GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

Consolidated financial report

Years ended on December 31, 2013 and 2012.

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

CONSOLIDATED FINANCIAL REPORT

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Gravitas Financial Inc.

We have audited the accompanying consolidated financial statements of Gravitas Financial Inc. and its subsidiaries which comprise the consolidated statements of financial positions as at December 31, 2013 and December 31, 2012 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years ended December 31, 2013 and December 31, 2012 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Gravitas Financial Inc. and its subsidiaries as at December 31, 2013 and December 31, 2012, and its financial performance and its cash flows for the years ended December 31, 2013 and December 31, 2012 in accordance with International Financial Reporting Standards.

Collins Barrow Toronto LLP

Licensed Public Accountants
Chartered Accountants
April 30, 2014
Toronto, Ontario

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of (in Canadian dollars)

	Notes	2013	2012
		$	$
ASSETS			
Current assets			
Cash		26,215,133	-
Guaranteed investments certificates	8	15,020,000	-
Trade and other receivables	9	693,572	251,708
Prepaid expenses		46,347	-
Loans receivable	13	3,447,033	55,000
Convertible debentures	14	1,761,084	
		47,183,169	306,708
Non-current assets			
Property and equipment	10	148,215	5,795
Investments	12	2,774,715	864,448
Loans receivable	13	100,000	-
Convertible debentures	14	1,859,650	-
Intangible assets	11	1,264,066	-
		6,146,646	870,243
Total assets		53,329,815	1,176,951
LIABILITIES			
Current liabilities			
Bank loan	15	-	78,933
Trade and other payables	16	795,930	274,109
Customer deposits		26,210	227,373
Due to directors, non interest bearing , due on demand		91,238	142,002
Due to a related company, non interest bearing, due on demand	27	75,839	-
Loans payable to companies controlled by shareholders, non interest bearing, due on demand		54,650	42,000
Income taxes payable	24	58,919	58,919
		1,102,786	823,336
Non-current liabilities			
Lease inducement		37,609	-
Deferred income taxes	24	-	78,007
Debentures	17	52,921,091	-
		52,958,700	78,007
Total liabilities		54,061,486	901,343
EQUITY (DEFICIENCY)			
Share capital	18	1,400,600	2,000
Contributed surplus		86,000	-
Retained earnings (deficit)		(2,126,227)	347,820
Accumulated other comprehensive loss		(92,044)	(74,212)
		(731,671)	275,608
Total liabilities and equity (deficiency)		53,329,815	1,176,951

Subsequent events (Note 32)

Commitments (Note 31)

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

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

Years ended on December 31, 2013 and 2012 (in Canadian dollars)

	Notes	2013	2012
		$	$
Revenue			
Listing and research	20	773,914	989,853
Advisory services	21	375,800	185,367
Royalties		235,261	-
Interest	22	716,785	-
Dividend		80,000	-
		2,181,760	1,175,220
Expenses			
Salaries and management fees		399,572	310,370
Consulting and professional fees		1,370,731	449,973
General and administrative		760,608	205,712
Regulatory fees		49,809	-
Interest expense	23	945,888	11,308
Transaction expenses		199,902	-
Impairment of investments		20,000	33,974
Loss on settlement of trade and other receivables		10,760	-
Forgiveness of amounts due to related parties		-	(350,000)
Loss on available-for-sale financial assets recycled in net loss		324,856	218,027
Unrealized change in fair value of debentures - convertible components		(47,179)	-
Stock exchange listing expense	3	279,337	-
		4,314,284	879,364
Earnings (loss) before income taxes		(2,132,524)	295,856
Income taxes	24		
Current income taxes		(40)	61,204
Deferred income taxes		(109,965)	1,783
		(110,005)	62,987
Net earnings (loss)		(2,022,519)	232,869
Other comprehensive income (loss)			
Items that will be reclassified subsequently to net earnings (loss)			
Available-for-sale-financial assets			
Net change in fair value, net of tax effect		(256,601)	(167,287)
Reclassification to net loss, net of tax effect		238,769	168,932
Total comprehensive income		(17,832)	1,645
Net earnings (loss) and other comprehensive loss		(2,040,351)	234,514
Basic and diluted net earnings (loss) per share		(0.04)	0.01
Weighted average number of common shares outstanding		51,435,387	32,891,305

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

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Years ended on December 31, 2013 and 2012 (in Canadian dollars)

	Notes	Share Capital		Accumulated Other Comprehensive Income (loss)	Contributed surplus	Retained Earnings (Deficit)	Total
		Number	$	$	$	$	$
Balance on January 1st, 2012		32,891,305	2,000	(75,857)	-	114,951	41,094
Net earnings		-	-	-	-	232,869	232,869
		32,891,305	2,000	(75,857)	-	347,820	273,963
Other comprehensive income (loss)							
Available-for-sale financial assets							
Net change in fair value, net of tax effect		-	-	(167,287)	-	-	(167,287)
Reclassification to net earnings, net of tax effect		-	-	168,932	-	-	168,932
Total comprehensive income (loss)		-	-	1,645	-	-	1,645
Balance on December 31, 2012		32,891,305	2,000	(74,212)	-	347,820	275,608
Balance on January 1st, 2013		32,891,305	2,000	(74,212)	-	347,820	275,608
Dividend		-	-	-	-	(316,106)	(316,106)
Reverse takeover	3	35,000,000	1,400,000	-	86,000	-	1,486,000
Redemption of shares	18	(1,290,000)	(1,400)	-	-	(135,422)	(136,822)
Net loss		-	-	-	-	(2,022,519)	(2,022,519)
		33,710,000	1,398,600	-	86,000	(2,474,047)	(989,447)
Other comprehensive income (loss)							
Available-for-sale financial assets							
Net change in fair value, net of tax effect		-	-	(256,601)	-	-	(256,601)
Reclassification to net loss, net of tax effect		-	-	238,769	-	-	238,769
Total comprehensive income (loss)		-	-	(17,832)	-	-	(17,832)
Balance on December 31, 2013		66,601,305	1,400,600	(92,044)	86,000	(2,126,227)	(731,671)

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

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended on December 31, 2013 and 2012 (in Canadian dollars)

	Notes	2013	2012
		$	$
OPERATING ACTIVITIES			
Net earnings		(2,022,519)	232,869
Adjustments			
Deferred income taxes		(109,965)	1,783
Amortization - Property and equipment		18,543	1,321
Amortization - intangible assets		177,966	
Lease inducement		37,609	-
Accreted interest on convertible debenture		(13,867)	-
Accreted interest on debenture		57,306	-
Impairment on investments		20,000	33,974
Loss on settlement of trade and other receivables		10,760	-
Forgiveness of amounts due to related parties		-	(350,000)
Loss on available-for-sale financial assets recycled in net loss		324,856	218,027
Unrealized change in fair value of debentures - convertible components		(47,179)	-
Stock exchange listing expense	3	279,337	-
Investments received for services		(169,712)	(355,274)
		(1,436,865)	(217,300)
Change in working capital items	25	(585,619)	152,803
Cash flows from operating activities		(2,022,484)	(64,497)
INVESTING ACTIVITIES			
Cash acquired through the reverse takeover	3	15,716	-
Cash payment for the acquisition of assets	4	(299,000)	-
Guaranteed investments certificates		(15,000,000)	-
Loan to a shareholder company		3,729	(55,000)
Additions to property and equipment		(160,963)	(2,965)
Purchase of investments		(2,108,471)	(36,235)
Proceeds from disposal of investments		116,750	22,535
Loans receivable		(3,547,033)	-
Convertible debentures		(3,559,688)	-
Cash flows from investing activities		(24,538,960)	(71,665)
FINANCING ACTIVITIES			
Advances from line of credit		-	150,000
Repayment of line of credit		(78,933)	(71,067)
Due to directors		(50,764)	(15,986)
Due to a related company		75,839	-
Loans payable to companies controlled by shareholders		20,750	42,000
Repayment of loans to companies controlled by shareholders		(8,100)	-
Loans payable to directors		30,000	-
Repayment of loans to directors		(30,000)	-
Loans		512,500	-
Repayment of loans		(512,500)	(28,000)
Issuance of debentures	17	52,863,785	-
Redemption of shares	18	(46,000)	-
Cash flows from financing activities		52,776,577	76,947
Net change in cash		26,215,133	(59,215)
Cash, beginning of period		-	59,215
Cash, end of period		26,215,133	-

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

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in Canadian dollars)

NOTE 1. NATURE OF OPERATIONS

Gravitas Financial Inc. (previously SearchGold Resources Inc.) and its subsidiaries (hereinafter the "Company" or "Gravitas") specializes in investment research and capital market services in Toronto and Vancouver.

Gravitas shares and debentures are publicly traded on the Canadian National Stock Exchange (CNSX) under symbol GFI.

Gravitas Financial Inc. is incorporated under the Canada Business Corporations Act. The new address of Gravitas registered offices and its principal place of business is 333 Bay St., Suite 650, Toronto, Ontario, M5H 2R2.

These consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), have been approved by the Board of Directors on April 30, 2014 in preparation of their filing.

NOTE 2. CHANGES IN ACCOUNTING POLICIES

New and revised standards that are effective
A number of new and revised standards are effective for annual periods beginning on or after January 1, 2013. Information on these new standards is presented below.

Adoption of amendments to IAS 1 Presentation of Items of Other Comprehensive Income
The Company has adopted Presentation of items of other comprehensive income (amendments to IAS 1). The amendments to IAS 1 require entities to group items presented in other comprehensive income into those that, in accordance with other IFRS, will not be reclassified subsequently to net earnings (loss) and those that will be reclassified subsequently to net earnings (loss) when specific conditions are met. The existing option to present items of other comprehensive income either before tax or net of tax remain unchanged; however, if the items are presented before tax, then the amendments to IAS 1 required the tax related to each of the two groups of other comprehensive income to be shown separately. The amendments have been applied retrospectively, and only the presentation of items of other comprehensive income has been modified to reflect the changes. The application of the amendments did not result in any other impact.

IFRS 13 Fair Value Measurement
IFRS 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect the items that are required to be fair-valued.

The scope of IFRS 13 is broad and applies for both financial and non-financial items for which other IFRSs require or permit fair value measurements or disclosures about fair value measurements except in certain circumstances.

IFRS 13 applies prospectively for annual periods beginning on or after January 1, 2013. Its disclosure requirements need not be applied to comparative information in the first year of application.

Management reviewed its valuation methodologies and the application of the new standard did not have any effect on the fair value measurement.

IFRS 10 Consolidated Financial Statements
IFRS 10 supersedes IAS 27 *Consolidated and Separate Financial Statements (IAS 27)* and SIC 12 *Consolidation - Special Purpose Entities*. IFRS 10 revises the definition of control and provides extensive new guidance on its application.

These new requirements have the potential to affect which of the Company's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with IFRS 10 and has concluded that there is non effect on the classification (as subsidiaries or otherwise) of any of the Company's investees held during the period or comparative periods covered by these consolidated financial statements.

IFRS 12 *Disclosure of Interests in Other Entities*
IFRS 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It introduces new disclosure requirements about the risks to which an entity is exposed from its involvement with structured entities.

IAS 27 *Separate Financial Statements*
IAS 27 now only addresses separate financial statements.

(in Canadian dollars)

NOTE 3. REVERSE TAKEOVER

On June 25, 2013, the Company acquired all shares of Ubika Corporation ("Ubika") in exchange for the issuance of 35,000,000 common shares of the Company at a price of $0.04 per share for a total amount of $1,400,000.

Following this transaction, Ubika's shareholders controlled the Company and this transaction was considered to be a reverse takeover of the Company by Ubika. Since the Company was not a business as defined by IFRS 3 *(Revised) Business Combinations*, this transaction was accounted for as the purchase by Ubika of the Company's net assets. The purchase of the Company's net assets was an equity-settled share-based payment under IFRS 2 *Share-based Payment*.

In accordance with IFRS 2, equity instruments from this transaction were recognized at fair value of net assets acquired and services received. Services received from the Company consists in the listing of Ubika as a publicly listed Company and are measured at the amount of the difference between the fair value of equity instruments of the Company outstanding before the transaction and the net assets acquired from the Company. This transaction is recognized in substance as if Ubika had proceeded to the issuance of the Company's shares, options and warrants outstanding before the transaction in exchange for the net assets acquired and services received from the Company.

The issuance of 35,000,000 common shares by the Company resulted in a reverse acquisition that made Ubika a publicly listed Company. The Company's financial statements are the continuation of Ubika's activities.

The net assets acquired are as follows:

	$
Cash	15,716
Guaranteed investment certificate	20,000
Trade and other receivables	103,790
Prepaid expenses	11,778
Investments	317,668
Intangible asset	1,245,760
Trade and other payables	(508,049)
Stock exchange listing expense	279,337
	1,486,000

The breakdown of the consideration in equity instruments was as follows:

	Number	$
Outstanding common shares of the Company	35,000,000	1,400,000
Outstanding share options of the Company	250,000	-
Outstanding warrants of the Company	4,300,000	86,000
		1,486,000

The amounts for options and warrants were determined by measuring the fair value of options and warrants outstanding at the time of the qualifying transaction.

Outstanding options had no fair value since these options were cancelled at the closing date as disclosed in Note 19.

Outstanding warrants had a fair value of $86,000 and this fair value was estimated using the Black & Scholes valuation model using as assumptions a useful life of 17 months, a volatility of 130%, a risk-free interest rate of 1.09%, an exercise price of $0.10 and a share price of $0.05. The expected volatility was determined using the historical data of public companies from the same sector according to the expected life of the warrants.

The intangible asset acquired represents a net smelter royalty («NSR») of 0.75% on the Bakoudou mining property located in Gabon, Africa. The initial value of the NSR was determined by estimating future cash flows related to minerals to be mined over the mine's estimated life which is four years. The Company used a discount rate of 20% representing the expected return from shareholders increased by a risk factor related the sector of activity and geographical area of operations.

NOTE 4. ASSET ACQUISITION

On September 6, 2013, the Company entered into an asset purchase agreement with Gravitas Capital Corp. in consideration of a cash payment of $300,000. Since the Company was not a business as defined by IFRS 3, this transaction was accounted for as the purchase of net assets.

The assets acquired are as follows:

	$
Investments	49,678
Options	54,050
Brand name	196,272
	300,000
Redemption of common shares	(1,000)
	299,000

The fair value of investments was determined by using the closing price at the time of acquisition.

The fair value of options acquired was estimated using the Black & Scholes valuation model using as assumptions a useful life of 33 months, a volatility of 117%, a risk-free interest rate of 1.24%, an exercise price of $0.10 and a share price of $0.105.

As part of this transaction, the Company repurchased 50,000 common shares of its own shares valued at $0.02 per shares included in the investments acquired. These common shares were returned to treasury.

NOTE 5. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation
Since June 25, 2013, the consolidated financial statements includes the financial statements of Gravitas Financial Inc. and its wholly owned subsidiaries Ubika, SmallCapPower, SearchGold Guinée SARL, Gravitas Select Flow-Through GP Inc. (incorporated in 2013) and Gravitas Financial Services Holdings Inc. (incorporated in 2013). Financial statements prior to this date include only the accounts of Ubika and SmallCapPower.

All transactions and balances between the parent company and its subsidiaries are eliminated upon consolidation, including unrealized gains and losses on transactions between the companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

Net earnings (loss) of a subsidiary acquired or disposed of during the reporting period are recognized from the effective date of the acquisition, or up to the effective date of disposal, as applicable.

Functional and presentation currency and basis of evaluation
The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiaries.

The monetary assets and liabilities in foreign currency are translated at the exchange rate in effect at the balance sheet date, whereas other assets and liabilities are translated at the exchange rate in effect at the transaction date. Revenues and expenses are translated at the average rate in effect during the year. Gains and losses are include in the net earnings (loss) for the year.

These consolidated financial statements are presented using the historical cost method, except for available-for-sale financial assets and financial assets at fair value through profit or loss that are recognized at fair value.

Financial instruments
Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sale the asset. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through net earnings (loss), which are measured initially at fair value.

The Company classifies its financial instruments by category according to their nature and their characteristics. Management determines the classification when the instruments are initially recognized, which is normally the date of the transaction.

GRAVITAS FINANCIAL INC.

(previously SearchGold Resources Inc.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in Canadian dollars)

NOTE 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash, guaranteed investment certificates, trade and other receivables, other than goods and services taxes receivable, loans receivable, debentures and the host contract of the debentures fall into this category of financial instruments.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Company's available-for-sale financial assets include common shares in private and quoted companies and preferred shares in a private company.

The equity interests in a private company are measured at cost less any impairment loss in the absence of a quoted market price and when the fair value cannot be reasonably determined.

Available-for-sale financial assets are measured at fair value except when the fair value cannot be reasonably determined. Fair value is based on the last quoted bid price, within the bid-ask price spread. The net change in fair value is recognized in other comprehensive income (loss). When the asset is derecognized, the cumulated net change in fair value recognized in other comprehensive income (loss) is reclassified to net earnings (loss) under "Gain (loss) on available-for-sale financial assets recycled in net earnings (loss)" if applicable and presented as a reclassification adjustment within other comprehensive income (loss).

Impairment charges are recognized in net earnings (loss) as impairment on investments, if applicable. Reversals of impairment losses are recognized in other comprehensive income (loss).

Financial assets at fair value through profit or loss ("FVTPL")
Financial assets at fair value through profit or loss include financial assets that are either classified as held-for-trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. The Company's equity component feature of the debentures, options and warrants fall into this category of financial instruments. Assets in this category are measured at fair value with gains or losses recognized in net earnings (loss).

When the Company holds debentures that are convertible into the issuer's equity shares at the Company's option, the equity conversion feature represents an embedded option written by the issuer on its equity shares. The embedded derivative is not closely related to the host contract (the debentures) from the Company's perspective. Such equity conversion feature is classified as FVTPL, with the debentures being classified as loans and receivable. The embedded derivative's fair value (the conversion feature) is calculated first, and the carrying value of the debenture is assigned the residual amount after deducting from the consideration paid to acquire the hybrid instrument, the amount separately determined for the embedded derivative.

Financial liabilities at amortized cost
Financial liabilities at amortized cost represent financial liabilities not held for trading. Trade and other payables, due to directors, due to a related company, loans payable to related companies and debentures are classified in this category. They are initially measured at fair value less transaction costs. Subsequently, they are measured at amortized cost. The difference between the initial carrying amount and the redemption value is recognized in net earnings (loss) over the duration of the contract using the effective interest rate method.

The Company has debentures bearing interest at a rate that could exceed the base rate, depending on future earnings before interest expense and tax ("EBIT"). These debentures are treated as floating rate liabilities, with the effective interest rate ("EIR") re-determined periodically, based on the expected level of EBIT. Accordingly, any incremental interest payments above the base rate are recognized as interest expense in the same period that the related EBIT thresholds are met. Debenture issue costs relate to the term of the debenture (excluding the renewal period), and as a result are amortized over the expected life using an effective interest rate consistent with the base interest rate.

Impairment of non-financial assets
The Company assesses at each reporting date whether there is an indication that the carrying value of property and equipment and finite-life intangible assets may not be recoverable.

Non-financial assets that are not amortized (such as the brand name) are subject to an annual impairment test. If any indication exists, or when annual impairment testing is required, the Company estimates the asset or asset group's recoverable amount. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). The recoverable amount is the higher of an asset or CGU's fair value less costs of disposal and its value in use. Where the carrying value of an asset or CGU exceeds its recoverable amount, the asset or the CGU is considered impaired and is written down to its recoverable amount. The Company performs its annual intangible asset impairment test in the fourth quarter of each fiscal year.

For property and equipment and finite-life intangible assets, the reversal of impairment is limited so that the carrying value of the asset does not exceed its recoverable amount, nor exceed the carrying value that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the asset in prior periods.

NOTE 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets
A financial asset not carried at FVTPL is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

If there is objective evidence that an impairment loss has been incurred on a financial asset measured at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables.

For equity instruments in quoted companies that are classified as available for sale, the Company exercises significant judgment to determine when the investment is impaired. In making this judgment, the Company evaluates, among other factors, whether there is a significant or prolonged decline in the fair value of the investment. Impairment losses on available-for-sale investment securities are recognized by transferring the cumulative loss that has been recognized in other comprehensive income, and presented in the fair value reserve in equity, to profit or loss. The amount of the cumulative loss that is recognized in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss.

Basic and diluted net loss per share
Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share are calculated by adjusting the loss attributable to ordinary equity holders of the Company, and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares which include options and warrants. Dilutive potential common shares shall be deemed to have been converted into common shares at the beginning of the period or, if later, at the date of issue of the potential common shares.

For the periods presented, the diluted loss per share is equal to the basic loss per share due to the anti-dilutive effect of the outstanding warrants and share options described in Notes 18 and 19 respectively.

Revenue recognition
Revenue is derived from listing and research fees, advisory services, royalties, interest and dividend. Revenues are measured at the fair value of the consideration received or to be received and are recognized when the amount can be measured reliably and it is probable that future economic benefits will flow to the Company, when the transaction amount is determined that collection is reasonably assured and the costs incurred or to be incurred can be measured reliably.

Revenue that do not meet the recognition criteria or paid before the delivery of services are recorded as deferred revenue. They are classified either as current or non-current liabilities depending on the expected period of services to be rendered.

In addition to the general principles outlined above, the Company applied the following specific principles:

Listing and research fees
Revenue is recognized over a straight line basis over the term of the contracts.

Advisory services
Advisory services are recognized on an accrual basis based on the amounts receivable at each reporting date.

Royalties
Royalties are recognized at the time the right to receive payment is established.

Interest
Interest income is recognized based on the number of days the investment was held during the year.

Dividend
Dividend revenue is recorded as of the ex-dividend date.

Property and equipment
Property and equipment are stated at historical cost, less any accumulated amortization and any accumulated impairment losses. Historical cost includes all costs directly attributable to the acquisition.

NOTE 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Amortization of property and equipment is calculated, on components that have homogeneous useful lives, using the declining balance basis method to depreciate the initial cost as follows:

Office furniture	20%
Computer equipment	30%

Amortization of leasehold improvements is recognized over the lease term which is 6 years.

Useful lives, residual values, amortization rates and amortization methods are reviewed annually. Such a review takes into consideration the nature of the assets, their intended use and technological changes.

Gain or loss on disposal is determined by comparing the proceeds with the carrying amount and is recognized in net earnings (loss).

Intangible assets
Intangible assets with a finite useful life are stated at historical cost, less any accumulated amortization and any accumulated impairment losses and include the net smelter royalty. Historical cost includes all costs directly attributable to the acquisition.

The net smelter royalty is amortized on a straight-line basis over the estimated useful life of the related mine which is four years. Estimated useful lives and the amortization method are reviewed at the end of each year, with the effect of any changes in estimates accounted for on a prospective basis.

The branch name has an indefinite remaining life. It is not amortized but it is tested for recoverability annually or more frequently if there is an indication of impairment. The indefinite remaining life is reviewed annually to ensure that it is still justifiable. An impairment loss would be recognized if the carrying amount of the branch name exceeded its recoverable amount.

Leases
Leases are classified as finance leases if they transfer to the lessee substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

Operating leases
Lease payments under operating leases are recognized as expenses on a straight line basis over the lease term unless another systematic basis is more representative of how the economic benefits of the leased assets are spread over time.

The lease inducement, which corresponds to free rents, is deferred and recorded as an expense on a straight line basis over a 6 years period, which represents the lease duration for which the inducement was received.

Income taxes
The Company accounts for its income taxes using the deferred tax assets and liabilities method. Deferred income tax assets and liabilities are determined based on the difference between the carrying amount and the tax basis of the assets and liabilities. Any change in the net amount of deferred income tax assets and liabilities is included in net earnings (loss). Deferred income tax assets and liabilities are determined based on enacted or substantively enacted tax rates and laws which are expected to apply to taxable income for the years in which the assets and liabilities will be recovered. Deferred income tax assets are recognized when it is likely that they will be realized. Deferred tax assets and liabilities are not discounted.

The income tax expense includes current and deferred tax. This expense is recognized in net earnings (loss), except for income tax related to the components of other comprehensive income (loss) or equity, in which case the tax expense is recognized in other comprehensive income (loss) or equity respectively.

Current income tax assets or liabilities are obligations or claims for the current or prior periods to be recovered from (or paid to) taxation authorities that are still outstanding at the end of the reporting period. Current tax is computed on the basis of taxable income which differs from net profit. This calculation is made using tax rates and laws enacted at the end of the reporting period.

Equity
Share capital represents the amount received upon the share issuance. If shares are issued when options and warrants are exercised, the share capital account also comprises the share-based payment cost previously recognized in contributed surplus.

Other elements of equity
Contributed surplus includes share-based payments related to options and warrants until such equity instruments are exercised.

Retained earnings (deficit) includes all current and prior period net earnings (loss) and issuance costs net of any tax benefits.

Accumulated other comprehensive income (loss) includes the net change in fair value recognition on available-for-sale financial asset.

NOTE 5. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity-settled share-based payments

The Company operates equity-settled share-based remuneration plans for its eligible directors, officers, employees and consultants. None of the Company's plans feature any options for a cash settlement. Occasionally, the Company issues warrants to the brokers.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or service received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. For transactions with employee and others providing similar services, the Company measures the fair value of the services by reference to the fair value of the equity instruments granted.

Equity-settled share-based payments under Equity-settled share-based payments plans (except warrants to brokers) are ultimately recognized as an expense in the net earnings (loss) with a corresponding credit to Contributed surplus, in equity. Warrants issued to brokers are recognized as issuance costs of equity instruments with a corresponding credit to Contributed surplus, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if share options ultimately exercised are different to that estimated on vesting.

NOTE 6. FUTURE CHANGES IN ACCOUNTING POLICIES

At the date of autorization of these consolidated financial statements, certain new standards,amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company.

Management anticipates that all of the pronouncements will be adopted in the Company accounting policies for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have an impact on the Company's consolidated financial statements.

IFRS 9, "Financial instruments"

The International Accounting Standards Board (IASB) aims to replace IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39) in its entirety with IFRS 9. To date, the chapters dealing with recognition, classification measurement and derecognition of financial assets and liabilities as well as the chapter dealing with hedge accounting have been published. The chapter dealing with impairment methodology is still being developed. In November 2011, the IASB decided to consider making limited modifications to IFRS 9 financial asset classification model to adress application issues. In addition, in November 2013, the IASB decided to defer to a date to be announced the implementation of IFRS 9. The Company's management has yet to assess the impact of this new standard on the Company's consolidated financial statements. Management does not expect to implement IFRS 9 until it has been completed and its overall impact can be assessed.

NOTE 7. ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. These judgments and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the consolidated financial statements.

Judgments

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to Management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Investments valuation

Management must exercise judgment to determine the fair value of investments, including the choice of a valuation model, the share price and estimation of the expected volatility in the price of shares. The model used by the Company for the evaluation of options and warrants is the Black-Scholes valuation model.

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NOTE 7. ESTIMATES, JUDGMENTS AND ASSUMPTIONS (Continued)

Estimations

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Allowance for doubtful accounts

Management must exercise judgment to estimate the allowance for doubtful accounts. The evaluation of the allowance for doubtful accounts is established taking into account the specific credit risk to its customers, historical trends and economic conditions.

Fair value of the equity convertible component

The Company is required to make certain estimates when determining the fair value of the equity convertible component, including the share price volatility.These estimates affect the loan and equity convertible components recognized in the consolidated statement of financial position and the accretion expense recognized in the consolidated statement of loss and comprehensive loss.

Share-based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company estimates the volatility of its own share, the probable life of share options and warrants granted and the time of exercise of those share options and warrants. The model used by the Company is the Black-Scholes valuation model.

Impairment of financial assets

For the purpose of impairment testing of financial assets, management must use its judgment to identify the amounts used for impairment calculations and is based on estimates of future cash flows of the Company, including estimates of future revenues, expenses and discount rates. By their nature, these estimates and assumptions are subject to measurement uncertainty and, consequently, actual results could differ from estimates used.

Impairment of intangible assets

The recoverability of the net smelter royalty classified as intangible asset is dependent on the future realization of cash flows under contractual arrangement.

Consideration received

The Company receives investments in equity and derivative instruments by way of revenue, for services rendered. The measurement of such consideration received involves the use of estimates.

NOTE 8. GUARANTEED INVESTMENTS CERTIFICATES

	2013	2012
	$	$
Guaranteed investment certificate, prime rate less 1.80%, maturing in April 2014	20,000	-
Guaranteed investment certificate, 2%, maturing in October 2015, redeemable at any time	15,000,000	-
	15,020,000	-

NOTE 9. TRADE AND OTHER RECEIVABLES

	2013	2012
	$	$
Trade accounts	375,579	258,920
Allowance for doubtful accounts	(20,114)	(7,212)
	355,465	251,708
Royalties receivable	105,483	-
Interests receivable	143,799	-
Goods and services taxes receivable	77,423	-
Advance to a related company, non interest bearing, repayable on demand	9,944	-
Other	1,458	-
	693,572	251,708

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NOTE 9. TRADE AND OTHER RECEIVABLES (Continued)

The following tables show the aging of trade receivables after allowance for doubtful accounts:

			2013			2012
	Trade accounts	Allowance for doubtful accounts	Net value	Trade accounts	Allowance for doubtful accounts	Net value
	$	$	$	$	$	$
Current	5,030		5,030	104,243	-	104,243
Past due						
31 to 60 days	287,585		287,585	22,600	-	22,600
61 to 90 days	2,825		2,825	20,905	-	20,905
More than 90 days	80,139	(20,114)	60,025	111,172	(7,712)	103,460
	375,579	(20,114)	355,465	258,920	(7,712)	251,208

NOTE 10. PROPERTY AND EQUIPMENT

	Office furniture	Computer equipment	Leasehold improvements	Total
	$	$	$	$
Cost				
Balance as at January 1st, 2012	4,892	8,514	-	13,406
Acquisitions	-	2,965	-	2,965
Balance as at December 31, 2012	4,892	11,479	-	16,371
Acquisitions	108,005	38,313	14,645	160,963
Balance as at December 31, 2013	112,897	49,792	14,645	177,334
Accumulated amortization				
Balance as at January 1st, 2012	1,202	8,053	-	9,255
Amortization	738	583	-	1,321
Balance as at December 31, 2012	1,940	8,636	-	10,576
Amortization	10,782	6,541	1,220	18,543
Balance as at December 31, 2013	12,722	15,177	1,220	29,119
Carrying amount				
Balance as at December 31, 2012	2,952	2,843	-	5,795
Balance as at December 31, 2013	100,175	34,615	13,425	148,215

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NOTE 11. INTANGIBLE ASSETS

	Net smelter royalty (Note 3)	Brand Name	Total
	$	$	$
Cost			
Balance as at January 1st, 2013	-	-	-
Acquisitions	1,245,760	196,272	1,442,032
Balance as at December 31, 2013	1,245,760	196,272	1,442,032
Accumulated amortization			
Balance as at January 1st, 2013	-	-	-
Amortization	177,966	-	177,966
Balance as at December 31, 2013	177,966	-	177,966
Carrying amount			
Balance as at December 31, 2012	-	-	-
Balance as at December 31, 2013	1,067,794	196,272	1,264,066

NOTE 12. INVESTMENTS

The Company has a portfolio of investments as follows:

	2013	2012
	$	$
Common shares in quoted companies	448,136	300,360
Common shares in a private company (a)	81,000	4,200
Preferred shares in a private company, 8%, payable annually, convertible at $0,15 per share (a)	1,000,000	-
Options (b)	71,520	510,010
Warrants	325,786	49,878
Debentures, 12%, reimbursable in February and May 2014	848,272	-
Mining properties	1	-
	2,774,715	864,448

(a) The above investments are carried at cost, as they do not have a quoted market price in an active market (private company investments), and their fair value cannot be reliably measured due to the significant variability in the range of reasonable fair values for these instruments and the inability to assign probabilities to a range of fair value estimates. The market for these financial instruments is a private equity market. The entity intends to dispose of these financial instruments when these companies' shares are in an active market.

(b) Includes an amount of $122,212 in options that had not vested for the year ended on December 31, 2012.

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NOTE 12. INVESTMENTS (Continued)

Mining properties

The Company has interests in Guéguéré and Mandiana mining properties, acquired as part of the reverse takeover, which have been recorded at $1.

Guéguéré

In 2009, the Company entered into an option agreement with SOMIKA SARL ("Somika") under which it can acquire a 100% interest in the 500 km² area Guéguéré gold-bearing property located in the south-west part of Burkina Faso once all of the following conditions have been met:

- By paying a total of US$50,002, as US$2 upon signature, US$20,000 two years after the date of signature and US$30,000 three years after the date of signature;
- By issuing a total of 62,500 common shares of the Company, as 25,000 common shares upon signature, 12,500 common shares on the first anniversary date, 12,500 common shares on the second anniversary date and 12,500 common shares on the third anniversary date;
- By incurring a total of US$800,000 in exploration and evaluation expenditures, as US$400,000 on the second anniversary date and US$400,000 on the third anniversary date.

The property is subject to a 2% net smelter return which the Company has the right to purchase for $1,000,000 per 0.5% net smelter return bracket.

On January 28, 2011, the Company signed a joint venture agreement with Concordia Resources Corp. ("Concordia") for the development of its Guéguéré mining property under which Concordia can acquire an interest of up to 80% following certain conditions.

The Company will then participate in the development costs or will be diluted in proportion to its interest. Concordia will be the project operator and a technical committee will be created to supervise the development work carried out on the property. Should there be a commercial start of output, both parties agree to be diluted in proportion to their respective interest through the Burkina Faso state's non-contributing 10% interest.

On January 16, 2013, the Company signed an addendum with Somika where Somika agreed to waive the exploration and evaluation expenditures of US$ 800,000. Consequently, the Company fulfilled all the conditions of the agreement and owns 100% in the property.

Mandiana

In 2006, the Company signed an agreement under which it acquired a 100% interest in a property located in Guinea, West Africa covering an area of 487 km^2.

Under that agreement, the Company has to pay 5% of project expenditures to the vendor per quarter with a minimum US$10,000 and a maximum of US$50,000 per quarter. These payments are considered as an advance royalty and will be deductible from the net smelter royalty should the property advance to a production phase.

On June 21, 2013, the Company signed an asset purchase agreement with the previous vendor under which the Company is allowing the previous vendor to pursue the work on the Mandiana property in exchange of the cancellation of all indebtedness owing to him by the Company and the repurchase of 1,240,000 common shares of the Company held by the previous vendor for a total consideration of $62,500. This transaction was reflected prior to the reverse takeover transaction described in Note 3.

NOTE 13. LOANS RECEIVABLE

	2013	2012
	$	$
Loans to a public company, secured, interest bearing at 18% per annum, reimbursable in May 2014	3,427,033	-
Loan to a company controlled by a director, unsecured, interest bearing at 6% per annum, reimbursable in October 2018	100,000	-
Loan to a private company, unsecured, interest bearing at 20% per annum, reimbursable in December 2014	20,000	-
Loan to a shareholder company, unsecured, non interest bearing, reimbursed in June 2013	-	55,000
	3,547,033	55,000
Less: Current portion	(3,447,033)	(55,000)
	100,000	-

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NOTE 14. CONVERTIBLE DEBENTURES

	2013	2012
	$	$
Loan components		
Convertible debenture with a face value of US$275,000, 12%, maturing on January 31, 2016 or convertible at any time at the Company's option at $0.07 per share	268,071	-
Convertible debenture with a face value of $1,250,000, 9%, maturing on July 16, 2016 or convertible at any time at the Company's option at $0.18 per share	1,228,831	-
Convertible debenture with a face value of $250,000, 12%, maturing on December 17, 2014 or convertible at any time at the Company's option at $0.05 per share	250,000	-
Convertible debenture with a face value of $120,000, 12%, maturing on December 20, 2015 or convertible at any time at the Company's option at $0.20 per share	103,739	-
Convertible debenture with a face value of $1,500,000, 12%, maturing on November 22, 2014 or convertible at any time at the Company's option at $0.05 per share	1,473,695	-
Convertible debenture with a face value of $150,000, 12%, maturing on November 20, 2015 or convertible at any time at the Company's option at $0.10 per share	146,827	-
	3,471,163	-
Convertible components	149,571	
	3,620,734	-
Less: Current portion	(1,761,084)	-
	1,859,650	-

The initial value of the convertible component is determined by measuring the equity conversion feature and assigning the residual value to the loan component. The loan component is not remeasured subsequent to initial recognition.

The Company determined that at issuance, the fair value of the loan and convertible components were as follows:

	2013	2012
	$	$
Invested amount of convertible debentures	3,559,688	-
Less: Fair value of convertible components	(102,392)	-
Fair value of loan components	3,457,296	-

The fair value of convertible components at issuance of $102,392 was estimated using the Black & Scholes valuation model based on the following weighted average assumptions:

	2013	2012
Weighted average conversion price	$ 0.10	-
Expected dividend	- %	-
Expected average volatility	200%	-
Risk-free average interest rate	1.16%	-
Expected average life (years)	2.32	-
Weighted average fair value	$ 0.03	-

At December 31, 2013, the fair value of convertible components was $149,571. The Company recorded an "Unrealized change in fair value of debentures - convertible components" of $47,179 in net loss.

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NOTE 14. CONVERTIBLE DEBENTURES (Continued)

The fair value of convertible components at December 31, 2013 was estimated using the Black & Scholes valuation model based on the following weighted average assumptions:

	2013	2012
Weighted average conversion price	$ 0.10	-
Expected dividend	- %	-
Expected average volatility	216%	-
Risk-free average interest rate	1.07%	-
Expected average life (years)	2.08	-
Weighted average fair value	$ 0.04	-

An amount of $13,867 was recorded as interest income and accreted back to loan components, which are classified as loans and receivable.

	2013	2012
	$	$
Loan components at issuance	3,457,296	-
Accretion of interests	13,867	-
Loan components	3,471,163	-
Convertible components	149,571	-
Value of convertible debentures as at December 31, 2013	3,620,734	-

NOTE 15. BANK LOAN

The Company has established a credit facility with a Canadian chartered bank to support its continuing working capital needs. This credit facility is collateralized by a general security agreement covering all of the Company's assets and a personal guarantee from two shareholders. The credit facility is a $125,000 revolving demand line of credit, bearing interest at the bank's prime rate plus 1.75%. On June 25, 2013, the Company repaid the bank in full and cancelled the facility.

NOTE 16. TRADE AND OTHER PAYABLES

	2013	2012
	$	$
Trade accounts		
Directors	34,390	-
Companies controlled by directors	27,685	-
Other	686,634	192,525
Goods and services taxes payable	-	77,150
Salaries and employee benefits	47,221	4,434
	795,930	274,109

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NOTE 17. DEBENTURES

The debentures mature on June 25, 2023 and bears interest at a rate as is equal to the greater of : i) three percent (3%) per annum; or ii) an amount as is equal to eighty percent (80%) of the earnings before interest expense and tax (EBIT) on a consolidated basis, subject to an aggregate maximum amount of eight percent (8%) per annum. The base three percent (3%) interest payment shall be payable quarterly, commencing June 30, 2013, with the annual adjustment made based on the aforementioned net earnings calculation annually and paid out on April 30 of each year. For the year ended December 31, 2013 , the Company paid an interest of 3%.

The term of the debentures is ten (10) years, renewable for an additional ten (10) year period upon the payment of a renewal fee equal to one (1%) percent of the principal amount of the debentures outstanding at the date of renewal. Upon any such renewal, the rate of interest on the debentures shall be adjusted such minimum interest rate shall be equal to Government of Canada 10-year bond rate, plus five percent (5%).

	2013	2012
	$	$
Balance, beginning of year	-	-
Issued	54,022,000	-
Issue costs	(1,158,215)	-
	52,863,785	-
Accretion of interest	57,306	-
Balance, end of year	52,921,091	-

NOTE 18. SHARE CAPITAL

Share capital

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

Authorized

Unlimited number of common shares voting and participating

Transactions on share capital

On May 15, 2013, the Company repurchased 400 common shares of Ubika's valued at $400 for a total consideration of $135,822, as $45,000 in cash and $90,822 recognized against an amount receivable.

On June 21, 2013, the Company repurchased 1,240,000 common shares of the Company following the signature of an asset sale agreement on its Mandiana property described in Note 12.

On June 25, 2013, the Company issued 35,000,000 common shares of the Company as part of the reverse takeover described in Note 3.

On September 6, 2013, the Company repurchased 50,000 common shares of the Company for a total consideration of $1,000 following the signature of an asset purchase agreement describe in Note 3.

Dividend paid

In connection with the reverse takeover transaction described in Note 3, the Company agreed to transfer, to the previous shareholders of Ubika, all investments owned by Ubika prior to the reverse takeover. The Company recorded a dividend of $316,106 representing the fair value of the investments at the time of transfer.

Warrants

The following table shows the changes in warrants:

	2013		2012	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
		$		$
Outstanding on January 1st	-	-	-	-
Assumed as part of the reverse takeover (Note 3)	4,300,000	0.10	-	-
Outstanding and exercisable	4,300,000	0.10	-	-

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NOTE 18. SHARE CAPITAL (Continued)

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

Expiration date	Exercise price	Number of warrants outstanding	Number of warrants exercisable
	$		
November 5, 2014	0.10	4,300,000	4,300,000

NOTE 19. SHARE-BASED PAYMENT

Share option plan

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 discounted 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 share options are as follows for the reporting periods presented:

	2013		2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		$		$
Outstanding on January 1st	-	-	-	-
Assumed as part of the reverse takeover (Note 3)	250,000	0.10	-	-
Cancelled	(250,000)	0.10	-	-
Outstanding and exercisable	-	-	-	-

NOTE 20. LISTING AND RESEARCH FEES

	2013	2012
	$	$
Amount to be settled in cash	604,202	711,396
Amount settled in options	122,212	152,957
Amount settled in shares	47,500	125,500
	773,914	989,853

NOTE 21. ADVISORY SERVICES

	2013	2012
	$	$
Amount to be settled in cash	375,800	108,550
Amount settled in warrants	-	76,817
	375,800	185,367

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NOTE 22. INTEREST REVENUE

	2013	2012
	$	$
Interest on bank	275,409	-
Interests on guaranteed investments certificates	57,723	-
Interest on loans receivable	288,417	-
Interest on convertible debentures	95,236	-
	716,785	-

NOTE 23. INTEREST EXPENSE

	2013	2012
	$	$
Interest on loans	21,582	-
Interest on debentures	889,837	-
Interest on current liabilities and bank charges	34,469	11,308
	945,888	11,308

NOTE 24. INCOME TAXES

Major components of tax expense (income)

The major components of tax expense (income) are outlined below:

	2013	2012
	$	$
Current tax expense		
Current tax expense for the period	-	58,919
Prior years adjustments	(40)	2,285
Total current tax expense (income)	(40)	61,204
Deferred tax expense (income)		
Origination and reversal of temporary differences	(387,581)	1,783
Changes in tax rate and tax laws	33,442	-
Change from unrecognized timing differences	244,174	-
Total deferred tax expense (income)	(109,965)	1,783
Total income tax expense (income)	(110,005)	62,987

Relationship between expected tax expense and accounting net earnings (loss)

The relationship between the expected tax expense based on the combined federal and provincial income tax rate in Canada and the reported tax expense in the consolidated statement of comprehensive income (loss) can be reconciled as follows:

	2013	2012
	$	$
Expected taxes (recovery) calculated using the combined federal and provincial income tax rate in Canada of 26.50% (15.50% as at December 31, 2012)	(565,119)	45,858
Adjustments for the following items:		
Impact of change in tax rates and other	33,442	472
Prior years adjustments	(77,404)	-
Expired non capital losses	203,532	-
Non-deductible stock exchange listing expense	74,024	-
Non-deductible expenses and other	(22,654)	16,657
Change in unrecognized temporary differences and other	244,174	-
Income tax expense (income)	(110,005)	62,987

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NOTE 24. INCOME TAXES (Continued)

Recognized deferred tax assets and liabilities

The following differences between the carrying amounts and tax bases from timing differences give rise to the following recognized deferred income tax assets and liabilities.

	Balance on January 1st, 2012	Net loss	Accumulated Other Comprehensive Income (loss)	Reverse Takeover	Balance on December 31, 2013
	$	$	$		$
Deferred tax assets (liabilities)					
Investments	(78,007)	109,965	(31,958)	-	-
Intangible assets		47,161		(330,126)	(282,965)
Non-capital losses		(47,161)		330,126	282,965
Deferred income tax asset (liability)	(78,007)	109,965	(31,958)	-	-

	Balance on January 1st, 2011	Net loss	Accumulated Other Comprehensive Income (loss)	Reverse Takeover	Balance on December 31, 2012
	$	$	$	$	$
Deferred tax assets (liabilities)					
Investments	(78,731)	1,783	(1,059)	-	(78,007)
Deferred income tax asset (liability)	(78,731)	1,783	(1,059)	-	(78,007)

Unrecognized deferred tax assets and liabilities

At December 31, 2013 and 2012, the Company has the following temporary differences for which no deferred tax has been recognized:

The Company has the following timing differences:

	2013	2012
	$	$
Property and equipment	80,491	
Investments	4,798,071	
Mining properties	1,967,872	-
Issuance costs of equity instruments	19,203	-
Capital loss carry forward	2,490,942	-
Non-capital losses carried forward	4,541,872	-
Other	903	-
	13,899,354	-

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recovered. Accordingly, no deferred tax assets have been recognized, these deferred tax assets not recognized equal an amount of $2,869,933 as at December 31, 2013.

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NOTE 24. INCOME TAXES (Continued)

The Company has the following non-capital losses which are available to reduce income taxes in future periods, for which no deferred tax asset has been recognized in the statement of financial position, that can be carried over the following years:

	$
2025	530,240
2027	958,736
2028	226,914
2029	183,490
2030	653,947
2031	286,987
2032	246,178
2033	1,455,380
	4,541,872

Nature of evidence supporting recognition of deferred tax assets

In assessing the recoverability of deferred tax assets, the Company's management determines, at each balance sheet date, whether it is probable that the amount recognized will be realized. This determination is based on the Company management's quantitative and qualitative assessments and the weighting of all available evidence, both positive and negative. Such evidence included, notably, the scheduled reversal of deferred tax liabilities, projected future taxable income, and the implementation of tax planning strategies.

NOTE 25. ADDITIONAL INFORMATIONS – CASH FLOWS

The changes in working capital items are detailed as follows:

	2013	2012
	$	$
Trade and other receivables	(431,874)	(106,308)
Prepaid expenses	(34,569)	-
Trade and other payables	(25,779)	142,531
Customer deposits	(93,397)	57,661
Income taxes payable	-	58,919
	(585,619)	152,803

Additional disclosures regarding cash flows that did not result in a cash outflow:

	2013	2012
	$	$
Trade and other receivables		
Investments received as a settlement	(107,360)	-
Convertible debentures		
Accretion of interest	(13,867)	-
Investments		
Dividend paid in kind	(316,106)	
Customer deposits		
Investments received as services	169,712	355,274
Trade and other payables		
Redemption of shares	(39,551)	-
Debentures		
Accretion of interest	57,306	-

Cash flows from interest and income taxes

	2013	2012
	$	$
Interest paid	315,595	-
Income taxes paid (received)	(40)	2,285

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NOTE 26. SEGMENTAL INFORMATION

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision-maker, i.e. the President and Chief Executive Officer and the Board of Directors. The Company has determined that there was three operating segments, that is investment research and capital market services, investment and mining. Also, the Company has operations in two geographical sectors wich are Canada and Africa.

				2013
	Services	Investment	Mining	Total
	$	$	$	$
Revenue	1,149,714	796,785	235,261	2,181,760
Expenses				
Salaries and management fees	279,572	120,000	-	399,572
Consulting and professional fees	589,964	414,056	30,000	1,034,020
General and administrative	224,629	300,472	177,966	703,067
Interest expense	-	889,837	-	889,837
Impairment on investments	20,000	-	-	20,000
Loss on settlement of trade and other receivables	10,760	-	-	10,760
Loss on available-for-sale financial assets recycled in net loss	324,856	-	-	324,856
Unrealized gain on convertible debentures	-	(47,179)	-	(47,179)
	1,449,781	1,677,186	207,966	3,334,933
	(300,067)	(880,401)	27,295	(1,153,173)
Expenses not allocated				
Consulting and professional fees				336,711
General and administrative				57,541
Regulatory fees				49,809
Interest expense				56,051
Transaction expenses				199,902
Stock exchange listing expense				279,337
				979,351
Loss before income taxes				(2,132,524)
Income taxes				
Current income taxes				(40)
Deferred income taxes				(109,965)
				(110,005)
Net loss				(2,022,519)

In 2012, all revenue and expenses were allocated to service sector.

The following tables presents the Company's products and non-current assets by geographic areas:

	2013	2013
	$	$
Revenue		
Canada	1,946,499	1,175,220
Africa	235,261	-
	2,181,760	1,175,220

The allocation of revenue between geographic areas was determined by the location where the income was earned.

Non-current assets		
Canada	4,900,886	870,243
Africa	1,245,760	-
	6,146,646	870,243

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NOTE 27. RELATED PARTIES

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.

Transactions with key management personnel

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

	2013	2012
	$	$
Salaries and management fees	348,000	161,000
Consulting and professional fees	40,728	-
General and administrative	81,500	-
	470,228	161,000

Transactions with related companies

	2013	2012
	$	$
Shareholder company (a)		
Advisory services	-	18,750
General and administrative	-	41,050
Companies controlled by key management		
Listing and research	9,250	-
Advisory services	1,800	-
Consulting and professional fees	549,140	-
General and administrative	19,800	-

(a) In June 2013, the Company has repurchased the shares owned by this shareholder company.

The due to a related company of $75,839 relates to advances made to company in which a director is also a director of the Company.

The above transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

NOTE 28. FINANCIAL INSTRUMENTS

Fair value

The carrying value of cash, trade and other receivables and trade and other payables is considered to be a reasonable approximation of fair value because of the short-term maturity of these instruments.

The carrying value of guaranteed investment certificates is considered to be a reasonable approximation of fair value because these instruments are redeemable at any time.

The equity interests in a private company are measured at cost less any impairment loss because the fair value could not be reasonably determined.

The carrying value of loans receivable and debentures is also considered to be a reasonable approximation of fair value because its measured at amortized costs and bears interest at market rates.

The fair value of the debentures payable is approximate to the face value.

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NOTE 28. FINANCIAL INSTRUMENTS (Continued)

The following presents financial assets and liabilities measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

— Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

— Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

— Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement and are as follow:

				2013
	Level 1	Level 2	Level 3	Total
	$	$	$	$
Common shares in quoted companies	448,136	-	-	448,136
Options	-	71,520	-	71,520
Warrants	-	325,786	-	325,786
Convertible components of debentures	-	149,571	-	149,571
	448,136	546,877	-	995,013

The Company's options, warrants and convertible components on convertible debenture are classified within level 2 of the fair value hierarchy since the fair value is determined using a model that includes the volatility and price of the Company's common shares.

There have been no transfers between Levels 1 and 2 in the reporting periods.

The method and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

NOTE 29. INFORMATION ON CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments related to changes in the economic environment and the underlying risks of its assets. In its definition of capital, the Company includes debentures and equity (deficiency). The following table shows the items included in the definition of capital:

	2013	2012
	$	$
Debentures	52,921,091	-
Equity (deficiency)	(731,671)	275,608
	52,189,420	275,608

There has been no change with respect to the overall capital management strategy during the year ended on December 31, 2013.

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NOTE 30. FINANCIAL RISKS

The Company is exposed to various risks through its financial instruments and the following analysis provides a measure of these risks.

Credit risk

Credit risk refers to the risk that one party to a financial instrument fails to perform any of its obligations and leads, therefore, the Company to incur a financial loss. Credit risk is primarily related to trade and other receivables, debentures, loans and convertible debentures.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date, as summarized below:

	2013	2012
	$	$
Cash	26,215,133	-
Guaranteed investments certificates	15,020,000	-
Trade and other receivables	693,572	251,708
Debentures	848,272	-
Loans receivable	3,547,033	-
Convertible debentures	3,620,734	-
	49,944,744	251,708

The Company evaluates the financial condition of its customers on an ongoing basis and reviews the credit history of each new customer. The Company establishes an allowance for doubtful accounts taking into account the credit risk of specific customers, historical trends and other information.

No impairment loss has been accounted for the periods presented. The Company's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

At December 31, 2013, the Company has a total amount of $6,120,205 in trade and other receivables, loans, debentures and convertible debentures from one company, representing 11.5 % of the total assets of the Company.

An amount of $282,500 in trade and other receivables, $2,970,883 in loans receivable and $3,007,019 in convertible debentures are secured by collateral or other credit enhancements.

The credit risk regarding cash and guaranteed investments is considered to be negligible because the counterparties are reputable banks with an investment grade external credit rating.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company has current assets for an amount of $47,183,169 which will be used to cover all operating and investing activities.

The expected timing of cash fows relating to financial liabilities as at December 31, 2013 is as follows:

			2013
	Carrying amounts	Less than a year	10 years
		$	$
Trade and other payables	795,930	-	-
Due to directors	91,238	-	-
Loans payable to related companies	54,650	-	-
Due to a related company	-	75,839	-
Debentures	-	-	54,022,000
	941,818	75,839	54,022,000

Also, the Company's commitments are disclosed in Note 31.

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NOTE 30. FINANCIAL RISKS (Continued)

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the following three type of market risks: currency risk, interest risk and other price risk.

Currency risk
Currency risk is the risk that the faire value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to currency risk as a result of its transactions denominated in foreing currency. The Company had the following balances denominated in foreign currency:

	2013	2012
	$	$
USD		
Royalties receivable	98,638	-
Loans receivable	1,230,870	-
Convertible debenture	275,000	-
	1,604,508	-

The Company does not enter into arrangements to hedge its foreign exchange risk. A one percent (1%) change in the United States Dollar exchange rate would not have a significant impact on the net loss.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The Company is exposed to interest rate risk since the Company's debentures are bearing interest at a variable rate based on the earnings before interest expense and tax (EBIT). Had the interest rate been one percent (1%) higher throughout the year ended December 31, 2013, the net loss would have increased by $540,220.

Other price risk
The Company is exposed to fluctuation in the market prices of its investments in quoted companies. The fair value of the investments in quoted companies represents the maximum exposure to price risk.

The Company's investments in debentures are at fixed interest rates and therefore are not exposed to cash flow risk.

As of December 31, 2013, a 10% decrease (increase) in the closing price on the stock market would not have a significant impact on total Comprehensive loss.

NOTE 31. COMMITMENTS

The Company has entered into several future commitments related to services for the operations of the Company. The combined future minimum payments, aggregate to $154,800 and include the following payments for the next years:

	$
Less than 1 year	142,800
1-5 years	12,000

The Company also entered into an agreement for the lease of premises expiring in August 30, 2019. Future minimum lease payments, aggregate to $1,434,377 and include the following payments for the next years:

	$
Less than 1 year	307,442
1-5 years	1,126,935

NOTE 32. SUBSEQUENT EVENTS

In February 2014, the Company concluded the following transactions:

- The Company acquired a 40% interest in Portfolio Analysts Inc., the parent company of Portfolio Strategies Securities Inc., a leading Canadian independent mutual fund dealer for a total consideration of $4,027,098.

- The Company incorporated, through its wholly owned subsidiary Gravitas Corporate Services Inc., a new company named Branson Shareholders Services Inc. in which it subscribed an interest of 51%.