

**SearchGold Resources Inc.**  
**(A Mining Exploration Company)**

**Interim Consolidated Financial Statements**  
**for the three-month periods ended**  
**March 31, 2013 and 2012**

Financial Statements

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**STATEMENT CONCERNING THE INTERIM FINANCIAL STATEMENTS**

Management has compiled the unaudited interim financial statements as at March 31, 2013 and for the three-month periods ended March 31, 2013 and 2012. The statements have not been audited or reviewed by the company's auditors or any other firm of chartered accountants.

**SearchGold Resources Inc.**

## Consolidated Statement of Financial Position

(in canadian dollars)

|  | Notes | 2013-03-31<br>(Unaudited)<br>\$ | 2012-12-31<br>(Audited)<br>\$ |
|--|-------|---------------------------------|-------------------------------|
| <b>ASSETS</b>  |       |                                 |                               |
| Current  |       |                                 |                               |
| Cash   |       | 52,024                          | 94,377                        |
| Guaranteed investment certificate, prime rate less 2,05%, maturing in April 2013 |       | 20,000                          | 20,000                        |
| Other receivables  |       | 88,065                          | 125,355                       |
| Prepaid expenses   |       | 9,165                           | 10,691                        |
|  |       | <u>169,254</u>                  | <u>250,423</u>                |
| Non-current  |       |                                 |                               |
| Property and equipment   |       |                                 | 4,564                         |
| Other long-term financial assets   | 3     | <u>378,686</u>                  | <u>574,460</u>                |
| <b>Total assets</b>  |       | <u><u>547,940</u></u>           | <u><u>829,447</u></u>         |
| <b>EQUITY AND LIABILITIES</b>  |       |                                 |                               |
| <b>LIABILITIES</b>   |       |                                 |                               |
| Current  |       |                                 |                               |
| Trade and other payables   |       | <u>308,815</u>                  | <u>298,171</u>                |
| <b>Total liabilities</b>   |       | <u><u>308,815</u></u>           | <u><u>298,171</u></u>         |
| <b>EQUITY</b>  |       |                                 |                               |
| Share Capital  | 4.1   | 18,520,726                      | 18,520,726                    |
| Contributed surplus  |       | 3,685,749                       | 3,685,749                     |
| Deficit  |       | (20,675,873)                    | (20,579,496)                  |
| Accumulated other comprehensive loss   |       | <u>(1,291,477)</u>              | <u>(1,095,703)</u>            |
| <b>Total equity</b>  |       | <u><u>239,125</u></u>           | <u><u>531,276</u></u>         |
| <b>Total liabilities and equity</b>  |       | <u><u>547,940</u></u>           | <u><u>829,447</u></u>         |

The accompanying notes are an integral part of the interim consolidated financial statements.

These interim consolidated financial statements were approved and authorized for issue by the Board of Directors May 24, 2013.

/S/ Stanley Robinson  
Director

/S/ David Carbonaro  
Director

**SearchGold Resources Inc.****Consolidated Statements of Comprehensive Loss**

For the three-month periods ended March 31, 2013 and 2012

(in canadian dollars)

(Unaudited)

|   | Notes | 2013<br>\$        | 2012<br>\$        |
|---|-------|-------------------|-------------------|
| <b>Revenues</b>   |       |                   |                   |
| Royalties   |       | 66,885            | —                 |
| <b>Expenses</b>   |       |                   |                   |
| Exploration and evaluation expenditures                               | 5     | 7,561             | 2,475             |
| Administrative expenses   | 6     | 155,353           | 154,732           |
| Losses from exchange differences                                      |       | 137               | 1,041             |
|   |       | <u>163,051</u>    | <u>158,248</u>    |
| <b>Operating loss</b>   |       | 96,166            | 158,248           |
| Financial costs   |       | 211               | 672               |
| <b>Net loss</b>   |       | <u>(96,377)</u>   | <u>(158,920)</u>  |
| <b>Other comprehensive loss</b>                                       |       |                   |                   |
| Available-for-sale-financial assets                                   |       |                   |                   |
| Net change in fair value  |       | (195,774)         | 156,354           |
| Total of other comprehensive loss                                     |       | <u>(195,774)</u>  | <u>156,354</u>    |
| <b>Total comprehensive loss</b>                                       |       | <u>(292,151)</u>  | <u>(2,566)</u>    |
| <b>Net loss per share</b>   |       |                   |                   |
| Basic and diluted net loss per share                                  |       | <u>(0.00)</u>     | <u>(0.01)</u>     |
| Weighted average number of common share outstanding basic and diluted |       | <u>32,891,305</u> | <u>21,888,008</u> |

The accompanying notes are an integral part of the interim consolidated financial statements.

## SearchGold Resources Inc.

### Consolidated Statements of Changes in Equity

For the three-month periods ended March 31, 2013 and 2012

(in canadian dollars)

(Unaudited)

|  | Notes | Share Capital |            | Accumulated                    | Contributed | Deficit      | Total     |
|--|-------|---------------|------------|--------------------------------|-------------|--------------|-----------|
|  |       | Number        | \$         | Other<br>Comprehensive<br>Loss | surplus     |              | Equity    |
|  |       |               |            |                                |             |              |           |
| <b>Balance at January 1, 2012</b>        |       | 18,591,271    | 17,896,122 | (673,746)                      | 3,578,782   | (20,011,907) | 789,251   |
| Shares issued under a private investment | 4.1   | 10,000,000    | 500,000    |                                |             |              | 500,000   |
| Equity instrument issue expense          |       |               |            |                                |             | (24,635)     | (24,635)  |
| Share-based payments                     |       |               |            |                                | 11,623      |              | 11,623    |
| Transactions with owners                 |       | 10,000,000    | 500,000    | –                              | 11,623      | (24,635)     | 486,988   |
| Net loss                                 |       |               |            |                                |             | (158,920)    | (158,920) |
| <b>Other comprehensive loss</b>          |       |               |            |                                |             |              |           |
| Available-for-sale financial assets      |       |               |            |                                |             |              |           |
| Net change in fair value                 |       |               |            | 156,354                        |             |              | 156,354   |
| Total comprehensive loss                 |       | –             | –          | 156,354                        | –           | –            | 156,354   |
| <b>Balance at March 31, 2012</b>         |       | 28,591,271    | 18,396,122 | (517,392)                      | 3,590,405   | (20,195,462) | 1,273,673 |
| <b>Balance at January 1, 2013</b>        |       | 32,891,305    | 18,520,726 | (1,095,703)                    | 3,685,749   | (20,579,496) | 531,276   |
| Net loss                                 |       |               |            |                                |             | (96,377)     | (96,377)  |
| <b>Other comprehensive loss</b>          |       |               |            |                                |             |              |           |
| Available-for-sale financial assets      |       |               |            |                                |             |              |           |
| Net change in fair value                 |       |               |            | (195,774)                      |             |              | (195,774) |
| Total comprehensive loss                 |       | –             | –          | (195,774)                      | –           | –            | (195,774) |
| <b>Balance at March 31, 2013</b>         |       | 32,891,305    | 18,520,726 | (1,291,477)                    | 3,685,749   | (20,675,873) | 239,125   |

The accompanying notes are an integral part of the interim consolidated financial statements.

**SearchGold Resources Inc.****Consolidated Statements of Cash Flows**

For the three-month periods ended March 31, 2013 and 2012

(in canadian dollars)

(Unaudited)

|  | Notes | 2013<br>\$           | 2012<br>\$            |
|--|-------|----------------------|-----------------------|
| <b>OPERATING ACTIVITIES</b>              |       |                      |                       |
| Net loss                                 |       | (96,377)             | (158,920)             |
| Adjustments                              |       |                      |                       |
| Share-based payments                     |       |                      | 11,623                |
| Depreciation of property and equipment   |       | 4,564                | 327                   |
| Changes in working capital items         | 8     | 49,460               | (96,682)              |
| Cash flows from operating activities     |       | <u>(42,353)</u>      | <u>(243,652)</u>      |
| <b>FINANCING ACTIVITIES</b>              |       |                      |                       |
| Shares issued under a private investment |       |                      | 500,000               |
| Equity instrument issue expense          |       |                      | (24,635)              |
| Cash flows from financing activities     |       | <u>—</u>             | <u>475,365</u>        |
| <b>Net change in cash</b>                |       | <u>(42,353)</u>      | <u>231,713</u>        |
| Cash, beginning of period                |       | <u>94,377</u>        | <u>146,693</u>        |
| Cash, end of period                      |       | <u><u>52,024</u></u> | <u><u>378,406</u></u> |

The accompanying notes are an integral part of the interim consolidated financial statements.

## SearchGold Resources Inc.

### Notes to Consolidated Financial Statements

(in canadian dollars)

#### 1. NATURE OF OPERATIONS

SearchGold Resources Inc. and its subsidiary, (hereinafter the "Company") specializes in the acquisition and exploration of gold mining sites in Africa.

SearchGold Resources Inc. is the ultimate parent company and its shares are listed on the TSX Venture Exchange.

SearchGold Resources Inc. is incorporated under the Canada Business Corporations Act. The address of SearchGold Resources Inc. registered office and its principal place of business is 36 Lombard St., Suite 700, Toronto, Ontario, M5C 2X3.

These interim consolidated financial statements have been established in accordance with the International Financial Reporting Standards (the "IFRS").

#### 2 STATEMENT OF COMPLIANCE

These unaudited interim consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with IAS 34 Interim Financial Reporting. The unaudited interim consolidated financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2012, as they follow the same accounting policies and methods of application, unless otherwise indicated.

#### 3. OTHER LONG-TERM FINANCIAL ASSETS

|  | <u>2013-03-31</u> | <u>2012-12-31</u> |
|--|-------------------|-------------------|
|  | (Unaudited)       | (Audited)         |
|  | \$                | \$                |
| Common shares in quoted companies, at fair value |                   |                   |
| Stellar Diamonds Limited                         | 55,973            | 72,021            |
| Golden Share Mining Corporation                  | 53,375            | 85,399            |
| Concordia Resource Corp.                         | <u>269,338</u>    | <u>417,040</u>    |
|  | <u>378,686</u>    | <u>574,460</u>    |

#### 4. SHARE CAPITAL

##### 4.1 Share capital

The share capital of the company consists only of fully paid ordinary shares.

##### Authorized share capital

Unlimited number of common shares voting and participating

In March 2012, the Company completed a non-brokered private placement for \$500,000. The Company issued 10,000,000 common shares of the Company at a price of \$0.05 per share.

## SearchGold Resources Inc.

### Notes to Consolidated Financial Statements

(in canadian dollars)

#### 4. *SHARE CAPITAL (continued)*

##### 4.2 Warrants

Outstanding warrants entitle their holder to subscribe to an equal number of common shares as follows:

|                              | 2013-03-31       |                | 2012-12-31       |                |
|------------------------------|------------------|----------------|------------------|----------------|
|                              | (Unaudited)      |                | (Audited)        |                |
|                              | Number           | Weighted       | Number           | Weighted       |
|                              | of warrants      | average        | of warrants      | average        |
|                              |                  | exercise price |                  | exercise price |
|                              |                  | \$             |                  | \$             |
| Balance, beginning of period | 4,300,000        | 0.10           | –                | –              |
| Issued                       |                  |                | 4,300,000        | 0.10           |
| Balance, end of year         | <u>4,300,000</u> | <u>0.10</u>    | <u>4,300,000</u> | <u>0.10</u>    |

The number of outstanding warrants that could be exercised for an equal number of common shares is as follows:

| <u>Expiration date</u> | <u>2013-03-31</u> |                       |
|------------------------|-------------------|-----------------------|
|                        | (Unaudited)       |                       |
|                        | <u>Number</u>     | <u>Exercise price</u> |
|                        |                   | \$                    |
| November 5, 2014       | 4,300,000         | 0.10                  |

#### 5. *EXPLORATION AND EVALUATION EXPENDITURES*

Exploration and evaluation expenditures were incurred on the Mandiana project located in Guinea, Africa.

#### 6. *ADMINISTRATIVE EXPENSES BY NATURE*

|                        | 2013-03-31     | 2012-03-31     |
|------------------------|----------------|----------------|
|                        | (Unaudited)    | (Unaudited)    |
|                        | \$             | \$             |
| Management fees        | 17,996         | 18,012         |
| Professional services  | 98,797         | 114,197        |
| Consultants            |                | 11,623         |
| Investors related fees | 18,698         | 18,880         |
| Regulatory fees        | 8,071          | 12,647         |
| Other expenses         | 11,791         | 21,420         |
| Expenses recovered     |                | (42,047)       |
|                        | <u>155,353</u> | <u>154,732</u> |

**SearchGold Resources Inc.**  
**Notes to Consolidated Financial Statements**  
(in canadian dollars)

**7. SHARE-BASED PAYMENTS**

The Company has adopted a stock-based compensation plan under which members of the Board of Directors may award options for common shares to directors, officers, employees and consultants. The maximum number of common shares issuable pursuant to the share option plan must not exceed 10% of the total number of common shares outstanding from time to time.

The exercise price of each option is determined by the Board of Directors and cannot be less than the market value of the common shares on the eve of the award and the term of the options cannot be more than five years. The options are exercisable immediately.

All share-based payments will be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options.

The Company's stock options are as follows for the reporting periods presented:

|                               | <u>2013-03-31</u>    |                                       | <u>2012-12-31</u>    |                                       |
|-------------------------------|----------------------|---------------------------------------|----------------------|---------------------------------------|
|                               | (Unaudited)          |                                       | (Audited)            |                                       |
|                               | Number<br>of options | Weighted<br>average<br>exercise price | Number<br>of options | Weighted<br>average<br>exercise price |
|                               |                      | \$                                    |                      | \$                                    |
| Balance, beginning of period  | 300,000              | 0.24                                  | 187,500              | 1.14                                  |
| Granted                       |                      |                                       | 250,000              | 0.10                                  |
| Forfeited                     |                      |                                       | (137,500)            | 1.20                                  |
| Balance, end of period        | <u>300,000</u>       | <u>0.24</u>                           | <u>300,000</u>       | <u>0.24</u>                           |
| Number of options exercisable | <u>300,000</u>       | <u>0.24</u>                           | <u>300,000</u>       | <u>0.24</u>                           |

During the year 2012, the Company granted 250,000 stock options to a consultant. The weighted average fair value of \$0.07 was determined using the Black-Scholes option pricing model and based on the following weighted average assumptions:

|  | <u>2012-12-31</u> |
|--|-------------------|
|  | (Audited)         |
| Weighted average price at the grant date | 0.07              |
| Rate of return of dividends              | -                 |
| Expected average volatility              | 178%              |
| Risk-free average interest rate          | 1.46%             |
| Expected average life (years)            | 5 years           |
| Weighted average exercise price          | 0.10              |

The expected volatility was determined using the historical data of public companies from the same sector according to each grant period.

During the three-month period ended March 31, 2012, an amount of \$16,571 was recognized in net earnings (loss) under Administrative expenses.



## SearchGold Resources Inc.

### Notes to Consolidated Financial Statements

(in canadian dollars)

#### 7. *SHARE-BASED PAYMENTS (Continued)*

The table below summarizes the information related to stock options:

|                                     |                      | 2013-03-31   |                                     | 2012-12-31           |  |
|-------------------------------------|----------------------|--|-------------------------------------|----------------------|--|
|                                     |                      | (Unaudited)  |                                     | (Audited)            |  |
| Number<br>of options<br>outstanding | Exercise price<br>\$ | Remaining<br>contractual<br>average<br>life<br>(years) | Number<br>of options<br>outstanding | Exercise price<br>\$ | Remaining<br>contractual<br>average<br>life<br>(years) |
|                                     |                      |  |                                     |                      |  |
| 50,000                              | 0.96                 | 0.23   | 50,000                              | 0.96                 | 0.48   |
| 300,000                             | 0.24                 | 3.07   | 50,000                              | 0.24                 | 3.31   |

#### 8. *ADDITIONAL INFORMATIONS – CASH FLOWS*

The changes in working capital items are detailed as follows:

|                          | 2013-03-31  | 2012-03-31  |
|--------------------------|-------------|-------------|
|                          | (Unaudited) | (Unaudited) |
|                          | \$          | \$          |
| Other receivables        | 37,290      | (19,805)    |
| Prepaid expenses         | 1,526       | 5,307       |
| Trade and other payables | 10,644      | (82,184)    |
|                          | 49,460      | (96,682)    |

#### 9. *RELATED PARTY TRANSACTIONS*

The Company's related parties include its joint key management and other related parties, as described below.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

## SearchGold Resources Inc.

### Notes to Consolidated Financial Statements

(in canadian dollars)

#### 9. RELATED PARTY TRANSACTIONS (Continued)

##### 9.1. Transactions with key management personnel

Remuneration of the key management personnel, that is, the President, the Vice-President Finance and the directors, includes the following expenses

|                       | <u>2013-03-31</u> | <u>2012-03-31</u> |
|-----------------------|-------------------|-------------------|
|                       | (Unaudited)       | (Unaudited)       |
|                       | \$                | \$                |
| Management fees       | 17,996            | 18,012            |
| Professional services | <u>15,213</u>     | <u>41,703</u>     |
|                       | <u>33,209</u>     | <u>59,715</u>     |

During the reporting periods, key management personnel did not exercise any stock options.

#### 10. SUBSEQUENT EVENT

On May 21, 2013, the Company filed its management information circular for the approval of the acquisition by the Company of all the issued and outstanding shares of Ubika Corp. in consideration for the Company issuing from treasury 35,000,000 common shares which will result in a change of business of the Company.