a payable to the estate of the late CEO of the Company.

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 ended September 30, 2014.

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 ended September 30, 2014.

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:

	September 30, 2014	**December 31, 2013**
Cash and cash equivalents	$ 1,382,281	$ 808,935

Financial instruments classified as other financial liabilities:

	September 30, 2014	**December 31, 2013**
Trade payables	$ 657,652	$ 131,150

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 are 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 September 30, 2014		
	Guyana	**US**	**Total**
Exploration and evaluation assets	$ 3,005,399	$ 5,775,570	$ 8,780,969
Equipment	10,050	-	10,050
	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

12. Subsequent event

Subsequent to quarter end, the Company closed its equity financing for gross proceeds of $1,524,229. The Company issued a total of 7,258,234 Units at $0.21 per Unit, each Unit consisting of one common share and one-half (1/2) share purchase warrant, each whole warrant entitling the holder to purchase one (1) additional common share at $0.30 per share on or before October 2, 2016.