MAXTECH VENTURES INC.

Condensed Interim Consolidated Financial Statements

Quarter Ended January 31, 2014

(Unaudited - Expressed in Canadian Dollars)

Notice to Reader

In accordance with National Instrument 51-102 released by Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the accompanying condensed interim consolidated financial statements for the quarter ended January 31, 2014.

Maxtech Ventures Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	Note	January 31, 2014	July 31, 2013
		$	$
Assets			
Current Assets			
Cash		1,251,696	3,631,577
Marketable securities	4	102,720	127,160
Notes receivable	11	656,000	275,000
Other receivables	6	8,206	3,145
		2,018,622	4,036,882
Equipment	5	22,841	24,538
Properties	9	1,986,259	-
Exploration and evaluation assets	8	3	3
Total Assets		4,027,725	4,061,423
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities	7	60,093	34,181
Shareholders' Equity			
Share capital	10	8,130,000	8,130,000
Reserves	10	5,249,810	5,278,428
Deficit		(9,412,178)	(9,381,186)
Total Equity		3,967,632	4,027,242
Total Liabilities and Shareholders' Equity		4,027,725	4,061,423

Nature of operations and going concern *1*

"Curt Huber" — Director

"Lucky Janda" — Director

See accompanying notes to the condensed interim consolidated financial statements

Maxtech Ventures Inc.
Condensed Interim Consolidated Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	Note	Three months ended January 31, 2014	Three months ended January 31, 2013	Six months ended January 31, 2014	Six months ended January 31, 2013
		$	$	$	$
Expenses					
Amortization		1,243	6,530	2,449	13,055
Consulting		2,500	29,451	15,000	55,151
Exploration expenditures	8	17,181	-	33,922	–
Office facilities and administration		3,894	19,069	15,693	31,663
Professional fees		7,695	8,350	10,795	12,850
Salaries and wages		7,737	3,252	9,462	7,941
Transfer agent, filing and stock exchange fees		3,537	1,142	11,950	5,596
Loss before the following		(43,787)	(67,794)	(99,271)	(126,256)
Interest income		14,269	15,444	49,793	26,819
Unrealized foreign exchange gain(loss)		16,836	-	16,836	-
Other revenue		1,650	-	1,650	7,954
Net loss for the period		(11,032)	(52,350)	(30,992)	(91,483)
Other comprehensive income (loss):					
Translation gain (loss)		748	638	394	1,727
Unrealized loss on marketable securities	4	(15,432)	(66,110)	(29,012)	(76,110)
Comprehensive loss		(25,716)	(117,822)	(59,610)	(165,866)
Basic and diluted earnings (loss) per share		(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of common shares outstanding		11,216,334	11,216,334	11,216,334	11,216,334

See accompanying notes to the condensed interim consolidated financial statements

MAXTECH VENTURES INC.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed in Canadian dollars)

		Six months ended January 31,	
Cash provided by (used in)	**Note**	**2014**	**2013**
		$	$
Operating activities			
Net loss for the period		(30,992)	(91,483)
Items not involving cash			
Receipt of warrants for interest income	11	(4,572)	–
Amortization	5	2,449	13,055
Changes in non-cash operating working capital			
Other receivables		(5,061)	7,329
Accounts payable and accrued liabilities		25,554	(12,617)
Cash used in operating activities		(12,622)	(83,716)
Investing activities			
Acquisition of equipment		–	(2,008)
Acquisition of properties	9	(1,986,259)	–
Increase of exploration and evaluation assets		–	(59,990)
Promissory note issued	11	(381,000)	614,268
Cash (used in) provided by investing activities		(2,367,259)	552,270
Increase(decrease) in cash		(2,379,881)	468,554
Cash, beginning of period		3,631,577	3,594,303
Cash, end of period		1,251,696	4,062,857
Supplemental cash flow information:			
Cash paid during the period for income taxes		–	–
Cash received from interest income		45,221	11,135

See accompanying notes to the condensed interim consolidated financial statements

Maxtech Ventures Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited - Expressed in Canadian dollars)

		Share capital		Reserves				
	Note	Number	Amount	Foreign translation reserve	Share-based payment reserve	Investment revaluation reserve	Deficit	Total equity
			$	$	$	$	$	$
Balance, August 1, 2012		11,216,334	8,130,000	(57,008)	5,349,127	(98,791)	(7,645,231)	5,678,097
Translation gain		–	–	1,727	–	–	–	1,727
Unrealized loss from marketable securities		–	–	–	–	(76,110)	–	(76,110)
Net loss for the period		–	–	–	–	–	(91,483)	(91,483)
Balance, January 31, 2013		11,216,334	8,130,000	(55,281)	5,349,127	(174,901)	(7,736,714)	5,512,231
Balance, July 31, 2013		11,216,334	8,130,000	(70,699)	5,349,127	–	(9,381,186)	4,027,242
Translation gain(loss)		–	–	394	–	–	–	394
Unrealized loss from marketable securities	4	–	–	–	–	(29,012)	–	(29,012)
Net loss for the period		–	–	–	–	–	(30,992)	(30,992)
Balance, January 31, 2014		11,216,334	8,130,000	(70,305)	5,349,127	(29,012)	(9,412,178)	3,967,632

See accompanying notes to the condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Maxtech Ventures Inc. (the "Company" of "Maxtech") was incorporated on April 19, 2000 under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties. The Company's shares are traded on the Canadian National Stock Exchange ("CNSX") under the symbol "MVT".

The head office, principal address and records office of the Company are located at 8338 - 120th Street, Surrey, BC V3W 3N4.

These condensed interim consolidated financial statements for the quarter ended January 31, 2014 (the "Interim Financial Statements") have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at January 31, 2014 the Company had recurring losses since inception and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These uncertainties cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash and cash on hand and private placements of common shares, if required.

2. STATEMENT OF COMPLIANCE

a) Statement of compliance

These Interim Financial Statements, including comparatives within, have been prepared in accordance with International Accounting Standards 34, "Interim Financial Reporting" ("IAS 34"), using accounting policies consistent with the International Financial Report Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee. Any subsequent changes to IFRS that are given effect to in the Company's annual consolidated financial statements for the year ending July 31, 2014 could result in revisions to these Interim Financial Statements.

These Interim Financial Statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these Interim Financial Statements be read in conjunction with the most recent audited annual consolidated financial statements of the Company for the year ended July 31, 2013.

These consolidated financial statements were approved and authorized by the Board of Directors on March 31, 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments measured at their fair value. The consolidated financial statements are presented are in Canadian dollars, unless otherwise noted.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary Maxtech Resources Private Limited ("MRPL") (incorporated in India), its wholly owned subsidiary Maxtech Holdings Corp. (incorporated in Nevada, U.S.A.), and its 53% interest in the Julia property which is held through its subsidiary Emerging Minerals (BC) Corp.("Emerging Minerals") (incorporated in Canada). All material intercompany balances and transactions between the Company and the subsidiaries have been eliminated.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the useful lives of equipment, the recoverability of the carrying value of exploration and evaluation assets and properties, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, decommissioning, restoration and similar liabilities and contingent liabilities.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the classification of expenditures as exploration and evaluation expenditures or operating expenses; and
- the determination of the functional currency of the parent company and its subsidiaries.

Adoption of new accounting standards

There were no significant changes in the accounting policies that were discussed in Note 3 of the Company's audited annual financial statements for the most recent year ended July 31, 2013 except for the adoption of following new standards commencing August 1, 2013:

IAS 1 – Presentation of Financial Statements amendment issued by the IASB in June 2011 provides improved consistency and clarity of the presentation of items of other comprehensive income. The main change was a requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

IFRS 10 – Consolidated Financial Statements supersedes SIC 12 – Consolidation – Special Purpose Entities and the requirements relating to consolidated financial statements in IAS 27 – Consolidated and Separate Financial Statements. IFRS 10 establishes the principle and application of control as the basis for an investor to identify whether an investor controls an investee and thereby requiring consolidation.

IFRS 11 – Joint Arrangements establishes the principle a joint arrangement is classified as joint operations or joint ventures based on the rights and obligations of the parties to the joint arrangement, rather than its legal form.

IFRS 12 – Disclosure of Interests in Other Entities requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

(Unaudited - expressed in Canadian dollars)

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of new accounting standards (continued)
IFRS 13 – Fair value measurements establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted.

The adoption of these standards did not have a material impact on the Interim Financial Statements.

Accounting standards issued but not yet in effective
IFRIC 21 – Levies, an interpretation of IAS 37 was issued by the IASB in May 2013 and provides interpretation on when to recognize a liability for a levi imposed by a government and clarifies the criteria for the recognition of a liability. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is still in the process of assessing the impact of the application of IFRIC 21 on the Company's financial statements.

4. MARKETABLE SECURITIES

The Company holds common shares of two Canadian public companies : Abacus Mining and Exploration Corp. ("AME"), Majescor Resources Inc. ("MJX"), share purchase warrants of Desert Gold Ventures Inc.("DAU"), a Canadian public company (Note 11), and common shares of a private company (Note 11). The Company designates its marketable securities as available-for-sale. As a result, the Company recorded a comprehensive loss of $29,012 as a result of the decrease of the fair value of the Company's marketable securities during six months ended January 31, 2014.

As at January 31, 2014		
Cost	**Unrealized loss**	**Fair value**
$	$	$
380,527	(277,807)	102,720

As at July 31, 2013		
Cost	**Unrealized loss**	**Fair value**
$	$	$
375,955	(248,795)	127,160

During six months ended January 31, 2014, the Company did not dispose any marketable securities.

(Unaudited - expressed in Canadian dollars)

5. EQUIPMENT

	Field equipment	Office equipment	Vehicle	Total
	$	$	$	$
Cost:				
At July 31, 2012	151,809	18,472	27,329	197,610
Additions	2,009	-	-	2,009
At July 31, 2013	153,818	18,472	27,329	199,619
Additions (disposal)	-	-	-	-
At January 31, 2014	153,818	18,472	27,329	199,619
Amortization:				
At July 31, 2012	48,266	6,249	5,576	60,091
Charge for the period	20,786	2,106	4,345	27,237
Impairment	84,149	-	-	84,149
At July 31, 2013	153,201	8,355	9,921	171,477
Charge for the period	-	840	1,609	2,449
At January 31, 2014	153,201	9,195	11,530	173,926
Foreign exchange effects:				
At July 31, 2013	(617)	(1,693)	(207)	(2,517)
At January 31, 2014	(617)	(1,693)	(542)	(2,852)
Net book value:				
At July 31, 2013	-	8,424	16,114	24,538
At January 31, 2014	-	7,584	15,257	22,841

6. Other receivables

	January 31, 2014	July 31, 2013
	$	$
Interest receivable	7,300	-
Sales tax recoverable	906	3,145
	8,206	3,145

7. Accounts payable and accrued liabilities

	January 31, 2014	July 31, 2013
	$	$
Trade payables	593	6,397
Accrued liabilities	59,500	27,784
	60,093	34,181

(Unaudited - expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION ASSETS

	Ariane	Guercheville	Julia	Lalitpur	Total
As at July 31, 2012	397,492	-	361,937	254,995	1,014,424
43-101 report	-	-	-	-	-
Acquisition and renewal	2,414	-	-	-	2,414
Analytical/assays	150	-	650	7,276	8,076
Geologist and geophysics	-	-	-	50,175	50,175
Laboratory testing	-	-	-	-	-
Management	-	-	-	18,641	18,641
Mapping	-	-	-	-	-
Supplies	-	-	-	14,549	14,549
Travelling and lodging	-	-	-	18,595	18,595
Impairment	(400,055)	-	(362,586)	(364,230)	(1,126,871)
As at July 31, 2013 and January 31, 2014	1	-	1	1	3

Ariane and Guercheville
By an option agreement dated March 5, 2007, and as amended on October 20, 2010, the Company had acquired a 100% interest in two prospective gold properties in the Abitibi region of Quebec.

As at July 31, 2013, management assessed that the Company may not be able to recover the carrying value of the Arian Property. The Arian Property was impaired it to a nominal value of $1.

The Company did not have exploration activities during six months ended January 31, 2014.

Julia
By an option agreement dated November 30, 2005, and as amended September 7, 2006, the Company acquired a 50% interest, subject to a 2% net smelter royalty, in various mineral claims located in the Atlin Mining Division of British Columbia (the “Julia Property”).

As at July 31, 2013, management assessed that the Company may not be able to recover the carrying value of the Julia Property. The Julia Property was impaired it to a nominal value of $1.

The Company did not have exploration activities during six months ended January 31, 2014.

Lalitpur Iron Ore Project
In March 2010, the Company’s wholly owned subsidiary, MRPL, was granted a Reconnaissance Permit (“RP”) in the Lalitpur District, Uttar Pradesh Province, India to explore for iron ore, gold and platinum group minerals.

As at July 31, 2013, management assessed that the Company may not be able to recover the carrying value of the Lalitpur Property. The Lalitpur property was impaired it to a nominal value of $1.

During six months ended January 31, 2014, the Company was in the process of closing down its exploration operations in India, while continuing to work on advancing the approval of it Prospecting License applications. There was $33,922 of exploration related expenditures incurred during six months ended January 31, 2014.

9. Properties

During the quarter ended January 31, 2014, the Company acquired the following two real properties located in the U.S.A. The Company is in the process of building plans for the development of these properties:

6059 Bradshaw Road
6059 Bradshaw Road is a parcel of land (with area of approximately 19.68 acres) located in 6059 Bradshaw Road, Sacramento, California, U.S.A. The acquisition cost is USD 1,200,955 ($1,286,614).

11900 Franklin Blvd (the "Franklin Property")
The Franklin Property is comprised of a parcel of land (approximately 65 acres) and a house located at 11900 Franklin Blvd, Elk Grove, California. The acquisition cost is USD 665,905 ($699,645). The parcel of land has been leased to an unrelated party up to March 31, 2015 (for rent of US$13,000) and the house has been leases for monthly rent of US$1,300 from January to December 2014.

10. SHARE CAPITAL

Authorized: Unlimited number of common shares without par value

Outstanding: On July 24, 2013, the Company consolidated its issued and outstanding shares on a 3-1 basis. As a result, the number of outstanding shares and loss per share presented in these consolidated financial statements has been retroactively revised to reflect this share consolidation.

Stock Options
The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 20% of the outstanding shares. Options granted under the Plan may have a maximum term of five (5) years. The exercise price of options granted under the Plan will not be less than the closing price of the Company's shares on the CNSX on the trading day immediately before the date of grant, less the discount permitted under the CNSX policies, subject to a minimum of $0.10 per common share.

As at July 31, 2013 and January 31, 2014, the Company did not have any stock options outstanding.

Share base payment reserve
The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Foreign currency translation reserve
The foreign currency translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

Investment revaluation reserve
The investment revaluation reserve records unrealized gains and losses arising on available-for-sale financial assets, except for impairment losses and foreign exchange gains and losses on monetary items.

(Unaudited - expressed in Canadian dollars)

11. NOTES RECEIVABLE

As at July 31, 2013, the Company had the following notes receivable outstanding:

Borrower	Principal $	Term	Interest	Collateral
Unrelated party	270,000	January 24, 2014	8% per annum	Secured by a parcel of land
Chimata (i)	5,000	On demand	5% per annum	Unsecured

As at January 31, 2014, the Company had the following notes receivable outstanding:

Borrower	Principal $	Term	Interest	Collateral
Unrelated party	270,000	on-demand	8% per annum	Secured by a parcel of land
Unrelated party(ii)	330,000	April 6, 2014	8% per annum	(ii)
Chimata (i)	5,000	December 31, 2014	5% per annum	Unsecured
Chimata (i)	51,000	December 31, 2014	5% per annum	Unsecured

(i) Chimata Gold Corp. ("Chimata") is the ex-parent company of the Company. The Company's CEO is a relative of Chimata's CEO.

(ii) On November 12, 2013, the Company completed a transaction with Acana Capital Corp., a company with the CEO and CFO in common with the Company, for the assignment of a US$300,000 promissory note issued by TM Technologies Inc. ("TM"), a private company incorporated in the USA to the Company. This note is guaranteed by Medusa Scientific LLC, the parent company of TM which is a private company incorporated in the USA. TM issued 400,000 common shares to the Company as an incentive for this financing (Note 4). The fair value of these 400,000 common shares is deemed $Nil as it is not readily available.

On September 5, 2013, the Company loaned $225,000 to Desert Cold Ventures ("DAU"). A director of DAU is a relative to the Company's CEO and CFO. The loan bears interest at 10% per annum and is secured by all assets of DAU. In consideration for the loan, the Company earned a finance fee of $13,500 and received 90,000 share purchase warrants of DAU exercisable at $0.15 and matures on September 4, 2014. DAU has fully repaid the Company $225,000 principal plus $3,082 interest in October 2013.

The fair value of these warrants of DAU. is $4,572 which is valued by using of Black Schole Option Pricing model with the following assumptions to determine the fair values of these 90,000 warrants; expected life of one year, risk free interest rate of 1.02%, volatility of 130%, dividend rate of Nil %, and exercise price $0.15/share.

12. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere are as follows:

<u>Transactions with key management and directors</u>

		Six months ended January 31,	
	Nature of fees	**2014**	**2013**
		$	$
Company affiliated with the CEO	Consulting	7,500	15,000
Company affiliated with the CEO	Rent	7,500	15,000
Company affiliated with a relative of the CEO	Consulting	7,500	-

(Unaudited - expressed in Canadian dollars)

12. RELATED PARTY TRANSACTIONS (Continued)

As at July 31, 2013 and January 31, 2014, the Company's accounts payable and accrued liabilities included the following balances owing to the Company's related parties:

	January 31, 2014	July 31, 2013
	$	$
Company affiliated with the CEO	15,000	4,881
Company affiliated with a relative of the CEO	-	2,805

The above amounts are unsecured, non-interest bearing, and are due on demand.

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The Company's risk exposure and its policies in managing these risks have not significantly changed from its recent year ended July 31, 2013.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	January 31, 2014	July 31, 2013
	$	$
Fair value through profit and loss:		
Cash	1,251,696	3,631,577
Loans and receivables:		
Notes receivable	656,000	275,000
Interest receivable	7,300	-
Available-for-sale financial assets:		
Marketable securities	102,720	127,160
	2,017,716	4,033,737

Financial liabilities included in the statement of financial position are as follows:

	January 31, 2014	July 31, 2013
	$	$
Non-derivative financial liabilities:		
Trade payables	593	6,397

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount as at January 31, 2014 and July 31, 2013 for their short-term natures.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

(Unaudited - expressed in Canadian dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

The following is an analysis of the Company's financial assets measured at fair value as at January 31, 2014 and July 31, 2013:

	As at July 31, 2013		
	Level 1	**Level 2**	**Level 3**
	$	$	$
Cash	3,631,577	-	-
Available-for-sale financial assets	127,160	-	-
	3,758,737	-	-

	As at January 31, 2014		
	Level 1	**Level 2**	**Level 3**
	$	$	$
Cash	1,251,696	-	-
Available-for-sale financial assets	102,720	-	-
	1,354,416	-	-

14. SEGMENT DISCLOSURES

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

The geographic segment disclosures are as follows:

July 31, 2013	Equipment	Exploration and evaluation assets
	$	$
India	16,114	1
Canada	8,424	2
	24,538	3

January 31, 2014	Equipment	Exploration and evaluation assets
	$	$
India	15,257	1
Canada	7,584	2
	22,841	3