SECOVA METALS CORP.

CONDENSED CONSOLDIATED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)

FOR THE PERIOD ENDED DECEMBER 31, 2013

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the condensed consolidated interim financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

SECOVA METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)

	December 31, 2013	June 30, 2013
ASSETS		
Current		
Cash	$ 1,323	$ 96,893
Marketable securities (Note 4)	41,218	-
Receivables	12,522	8,173
	55,063	105,066
Advance (Note 7)	247,476	268,625
	$ 302,539	$ 373,691
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 91,977	$ 85,011
Shareholders' equity		
Share capital (Note 6)	8,443,669	8,396,169
Subscriptions receivable (Note 6)	(36,750)	(36,750)
Reserves (Note 6)	54,061	54,061
Deficit	(8,250,418)	(8,124,800)
	210,562	288,680
	$ 302,539	$ 373,691

Nature and continuance of operations (Note 1)

Approved and authorized by the Board on February 27, 2014.

"Michael Mulberry"	Director	*"Yana Bobrovskaya"*	Director
Michael Mulberry		Yana Bobrovskaya	

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

SECOVA METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE SIX MONTH PERIOD ENDED

	Three months ended December 31, 2013	Three months ended December 31, 2012	Six months ended December 31, 2013	Six months ended December 31, 2012
EXPENSES				
Consulting	$ 36,750	$ 44,000	$ 59,250	$ 66,500
Filing fees and transfer agent	11,225	16,956	12,470	25,702
Investor relations	(2,384)	510	900	960
Office and sundry	2,429	12,137	10,889	30,675
Professional fees	11,770	21,586	31,945	63,738
Property investigation costs	-	-	-	30,000
Travel	-	4,329	-	28,100
Loss before the following	(59,790)	(99,518)	(115,454)	(245,675)
Interest revenue	-	1,891	-	3,781
Unrealized loss on marketable securities	(10,164)	-	10,164	-
Loss and comprehensive loss for the period	$ (69,954)	$ (97,627)	$ (125,618)	$ (241,894)
Basic and diluted loss per share	$ (0.00)	$ (0.03)	$ (0.01)	$ (0.07)
Weighted average number of common shares outstanding	12,645,456	3,572,256	12,111,894	3,572,256

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

SECOVA METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (125,618)	$ (241,894)
Items not affecting cash:		
Accrued interest	-	(3,781)
Unrealized loss on marketable securities	10,164	-
Non-cash working capital item changes:		
Receivables	(4,349)	(148,003)
Accounts payables and accrued liabilities	(29,784)	57,128
Net cash used in operating activities	(149,587)	(336,550)
CASH FLOWS FROM INVESTING ACTIVITIES		
Advance	(30,233)	-
Net cash used in investing activities	(30,233)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuances	47,500	-
Net cash provided by financing activities	47,500	-
Change in cash for the period	(95,570)	(336,550)
Cash, beginning of period	96,893	336,678
Cash, end of period	$ 1,323	$ 128
Supplemental Cash flow information:		
Marketable securities received for repayment of advance	$ 51,382	$ -

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

SECOVA METALS CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Unaudited)
(Expressed in Canadian Dollars)

	Share Capital					
	Number	**Amount**	**Subscriptions Receivable**	**Reserves**	**Deficit**	**Total**
Balance as at June 30, 2012	3,572,256	$ 8,019,262	$ -	$ 166,633	$ (7,743,482)	$ 442,413
Expiry of options	-	-	-	(17,489)	17,489	-
Loss for the period	-	-	-	-	(241,894)	(144,267)
Balance as at December 31, 2012	3,572,256	$ 8,019,262	$ -	$ 149,144	$ (7,967,887)	$ 200,519
Private placement	7,960,000	398,000	(36,750)	-	-	361,250
Share issuance costs	163,200	(21,093)	-	-	-	(21,093)
Cancellation of options	-	-	-	(95,083)	95,083	-
Loss for the period	-	-	-	-	(251,996)	(251,996)
Balance as at June 30, 2013	11,695,456	$ 8,396,169	$ (36,750)	$ 54,061	$ (8,124,800)	$ 288,680
Private placement	950,000	47,500	-	-	-	47,500
Loss for the period	-	-	-	-	(125,618)	(125,618)
Balance as at December 31, 2013	12,645,456	$ 8,443,669	$ (36,750)	$ 54,061	$ (8,250,418)	$ 210,562

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Secova Metals Corp. (the "Company") is an exploration stage company incorporated under the Canada Business Corporations Act.

The Company's head office, registered and records office is 700 – 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8.

The Company is in the process of investigating and evaluating potential exploration project acquisitions in Canada and throughout the world. The recoverability of amounts for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern.

The condensed consolidated interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2013.

Basis of Presentation

These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's June 30, 2013 audited annual financial statements.

Use of Estimates and Significant Judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and the reported revenues and expenses during the period. Actual results could differ from these estimates.

2. BASIS OF PREPARATION (cont'd…)

Use of Estimates and Significant Judgments (cont'd…)

Significant assumptions about the future and other sources of estimation and judgement uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The determination of deferred income tax assets and liabilities is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence, and any new legislation may result in an increase or decrease in our provision for income taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

The most significant judgments relate to the recoverability of the advance, the functional currency of the Company and its subsidiaries, recognition of deferred tax assets and liabilities and the determination of the economic viability of a project.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

These condensed consolidated interim financial statements include the financial statements of the Company and the entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

New standards, interpretations and amendments adopted

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended June 30, 2013, except for the adoption of new standards and interpretations effective as of July 1, 2013.

The Company applies, for the first time, certain standards and amendments that require restatement of previous financial statements. These include IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, and IFRS 13 Fair Value Measurement. As required by IAS 34, the nature and the effect of these changes are disclosed below. In addition, the application of IFRS 12 Disclosure of Interest in Other Entities would result in additional disclosures in the annual consolidated financial statements.

Several other new standards and amendments apply for the first time in 2013. However, they are not applicable to the annual consolidated financial statements of the Company or the interim condensed consolidated financial statements of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New standards, interpretations and amendments adopted (cont'd…)

The nature and the impact of each new standard are described below:

IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replaces the parts of previously existing IAS 27 Consolidated and Separate Financial Statements that dealt with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in IFRS 10, all three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. IFRS 10 had no impact on the Company.

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venture's. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture under IFRS 11 must be accounted for using the equity method. As the Company does not have any partnerships in JCEs, the adoption of this standard had no impact on the financial statements of the Company.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. None of these disclosure requirements are applicable for interim condensed consolidated financial statements, unless significant events and transactions in the interim period require that they are provided. The Company has not had any changes in its corporate structure or investments during the period; accordingly, the Company has not made such disclosures.

IFRS 13 Fair Value Measurement

IFRS 13 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 application of IFRS 13 has not materially impacted the fair value measurements carried out by the Company.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the interim condensed consolidated financial statements period. The Company provides these disclosures in Note 7.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New standards not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended December 31, 2013:

- IFRS 9 — New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets[i]
- IAS 32 (Amendment) — New standard amends IAS 32 to provide clarifications on the application of the offsetting rules [ii]

(i) Effective for annual periods beginning on or after January 1, 2015
(ii) Effective for annual periods beginning on or after January 1, 2014

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

4. MARKETABLE SECURITIES

The Company holds securities that have been designated as fair value through profit and loss as follows:

	Common shares of public companies	
	Market Value	Cost
June 30, 2013	$ -	$ -
November 30, 2013	41,218	51,382

5. LOAN RECEIVABLE

During the year ended June 30, 2012, the Company entered into a loan agreement with Taman Petroleum Corporation ("Taman"), whereby the Company advanced $200,000 to Taman for general working capital. The Company intended to acquire all of the outstanding shares of Taman; however, subsequently the Company decided not to pursue the transaction.

The loan was to mature January 13, 2014, is secured by the assets of Taman and bore interest at a rate of 6% per annum. Taman repaid $75,000 during the year ended June 30, 2012. During the year ended June 30, 2013, the Company wrote off the remaining principal of $125,000 and accrued interest of $11,651 due to the unlikelihood of collection and recognized a loss of $136,651 on the statement of loss and comprehensive loss.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES

During the year ended June 30, 2013, the board of directors authorized a 10-for-1 share consolidation. The number of issued and outstanding shares and stock options has been retroactively restated for all periods presented unless otherwise stated.

a) Authorized share capital

As at December 31, 2013, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares, consisting only of common shares are fully paid.

b) Issued share capital

During the period ended December 31, 2013, the Company completed a non-brokered private placement for 950,000 units at a price of $0.05 per unit for gross proceeds of $47,500. Each unit consists of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share of the Company at a price of $0.10 for two years.

During the year ended June 30, 2013, the Company completed a non-brokered private placement for 7,960,000 common shares at a price of $0.05 per share for gross proceeds of $398,000. In connection with the offering, the Company issued 163,200 common shares at a price of $0.05 for finder's fees totalling $8,160. As at June 30, 2013, the Company recorded $36,750 subscriptions receivable in association with the private placement. The Company also incurred $21,093 in other share issuance costs.

a) Stock options

Stock option transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Outstanding, June 30, 2012	357,000	$ 1.20
Expired/cancelled	(222,000)	1.21
Outstanding and exercisable, June 30 and December 31, 2013	135,000	$ 1.19

The following incentive stock options were outstanding at December 31, 2013:

Number of Shares	Exercise Price	Expiry Date
50,000	$ 1.00	May 25, 2014
50,000	1.50	July 7, 2014
35,000	1.00	June 7, 2016
135,000		

(Expressed in Canadian Dollars)

6. SHARE CAPITAL AND RESERVES (cont'd…)

b) Warrants

Warrant transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Outstanding, June 30, 2012 and June 30, 2013	-	$ -
Granted	475,000	0.10
Outstanding December 31, 2013	475,000	$ 0.10

The following share purchase warrants were outstanding at December 31, 2013:

Number of Shares	Exercise Price	Expiry Date
475,000	$ 0.10	July 24, 2015

Share-based payments

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years with vesting determined by the board of directors. The Company did not grant any stock options for the six month period ended December 31, 2013 and 2012.

7. RELATED PARTY TRANSACTIONS

These condensed consolidated interim financial statements include the financial statements of the Company and its 100% owned subsidiary Secova Metals (Arizona) Corp.

Key management personnel comprise of the Chief Executive Officer, Chief Financial Officer, Corporate Secretary and the Directors of the Company. The remuneration of the key management personnel is as follows:

a) Professional fees of $29,740 (2012 - $26,826) to two companies controlled by two officers of the Company

b) Consulting fees of $59,250 (2012 - $22,500) to an officer and a director of the Company.

The Company operates from the premises of a group of public and private companies with common directors. One private company controlled by a director and officer of the Company provides office and administrative services to the Company and various other public companies. Included in receivables and advances is $247,476 (2012 - $268,625) due from the private Company. During the six month period ended December 31, 2013, the Company paid or accrued $Nil (2012 - $26,638) for office and sundry and $Nil (2012 - $4,284) for professional fees.

As at December 31, 2013, included in accounts payable is $50,819 (June 30, 2013 - $55,517) due to related parties and included in subscriptions receivable is $36,750 (June 30, 2013 - $36,750) due from a related party.

8. FINANCIAL AND CAPITAL RISK MANAGEMENT

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.

The fair value of the Company's receivables and accounts payable and accrued liabilities approximate their carrying value due to the short-term nature of the instruments. The Company's, cash and marketable securities are valued under the fair value hierarchy based on level 1 quoted prices in active markets for identical assets or liabilities.

Financial risk factors

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash, receivables and loan receivable. The Company's cash is held at large Canadian financial institution in interest bearing accounts for which management believes the risk of loss to be minimal. Receivables mainly consist of funds owed from the private company controlled by a director and officer of the Company which provides office and administrative services to the Company. Management believes that the credit risk concentration with respect to receivables and loan receivable is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to try and have sufficient liquidity to meet liabilities when due.

As at December 31, 2013, the Company had a cash balance of $1,323 (June 30, 2013 - $96,893) to settle current liabilities of $91,977 (June 30, 2013 - $85,011). While the Company has been successful in obtaining its required funding in the past there is no assurance that this financing will be extended or that any additional future financing will be available. The Company continues to investigate financing options, including private placements and recovering the advance.

The Company manages liquidity risk through its capital management as outlined below. Accounts and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

a) 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 market interest rates.

8. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd…)

b) Price risk

The Company is exposed to price risk with respect to commodity prices, particularly gold and copper. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

c) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the Company's subsidiary located in the USA. Through this, the Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in US Dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and development of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

9. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition, exploration and evaluation of mineral properties in Canada.