



VIPER GOLD LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three months ended March 31, 2014 and 2013

(Unaudited – Expressed in Canadian Dollars)

Notice to Readers:

These unaudited condensed interim financial statements of Viper Gold Ltd. (the “Company”) have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - *Continuous Disclosure Obligations*.

Viper Gold Ltd.**Condensed Interim Statements of Financial Position***(Unaudited - Expressed in Canadian Dollars)*

		As at March 31, 2014	As at December 31, 2013
	Notes		
Assets			
Current assets			
Cash		\$ 6,886	\$ 5,664
Amounts receivable		473	6,860
Prepaid expenses and deposits		2,260	-
Total current assets		9,619	12,524
Exploration and evaluation assets	5	212,000	212,000
Total assets		\$ 221,619	\$ 224,524
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	12	\$ 111,954	\$ 98,400
Shareholders' Equity			
Share capital	6	1,566,920	1,566,920
Warrants	6	4,598	4,598
Share-based payments reserve	7	134,862	134,862
Deficit		(1,596,715)	(1,580,256)
Total shareholders' equity		109,665	126,124
Total liabilities and shareholders' equity		\$ 221,619	\$ 224,524

*Going concern (note 2)**Commitments and contingencies (notes 5 and 11)**Subsequent event (note 14)*

Approved on Behalf of the Board:

Joseph Del Campo
DirectorPaul C. Davis
Director*The accompanying notes are an integral part of these condensed interim financial statements.*

Viper Gold Ltd.**Condensed Interim Statements of Loss and Comprehensive Loss***(Unaudited - Expressed in Canadian Dollars)*

		For the three months ended	
		March 31,	
	Notes	2014	2013
Expenses			
Management and consulting	12	\$ 3,000	\$ 6,575
Filing fees and communications		6,410	6,520
Insurance		1,743	2,802
Legal	12	5,154	5,989
Office rent		-	3,989
General and administrative expenses		152	1,589
Depreciation		-	255
Total expenses		<u>16,459</u>	<u>27,719</u>
Net loss and comprehensive loss for the period		<u>\$ (16,459)</u>	<u>\$ (27,719)</u>
Basic and diluted loss per share	8	\$ (0.00)	\$ (0.00)
Weighted average number of common shares		<u>18,272,000</u>	<u>12,772,000</u>

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

Viper Gold Inc.
Condensed Interim Statements of Changes in Equity
(Unaudited - Expressed in Canadian Dollars)

	Capital stock		Warrants	Share-based payments reserve	Deficit	Total Equity
	Number of shares	Amount				
Balance at December 31, 2013	18,272,000	\$ 1,566,920	\$ 4,598	\$ 134,862	\$ (1,580,256)	\$ 126,124
Net loss	-	-	-	-	(16,459)	(16,459)
Balance at March 31, 2014	18,272,000	\$ 1,566,920	\$ 4,598	\$ 134,862	\$ (1,596,715)	\$ 109,665
Balance at December 31, 2012	12,772,000	\$ 1,529,071	\$ -	\$ 155,117	\$ (570,085)	\$ 1,114,103
Net loss	-	-	-	-	(27,719)	(27,719)
Balance at March 31, 2013	12,772,000	\$ 1,529,071	\$ -	\$ 155,117	\$ (597,804)	\$ 1,086,384

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

Viper Gold Ltd.
Condensed Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	For the three months ended March 31,	
	2014	2013
	Notes	
Cash flows from operating activities		
Net loss for the period	\$ (16,459)	\$ (27,719)
Adjustments to reconcile net loss to net cash flows:		
Non-cash adjustments:		
Depreciation	-	255
	(16,459)	(27,464)
Working capital adjustments:		
Decrease in amounts receivable	6,387	13,384
Increase in prepaid expenses	(2,260)	-
Increase in accounts payable and accrued liabilities	13,554	19,271
Net cash flows from operating activities	1,222	5,191
Net cash flows used in investing activities	-	-
Net cash flows from financing activities	-	-
Net increase in cash	1,222	5,191
Cash - Beginning of year	5,664	12,274
Cash - End of the period	\$ 6,886	\$ 17,465
Supplemental information:		
Common shares issued for interest in exploration properties	\$ -	\$ -
Interest paid	\$ -	\$ -

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

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Viper Gold Ltd. (the "Company") was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on January 29, 2008. The Company is a public corporation whose shares are listed and posted for trading on the TSXV under the symbol "VPR". The Company is in the business of acquiring and exploring mineral properties with a view to finding and developing mineable deposits of precious and base metals.

The address of the Company's executive office is: 25 Wakem Court, Whitby, Ontario, L1P 1T8, Canada.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write downs of the carrying values. The Company's interest in the Corongo Property is located outside of Canada and is subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations, and political uncertainties.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory and environmental requirements.

2. GOING CONCERN

The Company is in the exploration and evaluation stage and has an interest in certain mineral claims in Peru from which no revenue has yet been generated. The exploration and development of mineral properties involves significant financial risk, with recoverability of costs incurred being subject to future profitable production from economically recoverable reserves and/or financing through issuance of shares or sale of property interests.

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business at amounts different from those in these financial statements. Such adjustments could be material. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet ongoing administration expenses and related liabilities as they fall due.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the entity's ability to continue as a going concern. The Company has incurred a loss in the current and prior periods, with a loss of \$16,459 for the three months ended March 31, 2014, (2013 - \$27,719), and as at March 31, 2014 has an accumulated deficit of \$1,596,715 and a working capital deficiency of \$102,335.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

3. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The policies set out in Note 4 have been consistently applied to all periods presented.

These financial statements were approved and authorized for issue by the Board of Directors on May 26, 2014.

(b) Basis of preparation

These financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis. In addition, these financial statements are prepared using the accrual basis of accounting except for cash flow information.

(c) Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2014 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

- IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.
- IAS 19 - Employee Benefits ("IAS 19") was amended by the IASB in November 2013 to simplify the accounting for contributions from employees or third parties to defined benefit plans that are independent of the number of years of service. The amendments to IAS 19 are effective for annual periods beginning on or after July 1, 2014. Earlier adoption is permitted.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

3. BASIS OF PRESENTATION (continued)

(c) Recent accounting pronouncements (continued)

- IAS 32 – Financial Instruments: Presentation (“IAS 32”) was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014.
- IAS 36 – Impairments of Assets (“IAS 36”) was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014.
- IAS 39 – Financial Instruments: Recognition and Measurement (“IAS 39”) was amended by the IASB in June 2013 to clarify that novation of a hedging derivative to a clearing counterparty as a consequence of laws or regulations or the introduction of laws or regulations does not terminate hedge accounting. The amendments to IAS 39 are effective for annual periods beginning on or after January 1, 2014.
- IFRIC 21 – Levies (“IFRIC 21”) was issued in May 2013. IFRIC 21 provides guidance on the accounting for levies within the scope of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (“IAS 37”). IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (“obligating event”). IFRIC 21 clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014.

(d) Significant accounting judgments and use of estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, 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, but are not limited to, the following:

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

3. BASIS OF PRESENTATION (continued)

(d) Significant accounting judgments and use of estimates (continued)

i. Capitalization of exploration and evaluation costs

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See note 5 for details of capitalized exploration and evaluation costs.

ii. Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

iii. Estimation of decommissioning and restoration costs and the timing of expenditure

The cost estimates are updated annually and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

iv. Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013
(Unaudited - Expressed in Canadian dollars)

3. BASIS OF PRESENTATION (continued)

(d) Significant accounting judgments and use of estimates (continued)

v. *Income taxes and recoverability of potential deferred tax assets*

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws. Future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these condensed interim financial statements are summarized in the audited financial statements of the Company for the year ended December 31, 2013. These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2013.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013
(Unaudited - Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

	Balance December 31, 2012	2013 Additions	2013 Write-Offs	Balance December 31, 2013	2014 Additions	Balance March 31, 2014
Corongo Property	\$ 1,156,883	\$ -	\$ (944,883)	\$ 212,000	\$ -	\$ 212,000

Corongo:

On March 17, 2010, the Company entered into an option agreement ("Option Agreement") with Duran Ventures Inc. ("Duran"), an arm's length resources company, and its subsidiary Minera Aguila de Oro S.A.C. ("Minera"), providing for the right to acquire a 50% interest in certain mineral claims comprising a prospective gold property known as the Corongo Property in Peru. The Option Agreement was subsequently amended June 22, 2010 and August 5, 2010. The Option Agreement, as amended, provides for the acquisition of a 50% interest in certain mineral claims comprising the Corongo Property in consideration for: (i) the payment of US\$25,000 (\$25,247 paid) in cash upon execution of the Agreement, (ii) the Company incurring not less than US\$1,000,000 in exploration expenditures on the Corongo Property (US\$1,000,000 has been incurred) prior to March 10, 2012; and (iii) the issuance of 1,000,000 common shares in the capital of the Company as to: (a) 300,000 common shares on or prior to the closing of the Qualifying Transaction (issued and valued at \$45,000); (b) 300,000 common shares on or prior to March 10, 2011 (issued and valued at \$72,000); and (c) 400,000 common shares on or prior to March 10, 2012 (issued and valued at \$32,000). The Company has earned its 50% interest in the property however a definitive joint venture agreement has not been signed yet.

2013 Write-off

Given the lack of exploration work on the Corongo property during the last two years and the fact that no exploration work is planned in the near future due to lack of financing, the Company has determined that the eventual recovery of the exploration and evaluation costs incurred to date is unlikely, and therefore, a write-off in the amount of \$944,883 was appropriate. This write-off brings the fair value attributed to the Corongo property to \$212,000, which is in line with what a third party would be willing to acquire the property for at this time.

2014 Disposition

On March 3, 2014, the Company entered into a Conditional Termination Agreement (the "Termination Agreement") with Duran which would effectively terminate the Option Agreement between the Company and Duran resulting in the disposition of the Company's 50% interest in the Corongo Property in Peru (the "Proposed Disposition"). Proceeds from the Proposed Disposition are expected to be approximately US\$200,000 upon satisfaction of certain conditions. The Proposed Disposition is expected to close concurrently with the disposition of other mining assets held by Duran not later than May 31, 2014. See also Note 14.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

6. SHARE CAPITAL AND OTHER EQUITY

(a) Authorized, issued and outstanding shares

Authorized:

- unlimited number of common shares without par value
- unlimited number of preferred shares issuable in series

Issued:

18,272,000 common shares as at March 31, 2014 and December 31, 2013, respectively.

Transactions during the first three months of 2014 and for the year ended December 31, 2013 are as follows:

	<u>Number of Shares</u>	<u>Amount</u>
Balance, December 31, 2012	12,772,000	\$1,529,071
Private placement (i)	5,500,000	55,000
Value attributed to warrants		(4,224)
Share issue costs		<u>(12,927)</u>
Balance, December 31, 2013 and March 31, 2014	<u>18,272,000</u>	<u>\$1,566,920</u>

(i) Private placement

On July 10, 2013, the Company closed a non-brokered private placement of 5,500,000 Units at \$0.01 per Unit for total gross proceeds of \$55,000 (the "Offering"). Each Unit consists of one common share and one common share purchase warrant, each exercisable at \$0.05 until July 10, 2014 and thereafter at \$0.10 until July 10, 2015. In conjunction with the Offering, the Company paid finder's fees in the aggregate amount of \$4,500 in cash and 450,000 finder's warrants, issued on the same terms as the warrants forming part of the Units. All securities issued pursuant to the Offering and to the finder were subject to a hold period until November 11, 2013. An officer of the Company subscribed for 400,000 units for gross proceeds of \$4,000.

(b) Warrants

Details of common share purchase warrants outstanding at March 31, 2014 are as follows:

	<u>Number of Warrants</u>	<u>Exercise price</u>	<u>Expiry Date</u>	<u>Grant Date Fair Value</u>
Share purchase warrants				
Issued on private placement (i)	5,500,000	\$0.05	July 10, 2015	\$ 4,224
Finders' warrants (i)	<u>450,000</u>	\$0.05	July 10, 2015	<u>374</u>
	<u>5,950,000</u>			<u>\$ 4,598</u>

(i) Exercisable at \$0.05 to July 10, 2014 and thereafter at \$0.10 until July 10, 2015.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

6. SHARE CAPITAL AND OTHER EQUITY (continued)

(b) Warrants

Common share purchase warrant transactions during the three months ended March 31, 2014 and for the year ended December 31, 2013 are as follows:

	March 31, 2014			December 31, 2013		
	Number of Warrants	Weighted average exercise price	Grant Date Fair Value	Number of Warrants	Weighted average exercise price	Grant Date Fair Value
Outstanding – beginning of the year	5,950,000	\$ 0.05	\$ 4,598	-	\$ -	\$ -
Issued	-	-	-	5,950,000	0.05	4,598
Expired	-	-	-	-	-	-
Outstanding – end of the period	5,950,000	\$ 0.05	\$ 4,598	5,950,000	\$ 0.05	\$ 4,598

The grant date fair value of the 5,500,000 warrants and 450,000 finders' warrants issued in connection with the private placement that closed on July 10, 2013 has been estimated at \$4,224 and \$374 respectively, using the Black-Scholes option pricing model. The following weighted average assumptions were used: Risk-free interest rate – 1.18%; Expected volatility – 100%; Expected dividend yield – nil; Expected life – 2 years.

The weighted average remaining contractual life of the issued and outstanding warrants as at March 31, 2014 was 1.29 years.

7. SHARE - BASED PAYMENTS – SHARE OPTION PLAN

The Company has adopted a stock option plan (the "Plan") for its directors, officers, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date immediately preceding the date on which the option is granted. The terms and conditions of the options are determined by the Board of Directors.

The aggregate number of common stock options shall not exceed 10% of the issued and outstanding common shares of the Company, with no one individual being granted more than 5% of the issued and outstanding common shares. In addition, the exercise price of options granted under the plan shall not be lower than the exercise price permitted by the TSX Venture Exchange, and all options granted under the plan will have a term not to exceed five years.

Viper Gold Ltd.

**NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013
(Unaudited - Expressed in Canadian dollars)**

7. SHARE - BASED PAYMENTS – SHARE OPTION PLAN (continued)

A summary of the status of the Plan as at March 31, 2014 and December 31, 2013, and changes during periods ended on those dates are presented below:

	March 31, 2014		December 31, 2013	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding – beginning of the year	656,000	\$ 0.30	906,000	\$ 0.30
Granted	-	-	-	-
Expired	-	\$ -	(250,000)	\$ 0.20
Outstanding – end of the period	656,000	\$ 0.34	656,000	\$ 0.34

As at March 31, 2014, the Company had stock options issued to directors, officers, employees and consultants of the Company outstanding as follows:

Date of grant	Number of options issued	Exercisable	Exercise price	Expiry date	Weighted average remaining contractual life
August 17, 2010	200,000	200,000	\$0.20	August 17, 2015	1.37 years
January 26, 2011	456,000	456,000	\$0.40	January 26, 2016	1.83 years
	656,000	656,000			1.69 years

No options were granted during the three month period ended March 31, 2014 and for the years ended December 31, 2013 and 2012.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

8. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted average number of common shares issued and outstanding during the period.

	For the three months ended March 31,	
	2014	2013
Net loss attributable to common shareholders	\$ (16,459)	\$ (27,719)
Weighted average number of ordinary shares in issue	18,272,000	12,772,000
Basic loss per share	\$ (0.00)	\$ (0.00)

(b) Diluted

Diluted loss per share is the same as basic loss per share as issued and outstanding warrants and options are considered to be anti-dilutive.

9. FINANCIAL RISK MANAGEMENT

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous year.

(a) Credit risk management

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivables. Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss is remote. Financial instruments included in amounts receivable consist of harmonized sales tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is minimal.

(b) Liquidity risk

As at March 31, 2014, the Company had a working capital deficiency of \$102,335 (December 31, 2013 – \$85,876). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2014, the Company does not have sufficient cash to settle current liabilities.

(c) Market risk

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

9. FINANCIAL RISK MANAGEMENT (continued)

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. As at March 31, 2014, the Company had cash balances of \$ Nil (December 31, 2013 - \$ Nil) in U.S. dollars.

Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have had a material effect to the net loss for the three months ended March 31, 2014.

The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

(e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balances and currently does not carry interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. It is management's opinion that the Company is not exposed to significant interest rate risk.

(f) Commodity price risk

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals.

(g) Fair value of financial assets and liabilities

The book values of the cash, amounts receivable, and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

The fair values together with the carrying amounts shown in the statements of financial position are as follows:

	As at March 31, 2014		As at December 31, 2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Cash	\$ 6,886	\$ 6,886	\$ 5,664	\$ 5,664
Amounts receivable	473	473	6,860	6,860
Accounts payable and accrued liabilities	111,954	111,954	98,400	98,400

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

10. CAPITAL RISK MANAGEMENT

The Company defines capital as Shareholders' Equity which at March 31, 2014 was \$109,665 (December 31, 2013 - \$126,124). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration, development and operations activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing bank indebtedness or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at March 31, 2014 and December 31, 2013, the Company had no bank debt. As discussed in Note 2, the Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during the three month period ended March 31, 2014 and for the year ended December 31, 2013. The Company is not subject to externally imposed capital requirements.

11. COMMITMENTS AND CONTINGENCIES

(a) Consulting agreements

The Company has entered into a consulting agreement with Paul C. Davis, the Company's President and Chief Executive Officer, to provide management services to the Company. The Company will pay Mr. Davis a per diem rate of \$650 to a maximum of \$4,000 monthly, along with a vehicle allowance of \$55 per day to a maximum of \$330 per month. The agreement is for a one year term, expiring December 31, 2014.

The Company has entered into a consulting agreement with Joseph Del Campo, the Company's Interim Chief Financial Officer, to provide management services to the Company. The Company will pay Mr. Del Campo a monthly fee of \$1,000. The agreement is for a one year term, expiring December 31, 2014.

(b) Environmental matters

The Company currently has an interest in exploration properties in Peru. The enforcement of environmental regulation in Peru is evolving and the enforcement posture of government authorities is continually being reconsidered. The Company periodically evaluates its obligations under environmental regulations.

The Company's exploration activities are subject to various federal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Viper Gold Ltd.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013 (Unaudited - Expressed in Canadian dollars)

12. COMPENSATION OF KEY MANAGEMENT AND RELATED PARTY TRANSACTIONS

The remuneration of directors and members of key management personnel during the three month period ended March 31, 2014 and 2013 was as follows:

	<u>2014</u>	<u>2013</u>
Compensation	\$ 3,000	\$ 6,575
Share-based payments	-	-
	<u>\$ 3,000</u>	<u>\$ 6,575</u>

No options were granted during the three month period ended March 31, 2014 and for the year ended December 31, 2013.

During the three month period ended March 31, 2014, the Chief Executive Officer of the Company charged the Company a total of \$ Nil (2013 - \$3,575) for services rendered as disclosed in the compensation table above. As at March 31, 2014, the Company owes the Chief Executive Officer of the Company \$38,169 (December 31, 2013 - \$38,169). These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the three month period ended March 31, 2014, the Interim Chief Financial Officer of the Company charged the Company a total of \$3,000 (2013 - \$3,000) for services rendered as disclosed in the compensation table above, of which \$3,000 is included in accounts payable. As at March 31, 2014, the Company owes the Interim Chief Financial Officer of the Company \$22,000 (December 31, 2013 - \$19,150). These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the three month period ended March 31, 2014, the Company incurred legal fees in the amount of \$5,154 (2013 - \$5,989) from a law firm of which a director of the Company is a partner, of which \$5,154 was included in accounts payable. As at March 31, 2014, the Company owes the law firm \$18,326 (December 31, 2013 - \$13,172). These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

See also Note 11 (a).

13. SEGMENTED INFORMATION

The Company's only activity is mineral exploration and development. The Company's exploration property interests are located in Peru (see note 5). Substantially all of the Company's operating expenditures are incurred in Canada.

14. SUBSEQUENT EVENT

In April, 2014 the Company's shareholders approved the disposition of the Company's 50% interest in the Corongo Property in Peru, and on May 8, 2014, the Company completed the disposition and received US\$200,000.

15. COMPARATIVE FIGURES

Certain of the prior period's comparative figures have been reclassified to conform with the current period presentation.