

ACREX VENTURES LTD.

**2300 - 1066 West Hastings Street
Vancouver, BC V6E 3X2**

ANNUAL REPORT TO SHAREHOLDERS

2013

The Company's Annual Report to its Shareholders is comprised of the Annual Management Discussion and Analysis dated March 20, 2013 – as well as the financial statements audited for the fiscal year ended December 31, 2012. Copies may be obtained from the Company on request. They may also be viewed on the Company's website at: www.acrexventures.com and on SEDAR at: www.sedar.com

The Company has suffered – along with many other small mineral exploration companies – the downturn in the stock market which has occurred in recent months. The consequence of this is that the trading value of the Company's shares has been virtually totally lost – and the Company cannot raise additional equity funding. The Board therefore considers that the most appropriate course of action, until the market “turns around”, is to just maintain the Company and its Nevada property interest.

As at July 3, 2013 the Company had cash on hand of approximately \$431,000. The Company's geological consultants have recommended a drill programme on the Company's Nevada claims. The minimum programme that they consider could provide effective and meaningful results will cost in excess of \$500,000. Management therefore considers that it would not be prudent to embark on a smaller drill programme which, it is anticipated, would deplete the Company's cash assets and would not provide meaningful drill results.

The Company is still holding the 2,000,000 shares of Spanish Mountain Gold Ltd. which it received from its sale of its Spanish Mountain area mineral interests. Unfortunately the market for shares in Spanish Mountain Gold Ltd. is so weak that Management does not believe that the shares held by the Company could be sold for an adequate amount.

Management has reviewed a number of additional mineral properties that have been referred to it. After reviewing the properties it has concluded that none of them would be appropriate for potential acquisition by the Company.

Over the past year the Company's President and Chief Executive Officer, Mr. T.J.M. Powell, has purchased in excess of 1,000,000 shares of the Company out of the market.

ON BEHALF OF THE BOARD

July 3, 2013