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**BRAVURA VENTURES CORP.**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED JULY 31,**  
**2013 AND 2012**  
**(UNAUDITED)**

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**Notice of No Auditor Review of Interim Financial Statements**

The accompanying unaudited financial statements have been prepared by management and approved by the Audit Committee.

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

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**BRAVURA VENTURES CORP.**Statements of Financial Position  
(Expressed in Canadian dollars)

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	July 31, 2013	January 31, 2013
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ASSETS		
CURRENT		
Cash	\$ 458	\$ -
Amount receivable	15,476	10,260
Prepaid expenses	1,120	1,120
	17,054	11,380
MINERAL PROPERTY (Note 4)	416,428	416,428
	<hr/> \$ 433,482	<hr/> \$ 427,808
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LIABILITIES		
CURRENT		
Cheques in excess of deposits on hand	\$ -	\$ 8,520
Accounts payable and accrued liabilities (Note 4,5)	100,575	28,031
Due to related parties (Note 5)	17,118	-
	117,693	36,551
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6)	1,108,079	1,108,079
RESERVES	176,789	176,789
DEFICIT	(969,079)	(893,611)
	315,789	391,257
	<hr/> \$ 433,482	<hr/> \$ 427,808

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NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)  
COMMITMENTS (Note 7)

Approved and authorized for issue on behalf of the Board on September 27, 2013

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"Quinn Field-Dyte"  
Director

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"Brook Bellian"  
Director

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**BRAVURA VENTURES CORP.**

## Statement of Comprehensive Loss

*(Expressed in Canadian dollars)*

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	For the three months ended		For the six months ended	
		July 31		July 31
	2013	2012	2013	2012
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EXPENSES				
Consulting fees	\$ -	\$ 4,500	\$ -	\$ 8,250
Investor communications	244	1,775	2,055	10,457
Management fees	15,000	31,500	30,000	73,000
Office and miscellaneous	111	778	214	2,747
Professional fees	18,914	10,300	18,914	26,747
Property evaluation	-	7,997	-	8,372
Rent and property tax	-	3,000	5,000	6,000
Transfer agent and filing fees	9,968	6,244	19,285	16,258
Travel and promotion	-	2,518	-	6,128
<hr/>				
LOSS BEFORE INCOME TAXES	(44,237)	(68,612)	(75,468)	(157,959)
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NET LOSS AND COMPREHENSIVE LOSS	(44,237)	(68,612)	(75,468)	(157,959)
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LOSS PER SHARE, basic and diluted	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)
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WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	11,218,751	10,868,751	11,218,751	10,868,751
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The accompanying notes are an integral part of these financial statements.

**BRAVURA VENTURES CORP.**  
**Statements of Changes in Equity**  
*(Expressed in Canadian dollars)*

	Common Shares without Par Value					Total Shareholders' Equity
	Shares	Amount	Reserves	Deficit		
Balance, January 31, 2012	10,868,751	\$ 1,077,079	\$ 176,789	\$ (654,156)		599,712
Issued for mineral property	250,000	25,000	—	—		25,000
Comprehensive loss	—	—	—	(157,959)		(157,959)
Balance, July 31, 2012	11,118,751	\$ 1,102,079	\$ 176,789	\$ (812,115)		466,753
Balance, January 31, 2013	11,218,751	\$ 1,108,079	\$ 176,789	\$ (893,611)	\$	391,257
Comprehensive loss	—	—	—	(75,468)		(75,468)
Balance at July 31, 2013	11,218,751	\$ 1,108,079	\$ 176,789	\$ (969,079)	\$	315,789

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

**BRAVURA VENTURES CORP.**  
Statements of Cash Flow  
*(Expressed in Canadian Dollars)*

	For the three months ended July 31		For the six months ended July 31	
	2013	2012	2013	2012
<b>OPERATING ACTIVITIES</b>				
Loss for the period	\$ (44,237)	\$ (68,612)	\$ (75,468)	\$ (157,959)
	(44,237)	(68,612)	(75,468)	(157,959)
Changes in non-cash working capital items:				
Receivables	(2,088)	(3,307)	(5,216)	(9,226)
Prepaid expenses	-	11,824	-	10,000
Accounts payable and accrued liabilities	32,551	(3,090)	72,544	(22,971)
Due to related parties	14,150	-	17,118	-
Net cash provided by (used in) operating activities	376	(63,185)	8,978	(180,156)
<b>FINANCING ACTIVITIES</b>				
Issue of share capital for cash, net of issue costs	-	-	-	-
Net cash provided by financing activities	-	-	-	-
<b>INVESTING ACTIVITIES</b>				
Deferred exploration and evaluation costs	-	(20,000)	-	(20,000)
Net cash used in investing activities	-	(20,000)	-	(20,000)
INCREASE (DECREASE) IN CASH	376	(83,185)	8,978	(200,156)
CASH, BEGINNING	82	103,386	(8,520)	220,357
CASH, ENDING	\$ 458	\$ 20,201	\$ 458	\$ 20,201
<b>Supplemental information:</b>				
Interest paid	\$ -	\$ -	\$ -	\$ -
Income tax paid	-	-	-	-
Shares issued for mineral properties	-	25,000	-	25,000
Shares issued for service	-	-	-	-

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

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**BRAVURA VENTURES CORP.**

Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**1. NATURE OF BUSINESS AND CONTINUING OPERATIONS**

Bravura Ventures Corp. (the "Company") was incorporated on August 6, 2010 under the British Columbia Business Corporations Act. The Company is domiciled in Canada and is a reporting issuer with its common shares publicly traded on the TSX-Venture exchange under the stock symbol "BVQ". The Company is primarily engaged in the acquisition, exploration and development of mineral properties. The address of its head office is 800-1199 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3T5

At July 31, 2013, the Company had not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the mineral properties or proceeds from the disposition of the mineral property.

At July 31, 2013, the Company had incurred a net loss of \$75,468 (2012 - \$157,959) and an accumulated deficit of \$969,079 which have been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

On April 3, 2013, the Company entered into a letter of intent ("LOI") with RedLion Resources Corp. ("RedLion"), a British Columbia privately-held junior exploration company that holds, through its wholly-owned Colombian subsidiary RedLion Resources Colombia S.A.S, a 50% interest in a registered mining concession known as Quebrada Grande in Colombia. The LOI outlines the general terms and conditions pursuant to which the Company and RedLion would complete a transaction resulting in a reverse take-over of Bravura by the shareholders of RedLion.

On June 27, 2013, further to the Company's press release on April 3, 2013, the Company has entered into a definitive Amalgamation Agreement. Pursuant to the terms of the Amalgamation Agreement, Bravura will acquire all of the outstanding shares of RedLion in exchange for post-consolidation common shares issued on the basis of one post-consolidation Bravura common share for each one outstanding RedLion common share. Bravura will also acquire all outstanding options and warrants of RedLion in exchange for equivalent options and warrants, adjusted for the applicable exchange ratio (collectively, the "Proposed Transaction").

Trading in the common shares of Bravura (the "Bravura Shares") is halted at present. It is the intention of the parties that the Bravura Shares will not resume trading until the Proposed Transaction is completed and approved by the TSXV.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) *Going concern***

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at July 31, 2013 the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern.

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Company's continuation as a going concern is dependent upon the successful results from its exploration and evaluation activities and 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. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares.

There is, however, no assurance that the sufficient sources of funding described above will be available to the Company, or that they will be available on terms and timely basis that are acceptable to the Company. Accordingly, these financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and the statement of financial position classifications used that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

As at July 31, 2013, the Company had an accumulated deficit of \$969,079 (January 31, 2013 - \$893,611) since inception and expect to incur further losses.

**b) Statement of compliance**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue in accordance with a resolution from the Board of Directors on September 27, 2013.

**c) Basis of presentation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 2. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The comparative figures presented in these financial statements are in accordance with IFRS.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**d) Significant accounting estimates and judgments**

The preparation of these 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 financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting 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:



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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***Critical accounting judgments*

- i. The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

*Critical accounting estimates*

- i. the inputs used in accounting for share-based compensation expense in profit or loss;
- ii. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the property where applicable; and,
- iii. the estimated value of the exploration costs which are recorded in the statement of financial position;

**e) Mineral properties**

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units of production method over estimated recoverable reserves. Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

**f) Income taxes**

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings. The tax rate used is the rate that is enacted or substantively enacted.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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**BRAVURA VENTURES CORP.**

Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****g) Decommissioning, restoration and similar liabilities**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

**h) Share-based payments**

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****i) Loss per share**

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The Company applies the treasury stock method in calculating diluted loss per share. Diluted loss per share excludes all dilutive potential common shares if their effect is anti-dilutive.

**j) Flow-through shares**

Current Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. At the time the Company issues flow-through shares, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position to recognize the obligation to incur and renounce eligible resource exploration and evaluation expenditures. The tax deduction is measured as the difference between the current market price of the Company's common shares and the issue price of the flow-through share. Upon incurring and renouncing eligible resource exploration and evaluation expenditures, the Company recognizes the sale of tax deductions as a tax deduction recovery on the statement of comprehensive loss and reduces the other liability.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

**k) Impairment of non-financial assets**

At the end of each reporting period, the Company assesses each cash generating unit to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discounted rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

When an impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**l) Cash and cash equivalents**

Cash and cash equivalents consist of cash and liquid investments which are readily convertible into cash with maturities of three months or less when purchased. The Company's cash and cash equivalents are invested with major financial institutions and are not invested in any asset-backed deposits or investments.

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****m) Financial instruments****i) Financial assets**

Financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: at fair value through profit or loss ("FVTPL"), loans and receivables, held-to-maturity, or available-for-sale.

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. The Company has classified its cash as FVTPL.

Financial assets classified as loans and receivables are measured at amortized cost less impairment. The Company has no financial assets classified as loans and receivables.

Financial assets classified as held-to-maturity are measured at amortized cost. The Company has no financial assets classified as held-to-maturity.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. The Company has no financial assets classified as available-for-sale.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

**ii) Financial liabilities**

Financial liabilities are initially recorded at fair value and designed upon inception as FVTPL or classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income or loss. The Company has no financial liabilities classified as FVTPL.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest rate method. The Company has classified its accounts payable as other financial liabilities.

**n) Related party transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources, services or obligations between related parties.

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**BRAVURA VENTURES CORP.****Notes to Financial Statements**

For the three month period ended July 31, 2013 and 2012

(Expressed in Canadian dollars)

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**3. RECENT ACCOUNTING PRONOUNCEMENTS**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning after January 1, 2010, or later periods. Some updates are not applicable or are not consequential to the Company may have been excluded from the list below.

**Accounting standards effective January 1, 2012***Financial instrument disclosure*

In October 2010, the IASB issued amendments to IFRS 7 – *Financial Instruments: Disclosure* that improves the disclosure requirements in relation to transferred financial assets. The amendments are effective for annual periods beginning on or after July 1, 2011, with earlier adoption permitted. The Company does not anticipate this amendment to have a significant impact on its financial statements.

*Income taxes*

In December 2010, the IASB issued an amendment to IAS 12 – *Income Taxes* that provide a practical solution to determining the recovery of investment properties as it relates to the accounting for deferred income taxes. This amendment is effective for annual periods beginning on or after January 1, 2012, with earlier adoption permitted. The Company does not anticipate this amendment to have a significant impact on its financial statements.

**Accounting standards anticipated to be effective January 1, 2013***Consolidation*

IFRS 10, *Consolidated Financial Statements*, requires an entity to consolidate 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. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 *Consolidated and Separate Financial Statements*. The Company does not anticipate the application of IFRS 10 to have a material impact on its financial statements.

*Joint ventures*

On May 12, 2011, the IASB issued IFRS 11, *Joint Arrangements*. IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in Joint Ventures*, and SIC-13, *Jointly Controlled Entities—Non-monetary Contributions by Venturers*. The Company does not anticipate the application of IFRS 11 to have a material impact on its financial statements.

*Disclosure of interest in other entities*

IFRS 12, *Disclosure of Interest in Other Entities*, establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The Company does not anticipate the application of IFRS 12 to have a material impact on its financial statements.

*Fair value measurement*

IFRS 13, *Fair Value Measurement*, sets out a single IFRS framework for measuring fair value and new required disclosures about fair value measurements. Management anticipates that this standard will be adopted in the Company's financial statements for the period beginning February 1, 2013, and has not yet considered the potential impact of the adoption of IFRS 13.

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**3. RECENT ACCOUNTING PRONOUNCEMENTS (continued)****Accounting standards anticipated to be effective January 1, 2013 (continued)***Presentation of financial statements*

IAS 1, *Presentation of Financial Statements*, effective for annual periods beginning on or after July 1, 2012, was amended to require entities to group items within other comprehensive income that may be reclassified to profit or loss. Management anticipates that this standard will be adopted in the Company's financial statements for period beginning February 1, 2013, and has not yet considered the potential impact of the adoption of IAS 1.

**Accounting standards anticipated to be effective January 1, 2015***Financial instruments*

IFRS 9, *Financial Instruments*, addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. The Company has not yet considered the potential impact of the adoption of IFRS 9 on its financial statements.

**4. MINERAL PROPERTY**

	July 31 and January 31, 2013			January 31, 2012
	\$	\$	\$	\$
	Quebec Property	Greenhorn Property	Total	Total
Acquisition costs				
Balance, beginning	-	54,555	54,555	15,555
Cash paid	20,000	7,500	27,500	20,000
Shares issued	25,000	6,000	31,000	19,000
Balance, ending	45,000	68,055	113,055	54,555
Exploration costs				
Balance, beginning	-	293,996	293,996	105,771
Surveying	-	-	-	171,286
Consulting	-	-	-	2,625
Other	-	9,377	9,377	14,314
Balance, ending	-	303,373	303,373	293,996
	45,000	371,428	416,428	348,551

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**4. MINERAL PROPERTY (continued)****Greenhorn Property, British Columbia**

Pursuant to an option agreement dated November 24, 2010, the Company was granted an option to acquire a 100% undivided interest in the Greenhorn Property comprised of seven mineral claims located in the Slocan Mining Division, British Columbia. To earn the 100% interest, the Company agreed to pay \$120,555 and issue 200,000 common shares of the Company to the optionors as follows:

	Cash Payments	Number of Common Shares
	\$	
(i) By November 24, 2010 (paid)	15,555	—
(ii) On July 19, 2011 (paid and issued)	20,000	100,000
(iii) On or before July 4, 2012 (issued and partially paid)	20,000	100,000
(iv) On or before July 4, 2013 (in negotiation)	30,000	—
(v) On or before July 4, 2014	35,000	—
	120,555	200,000

As at July 31, 2013, partial payment of \$7,500 was made to the optionors of the Greenhorn Property for the July 4, 2012 payment, with \$12,500 still outstanding. The Company is currently renegotiating payment terms with the optionors.

The property is subject to a 2% net smelter return royalty ("NSR") which can be purchased by the Company at \$1,000,000 per percentage point during the five year period commencing from the date upon which the property is put into commercial production.

**Quebec Property**

Pursuant to an asset purchase agreement dated June 11, 2012, the Company acquired a 100% interest in two graphite properties located in southern Quebec, Canada, all within the Central Metasedimentary Belt of the Grenville region. The Company paid \$20,000 and issued 250,000 common shares with a fair value of \$25,000 to acquire the interest.

**5. RELATED PARTY TRANSACTIONS AND BALANCES**

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. Key management comprises directors and executive officers. The Company did not pay post-employment benefits and long-term benefits to key management. The following compensation was paid to key management and other related parties:

	Three month period ended July 31, 2013	Six month period ended July 31, 2013
Management fees	\$ 15,000	\$ 30,000
Rental fees	-	5,000
	<b>\$ 15,000</b>	<b>\$ 35,000</b>

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**5. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

Accounts payable includes \$66,069 (2012 - \$3,700) related to the above noted fees and services. The amounts are non-interest bearing, unsecured and with no stated payment terms.

Amounts due to related parties includes loan made to the Company from management, directors and their companies

**6. SHARE CAPITAL****a) Authorized**

Unlimited number of common shares without par value.

**b) Issued and fully paid**

	Number of Shares	Amount
Balance, August 6, 2010 (date of incorporation)	-	\$ -
Issued for cash pursuant to subscription agreements		
At \$1.00 per share	1	1
At \$0.001 per share	2,000,000	2,000
Fair value adjustment on 2,000,000 shares issued	-	158,000
At \$0.08 per non-flow through share	2,643,750	211,500
At \$0.08 per flow through share	525,000	42,000
Balance, January 31, 2011	5,168,751	413,501
Issued for mineral property (Note 4)	100,000	19,000
Issued to agent as fees in connection with IPO	100,000	15,000
Issued for cash	5,500,000	825,000
Share issuance costs	-	(195,422)
Balance, January 31, 2012	10,868,751	1,077,079
Issued for mineral property	350,000	31,000
Balance, July 31 & January 31, 2013	11,218,751	\$ 1,108,079

On June 21, 2013, shareholders of the Company passed a special resolution to consolidate all of the Company's issued and outstanding common shares on the basis of one (1) post-consolidation share for every five (5) pre-consolidated common shares held (the "Share Consolidation"). The Share Consolidation is subject to Exchange approval.

On June 29, 2011, the Company completed its prospectus offering of 5,500,000 common shares at a price of \$0.15 per share for gross proceeds of \$825,000 (the "IPO").

In connection with the IPO, the Company paid to an agent cash commission of \$70,125 (being 8.5% of the gross proceeds from the sale of the common shares). The Company also paid to the agent a work fee of \$12,500 in cash as well as a corporate finance fee in 100,000 shares of the Company with a fair value of \$15,000 on the date of issuance.

During the year ended January 31, 2013, the Company renounced the exploration expenditures related to the flow through shares that were issued in the prior year.

In connection with the IPO, the Company issued 467,500 agents' warrants with a fair value of \$48,947.



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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**6. SHARE CAPITAL (continued)****c) Stock options**

The Company has implemented a stock option plan ("the Plan") to be administered by the Board of Directors. Pursuant to the Plan the Board of Director's has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The option price under each option shall be not less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded, and shall not be more than ten years after the grant date.

On March 18, 2011, the Company granted incentive stock options to directors and officers to purchase 900,000 common shares of the Company at an exercise price of \$0.15 per share expiring 5 years from the date the common shares of the Company are listed and posted for trading on the TSXV. These options vested immediately upon granting and none were exercised at July 31, 2013.

On September 1, 2011, the Company granted incentive stock options to consultants to purchase 170,000 common shares of the Company at an exercise price of \$0.15 per share expiring 2 years from the date of grant. The options vested immediately upon granting and none were exercised at July 31, 2013.

The continuity of stock options for the period ended July 31, 2013 is as follows:

Expiry date	Exercise Price	January 31, 2013	Granted	Exercised	Expired/ cancelled	July 31, 2013	Options exercisable
March 18, 2016	\$0.15	750,000	—	—	(150,000)	600,000	600,000
September 1, 2013	\$0.15	170,000	—	—	—	170,000	170,000
	\$0.15	920,000	—	—	(150,000)	770,000	770,000
Weighted average exercise price		—	—	—	—	\$0.15	\$0.15
Weighted average contractual remaining life (years)		—	—	—	—	2.16	2.16

The Company did not grant any stock options during the period.

The fair value of stock options granted during the year ended January 31, 2013 is \$Nil (2012 - \$127,842). Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

Expected share price volatility	116%
Expected life of options (in years)	4.45
Risk-free interest rate	2.22%
Grant date share price	\$0.15
Expected forfeiture rate	0%
Expected dividend yield %	0%

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

*(Expressed in Canadian dollars)*

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**6. SHARE CAPITAL (continued)****d) Escrow shares**

The Company entered into an escrow agreement on April 28, 2011. Pursuant to the escrow agreement, 2,450,001 common shares were to be held in escrow, of which 10% were released on July 4, 2011, which was the date the common shares of the Company were listed and posted for trading on the TSXV, and 15% will be released every six months thereafter to July 4, 2014.

As at July 31, 2013, there were 735,001 common shares remained in escrow.

**e) Warrants**

The continuity of warrants for the period ended July 31, 2013 is as follows:

Expiry date	Exercise Price	January 31, 2013	Granted	Exercised	Expired/ cancelled	July 31, 2013	Warrants exercisable
July 4, 2013	0.20	467,500	–	–	(467,500)	Nil	Nil

The weighted average exercise price of the warrants was \$0.20.

The Company did not issue any warrants during the period.

The Company did not issue any warrants during the year ended January 31, 2013.

The fair value of the agent warrants granted during the year ended January 31, 2012 is \$0.10 each, and is estimated on the date of grant, using the Black-Scholes option pricing model with the following weighted average assumptions:

Expected share price volatility	118%
Expected life of warrants (in years)	2.00
Risk-free interest rate	1.58%
Grant date share price	\$0.20
Expected dividend yield %	0%

**7. COMMITMENTS**

The Company is obligated to make certain payments and issue shares as described in Note 4 in connection with the acquisition of its mineral property.

**8. MANAGEMENT OF CAPITAL**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at July 31, 2013, the Company had capital resources consisting mainly of cash and receivables. 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 common shares or dispose of assets or adjust the amount of cash.

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**BRAVURA VENTURES CORP.**

## Notes to Financial Statements

For the three month period ended July 31, 2013 and 2012

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**9. FINANCIAL INSTRUMENTS**

## Fair Values

The Company's financial instruments consist of cash, accounts payable and due to related parties. The fair values of these financial instruments approximate their carrying values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	July 31, 2013
FVTPL (i)	\$ 458
Other financial liabilities (ii)	113,203

(i) Cash

(ii) Accounts payable, due to related parties

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

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 (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 – Inputs that are not based on observable market data

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	July 31, 2013
Cash	\$ 458	\$ -	\$ -	\$ 458

## Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

## 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 manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

## Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

## Interest Rate Risk

The Company is not exposed to significant interest rate risk.

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**BRAVURA VENTURES CORP.**

Notes to Financial Statements

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**10. SUBSEQUENT EVENTS**

There are no subsequent events