



(An Exploration Stage Enterprise)

UNAUDITED INTERIM FINANCIAL STATEMENTS

For the three and six month periods ended June 30, 2013 and 2012

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Goldtrain Resources Inc. are the responsibility of the management and Board of Directors of the Company.

The unaudited interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

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

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

"Carl McGill", CEO and CFO
Carl McGill

NOTICE TO READER

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim financial statements for the three and six month periods ended June 30, 2013 and 2012 have not been reviewed by the Company's auditors.

GoldTrain Resources Inc.

UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION

(An Exploration Stage Enterprise)

(Canadian dollars)

AS AT,	June 30, 2013	December 31, 2012
ASSETS		(Audited)
Current		
Cash	\$ 3,628	\$ 7,459
Trade and other receivables (Note 5)	-	9,759
Other financial assets (Note 6)	502	37,000
	\$ 4,130	\$ 54,218
LIABILITIES		
Current		
Trade and other payables (Notes 9 and 10)	\$ 572,531	\$ 541,667
	572,531	541,667
EQUITY		
Share capital (Note 11 (a))	1,660,238	1,660,238
Reserve for warrants (Note 12)	543,525	543,525
Reserve for share based payments (Note 13)	66,000	66,000
Accumulated deficit	(2,838,164)	(2,757,212)
	(568,401)	(487,449)
	\$ 4,130	\$ 54,218

Nature of Operations and Going Concern (Note 1)
Commitments and Contractual Obligations (Note 15)

Approved on behalf of the Board on August 14, 2013:

"Carl McGill" Director

"Frank Smeenk" Director

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

GoldTrain Resources Inc.

UNAUDITED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(An Exploration Stage Enterprise)

(Canadian dollars)

Periods ended June 30,	Three Months		Six Months	
	2013	2012	2013	2012
Expenses				
Professional and consulting fees	\$ 29,500	\$ 36,385	\$ 49,000	\$ 77,886
Shareholder Information	7,564	2,445	9,834	5,413
Office, general and administrative	258	4,136	1,056	10,623
Exploration and evaluation expenditures (Note 8)	1,795	90,914	1,795	390,201
Part XII.6 tax	-	1,009	-	2,691
Amortization (Note 7)	-	1,045	-	4,632
Net loss before the undernoted	\$ 39,117	\$ 135,934	\$ 61,685	\$ 491,446
Flow-through share premium recovery (Note 11 (a))	-	(31,000)	-	(124,000)
Loss (Gain) on sale of other financial assets (Note 6)	-	-	70,466	(36,390)
Unrealized loss (gain) on other financial assets (Note 6)	-	42,000	(51,199)	(10,941)
Net loss and comprehensive loss for the period	\$ 39,117	\$ 146,934	\$ 80,952	\$ 320,115
Loss per share				
Basic and diluted	\$ 0.001	\$ 0.003	\$ 0.002	\$ 0.006
Weighted average number of common shares outstanding				
Basic and diluted (000's)	49,423	49,423	49,423	49,423

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

GoldTrain Resources Inc.

UNAUDITED INTERIM STATEMENTS OF CHANGES IN EQUITY

(An Exploration Stage Enterprise)

(Canadian dollars)

	Share Capital		Reserves		Accumulated deficit	Total
	Number of Shares	Amount	Share based payments	Warrants		
Balance at December 31, 2011	49,422,611	\$ 1,660,238	\$ 66,000	\$ 543,525	\$ (2,223,524)	\$ 46,239
Comprehensive loss for the year	-	-	-	-	(533,688)	(533,688)
Balance at December 31, 2012	49,422,611	\$ 1,660,238	\$ 66,000	\$ 543,525	\$ (2,757,212)	\$ (487,449)
Comprehensive loss for the period	-	-	-	-	(80,952)	(80,952)
Balance at June 30, 2013	49,422,611	\$ 1,660,238	\$ 66,000	\$ 543,525	\$ (2,838,164)	\$ (568,401)
Balance at December 31, 2011	49,422,611	\$ 1,660,238	\$ 66,000	\$ 543,525	\$ (2,223,524)	\$ 46,239
Comprehensive loss for the period	-	-	-	-	(320,115)	(320,115)
Balance at June 30, 2012	49,422,611	\$ 1,660,238	\$ 66,000	\$ 543,525	\$ (2,543,639)	\$ (273,876)

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

GoldTrain Resources Inc.

UNAUDITED INTERIM STATEMENTS OF CASH FLOW

(An Exploration Stage Enterprise)
(Canadian dollars)

Six month periods ended June 30,	2013	2012
Operating activities		
Net loss for the period	\$ (80,952)	\$ (320,115)
Add items not affecting cash:		
Amortization	-	4,632
Realized loss (gain) on other financial assets	70,466	(36,390)
Unrealized gain on other financial assets	(51,199)	(10,941)
Flow-through share premium recovery	-	(124,000)
Changes in non-cash working capital items (Note 14)	40,623	(65,802)
Cash flows used in operating activities	(21,062)	(552,616)
Investing activities		
Purchase of property, plant and equipment	-	(12,500)
Proceeds on sale of other financial assets	17,231	105,331
Cash flows provided from financing activities	17,231	92,831
Net decrease in cash	(3,831)	(459,785)
Cash, beginning of period	7,459	523,629
Cash, end of period	\$ 3,628	\$ 63,844

SUPPLEMENTAL CASH FLOW INFORMATION (Note 14)

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

GoldTrain Resources Inc.

(An Exploration Stage Enterprise)

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2013 AND 2012

(Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN CONSIDERATIONS

GoldTrain Resources Inc. ("GoldTrain" or the "Company") is a public company amalgamated under the laws of the Province of Ontario on April 27, 2009. The Company's head office is located at 180 Dundas St. W., Suite 1801, Toronto, ON, M5G 1Z8. GoldTrain's principal business is the acquisition and exploration of mineral properties. Substantially all of the efforts of the Company are devoted to these business activities. To date, the Company has not earned significant revenue and is considered to be in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing.

As at June 30, 2013, the Company had a working capital deficiency of \$568,401 (December 31, 2012 – \$487,449), had not yet achieved profitable operations, had accumulated losses of \$2,838,164 (December 31, 2012 - \$2,757,212) and expects to incur further losses in the development of its business, all of which casts doubt upon the Company's ability to continue as a going concern. The Company is in the exploration stage and has no proven reserves or production relating to its operations. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so.

Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. However, management plans on securing additional financing through the issue of new equity, among other things. Nevertheless, there is no assurance that these initiatives will be successful.

These financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The business of mining and exploring for minerals involves a high degree of risk and there is no guarantee that the Company's exploration programs will yield positive results or that the Company will be able to obtain the necessary financing to carry out the exploration and development of its mineral property interests.

Management believes the going concern assumption to be appropriate for these financial statements. If the going concern assumption was not appropriate, adjustments might be necessary to the carrying value of the assets and liabilities, reported revenues and expenses, and the statement of financial position classifications used in the financial statements.

The future profitability of exploration properties and the Company's continued existence are dependent upon the preservation of its interests in the underlying properties, the development of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or, alternatively, upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

GoldTrain Resources Inc.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2013 AND 2012

(Canadian dollars)

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unaudited interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited interim financial statements were authorized by the Board of Directors of the Company on August 14, 2013.

2.2 Basis of presentation

These unaudited interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2012 annual financial statements. Management advises readers of these unaudited interim financial statements to review the audited financial statements and accompanying notes as at December 31, 2012 in conjunction with the review of these statements.

2.3 Use of management estimates, judgments and measurement uncertainty

The preparation of these financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to recoverability of trade and other receivables, valuation of deferred income tax amounts and the calculation of share-based payments. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Calculation of share based payments and warrants

The Black-Scholes option pricing model is used to determine the fair value for the share based payments and warrants and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

Income taxes

Tax interpretations, regulations and legislation in the various jurisdictions in which the Company operates are subject to change and interpretation. As such, income taxes are subject to measurement uncertainty. The Company follows the liability method for calculating deferred taxes. Assessing the recoverability of deferred tax assets requires the Company to make significant estimates related to the expectations of future cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the deferred tax assets and liabilities recorded at the statement of financial position date could be impacted. Additionally, changes in tax laws could limit the ability of the Company to obtain tax deductions in the future.

GoldTrain Resources Inc.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2013 AND 2012

(Canadian dollars)

2. BASIS OF PRESENTATION *(continued)*

2.4 Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised International Accounting Standards, IFRS, amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2013. For the purpose of preparing and presenting the financial information for the relevant periods, the Company has consistently adopted all these new standards for the relevant reporting periods.

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Company has not early adopted these standards, amendments and interpretations. However, the Company is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.

- IFRS 9 '*Financial Instruments: Classification and Measurement*' – effective for annual periods beginning on or after January 1, 2015, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.
- IAS 32 '*Financial instruments, Presentation*' – In December 2011, effective for annual periods beginning on or after January 1, 2014, IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date.

3. CAPITAL MANAGEMENT

The Company's objectives in managing its capital are: to maintain adequate levels of funding to support its expenditures arising from the Company's investments; to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its properties; to maintain a flexible capital structure for its projects for the benefit of its stakeholders; to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company considers its capital to be equity, which is comprised of share capital, reserve accounts, and accumulated deficit, which as at June 30, 2013 was a deficiency of \$568,401 (December 31, 2012 – \$487,449).

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The board of directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company expects its capital resources, together with its access to the capital markets and accommodation from its service providers, will be sufficient to carry out its exploration plans and operations through its current operating period. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the six month period ended June 30, 2013. The Company is not subject to externally imposed capital requirements.

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FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2013 AND 2012

(Canadian dollars)

4. FINANCIAL INSTRUMENTS

Fair Value Hierarchy

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data.

Fair value

The Company's financial instruments as at June 30, 2013 include cash, other financial assets, trade and other receivables, and trade and other payables. The Company has designated its cash and other financial assets as FVTPL, which are measured at fair value. Fair value of cash and other financial assets are determined based on transaction value and is categorized as Level 1 measurement. Fair value of trade and other receivables and trade and other payables are determined from transaction values which were derived from observable market inputs. Fair values of these financial instruments are based on Level 2 measurements. The Company records its financial instruments at their carrying amounts which approximates fair value, unless otherwise disclosed in the financial statements. The carrying amounts approximate fair values due to the short-term maturities of these financial instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Interest-rate risk

The Company has cash and cash equivalent balances bearing fixed interest rates and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Equity price risk

Equity price risk arises from the possibility that changes in market prices will affect the value of the financial instruments of the Company. The Company is exposed to fair value fluctuations on its other financial assets. The Company's other financial instruments (cash, trade and other receivables, and trade and other payables) are not subject to price risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2013, the Company had current assets of \$4,130 (December 31, 2012 - \$54,218) to settle current liabilities of \$572,531 (December 31, 2012 - \$541,667). The ability of the Company to continue to pursue its exploration activities and continue as a going concern is dependent on its ability to secure additional equity or other financing and the continued accommodation from its service providers. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at June 30, 2013, the Company had a working capital deficiency of \$568,401 (December 31, 2012 - \$487,449).

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FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2013 AND 2012

(Canadian dollars)

4. FINANCIAL INSTRUMENTS *(continued)*

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to cash and receivables included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consist of bank deposits, which have been invested in a Canadian chartered bank, from which management believes the risk of loss is remote. As at June 30, 2013, the Company's receivables primarily consist of amounts due from the Canadian government. The Company's receivables are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to June 30, 2013. The Company is exposed to credit risk with regards to debtors refusing payment and the government denying the Company claims filed.

The Company's maximum exposure to credit risk as at June 30, 2013 is the carrying value of cash and trade and other receivables.

5. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables arise from harmonized sales tax ("HST") receivable due from government taxation authorities. These are broken down as follows:

	As at,	
	June 30, 2013	December 31, 2012
HST receivable	\$ -	\$ 9,759
Total trade and other receivables	\$ -	\$ 9,759

Below is an aged analysis of the Company's trade and other receivables:

	As at,	
	June 30, 2013	December 31, 2012
Less than 1 month	\$ -	\$ 9,759
Total trade and other receivables	\$ -	\$ 9,759

At June 30, 2013, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables. The credit risk on the receivables has been further discussed in Note 4.

The Company holds no collateral for any receivable amounts outstanding as at June 30, 2013.

6. OTHER FINANCIAL ASSETS – FVTPL SECURITIES

Other financial assets are comprised of marketable securities of a publicly traded company on the TSX Venture Exchange ("TSXV"). As at June 30, 2013, these fair value through profit and loss investments have been measured at their fair value of \$502 (December 31, 2012 – \$37,000). The impact to the financial statements of the revaluation to market value resulted in an unrealized gain of \$51,199 (2012 – \$10,941) due to the reclassification of previously unrealized losses as a result of the sale of these financial assets and a realized loss of \$70,466 (2012 – gain of \$36,390) through the sale of these marketable securities.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

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(Canadian dollars)

7. PROPERTY, PLANT AND EQUIPMENT

	Automotive equipment	Core shack	Total
Cost			
As at January 1, 2012	\$ 11,828	\$ 1,827	\$ 13,655
Disposals	(11,828)	(1,827)	(13,655)
As at December 31, 2012 and June 30, 2013	\$ -	\$ -	\$ -
Accumulated depreciation			
As at January 1, 2012	7,887	915	8,802
Amortization	3,541	912	4,453
Disposals	(11,428)	(1,827)	(13,255)
As at December 31, 2012 and June 30, 2013	\$ -	\$ -	\$ -
Net book value			
As at December 31, 2012	-	-	-
As at June 30, 2013	-	-	-

8. MINERAL PROPERTIES

The evaluation and exploration expenses for the Company are broken down as follows:

	Six Month Period Ended June 30,		Cumulative to date *
	2013	2012	
Clement Property	\$ -	\$ 30,114	\$ -
Chiniguchi River/Janes Property	-	319,483	-
Missinabie/Nudulama Property	1,795	40,604	1,185,054
Exploration and evaluation expenditures	\$ 1,795	\$ 390,201	\$ 1,185,054

* Only properties currently under exploration are included in this figure.

Clement Township – Hagar, Ontario

The Company had a 100% interest in 15 unpatented mining claims (containing 227 claim units) covering approximately 3632 hectares in the Clement Township area, approximately 65 kilometres northeast of Sudbury. During the year ended December 31, 2012, this property was transferred to Brian Wright, President and Chief Operating Officer, (the "Purchaser") along with Chiniguchi River claims (the "Properties"). See "Chiniguchi River" for further details.

Chiniguchi River – Janes Township, Ontario

The Company had a 75% interest in 8 unpatented mining claims (containing 120 claim units) in the Chiniguchi River area covering approximately 1920 hectares in Janes Township, District of Sudbury. The vendor retained a 2% net smelter royalty. GoldTrain had also staked 4 new claims (49 units covering approximately 748 hectares) adjoining the Chiniguchi River property to the south. On October 26, 2012, this property was transferred to the Purchaser along with the Clement Property in exchange for the Purchaser agreeing to perform \$90,000 worth of exploration activities on the Missinabie/Nudulama claims in exchange for the Properties, \$45,000 in cash and \$45,000 to be received in shares at the lowest price allowed by the stock exchanges or as mutually agreed to by both parties. During the year ended December 31, 2012, the Company decided to forego the consideration to be performed by the Purchaser as the Company was not able to come up with the cash portion requirement and, accordingly, the Company completed the exchange for no additional consideration.

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(Canadian dollars)

8. MINERAL PROPERTIES *(continued)*

Missinabie/Nudulama Property – Brackin and Leeson Township, Ontario

The Company has a 100% interest in 7 unpatented mining claims (containing 92 claim units) covering approximately 1472 hectares in the Brackin Township area, approximately 72 kilometres northeast of the town of Wawa, Ontario. The vendor retains a 2% net smelter royalty which continues until the property is written off.

In 2010, the Company acquired a 100% interest in 2 unpatented mining claims in the Leeson Township area, in the mining district of Sault Ste. Marie by issuing 400,000 common shares (issued) and paid \$11,200. The vendor retains a 3% net smelter royalty on the property, two-thirds of which can be purchased for \$2,000,000.

In 2011, the Company purchased a 100% interest in 11 patented and 11 leased claims in Leeson Township (Nudulama Property) approximately 85 kilometers northeast of Wawa, Ontario. The patented claims are adjacent to the Missinabie Property. The Company paid \$100,000, issued 300,000 common shares and issued 300,000 warrants. Each warrant entitles the holder to acquire one common share at an exercise price of \$0.10 for 24 months. The vendor retains a 2% net smelter royalty on the property, one-half of which can be purchased for \$1,000,000.

9. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables:

	As at,	
	June 30, 2013	December 31, 2012
Less than 1 month	\$ 56,276	\$ 97,086
1 – 3 months	274	6,780
Over 3 months	515,981	437,801
Total trade and other payables	\$ 572,531	\$ 541,667

10. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

For the six month period ended June 30,	2013	2012
Balances:		
Short-term employee benefits	\$ 36,000	\$ 124,000
Total compensation paid to key management	\$ 36,000	\$ 124,000

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(Canadian dollars)

10. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT *(continued)*

Certain corporate entities and consultants that are related to the Company's officers and directors or persons holding more than 10% of the issued and outstanding shares of the Company provide consulting and other services to the Company. All transactions were conducted in the normal course of operations and are measured at the exchange amounts, which is the amount of consideration established and agreed to by the related parties and are as follows:

During the six month period ended June 30, 2013, the Company was charged \$10,000 (2012 - \$41,000) for legal fees by a law firm of which a former director who was a director of the Company is an officer, director and shareholder.

Included in accounts payable at June 30, 2013 is \$106,000 (December 31, 2012 - \$91,000) owing to key management and related parties. In addition, included in accounts payable at June 30, 2013 is \$450,000 (December 31, 2012 - \$428,000) owing to former directors and officers or Companies controlled by them.

11. SHARE CAPITAL

(a) Common shares

**Authorized – Unlimited number of common shares
Unlimited number of preference shares issuable in series**

	Number of Shares	Amount
Balance, December 31, 2012 and June 30, 2013	49,422,611	\$ 1,660,238

During the six month period ended June 30, 2012, flow-through share premium liability of \$124,000 was reversed (resulting from flow-through funds spent) and recorded as a flow-through share premium recovery in the statements of loss for six month period ended June 30, 2012.

(b) Options

The Company has a stock option plan (the "Plan") under which the board of directors of the Company may grant options to acquire common shares of the Company to directors and officers, employees and consultants of the Company. Exercise prices cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant less any discounts permitted by regulatory policies and the maximum term of any option cannot exceed five years. The maximum aggregate number of common shares under option at any time under the Plan is a rolling 10% of the issued and outstanding common shares (December 31, 2012 - 4,942,261). As at June 30, 2013, the Company had 2,492,261 (December 31, 2012 - 2,492,261) options available for issuance under the Plan. The options outstanding to purchase common shares are as follows:

	June 30, 2013		December 31, 2012	
	Options	Weighted Average Exercise price	Options	Weighted Average Exercise price
Outstanding at beginning of period/year	2,450,000	\$ 0.11	2,450,000	\$ 0.11
Outstanding at end of period/year	<u>2,450,000</u>	<u>\$ 0.11</u>	<u>2,450,000</u>	<u>\$ 0.11</u>

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(Canadian dollars)

11. SHARE CAPITAL (continued)

(b) Options (continued)

The following summarizes information on the stock options outstanding at June 30, 2013:

Range of Exercise Prices (\$)	No. of Options Outstanding	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price (\$)
0.05	100,000	2.09	0.05
0.10	550,000	2.16	0.10
0.12	1,800,000	1.21	0.12
0.05 - 0.12	2,450,000	1.46	0.11

(c) Common Share Purchase Warrants

The exercise price and expiry date of the warrants outstanding at June 30, 2013 are as follows:

Warrants	Exercise Price	Expiry Date
300,000	0.10	September 26, 2013
<u>300,000</u>		

12. RESERVE FOR WARRANTS

Reserve for warrants is comprised of the following:

As at,	June 30, 2013	December 31, 2012
Balance, beginning of the period/year	\$ 543,525	\$ 543,525
Balance, end of period/year	<u>\$ 543,525</u>	<u>\$ 543,525</u>

13. RESERVE FOR SHARE BASED PAYMENTS

Reserve for share based payments is comprised of the following:

As at,	June 30, 2013	December 31, 2012
Balance, beginning of the period/year	\$ 66,000	\$ 66,000
Balance, end of period/year	<u>\$ 66,000</u>	<u>\$ 66,000</u>

GoldTrain Resources Inc.

(An Exploration Stage Enterprise)

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2013 AND 2012

(Canadian dollars)

14. SUPPLEMENTAL CASH FLOW INFORMATION

For the six month period ended June 30,	2013	2012
Trade and other receivables	\$ 9,759	\$ 17,236
Prepaid expenses	-	1,500
Trade and other payables	30,864	(84,538)
Changes in non-cash working capital balances	\$ 40,623	\$ (65,802)
Interest paid	\$ -	\$ -
Income tax paid	\$ -	\$ -

15. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees. The Company has not determined and is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.