Winston Resources Inc.

Interim Consolidated Financial Statements

For the Nine month period from
August 1, 2012 to April 30, 2013
(Expressed in Canadian Dollars)

(Unaudited)

Management's responsibility for financial reporting

The accompanying consolidated financial statements of Winston Resources Inc. (the "Company" or "Winston") were prepared by management in accordance with International Financial Reporting Standards ("IFRS"). Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 4 of the financial statements.

Management has established processes which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of April 30, 2013 and for the periods presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Management's assessment of internal control over financial reporting ("ICFR")

Management is also responsible for establishing and maintaining adequate internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of the consolidated financial statements.

"Daniel Wettreich"
Chairman and Chief Executive Officer

NOTICE OF NO AUDITOR REVIEW OF REVIEW OF 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 unaudited condensed interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed 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 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.

Winston Resources Inc.
Interim Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	April 30, 2013	July 31, 2012
Assets		
Current Assets		
Cash	$ 330,406	$ 549,654
HST receivable	38,687	9,966
Prepaid expenses	25,727	10,025
	394,820	569,645
Equity Accounted Investments *(Note 7)*	23,641	-
Exploration and Evaluation Assets *(Note 8, 11 and 12)*	7,721,848	8,337,645
	$ 8,140,309	$ 8,907,290
Liabilities		
Current Liabilities		
Trade payables and accrued liabilities *(Note 10)*	$ 270,237	$ 223,555
Mineral properties purchase price payable *(Note 13)*	694,593	633,760
Due to related parties *(Note 10)*	91,156	62,641
	1,055,987	919,956
Equity		
Common Share Capital and Reserves *(Note 9)*	9,753,571	9,176,237
Deficit	(2,762,577)	(1,188,903)
Total Equity Attributed to Winston Resources Inc. shareholders	6,990,994	7,987,334
Non-controlling interests *(Note 16)*	93,328	-
Total Equity	7,084,322	7,987,334
	$ 8,140,309	$ 8,907,290

Going concern *(Note 2)*
Contingency *(Note 14)*

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

Approved by the Board:

"Daniel Wettreich" Director

Winston Resources Inc.
Interim Consolidated Statement of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Nine months Ended April 30		Three months ended April 30	
	2013	2012	**2013**	2012
Interest Revenue	**$ 613**	**$ -**	**$ 346**	**$ -**
Operating Expenses				
Transfer agent fees	**15,021**	**-**	**6,349**	**-**
Filing and listing fees	**57,922**	**-**	**30,666**	**-**
Shareholder information	**14,514**	**-**	**893**	**-**
Interest – property obligation	**85,601**	**-**	**49,072**	**-**
Professional fees	**100,140**	**-**	**80,583**	**-**
Office and general	**87,848**	**-**	**34,484**	**-**
Management fees (Note 10)	**198,000**	**-**	**66,000**	**-**
Share based compensation (Note 9)	**111,884**	**-**	**9,539**	**-**
	670,930	**-**	**277,586**	**-**
Net loss for the period	**670,317**	**-**	**277,240**	**-**
Effects of loss of control (Note 17)	**(321,056)**	**-**	**(321,056)**	**-**
Equity loss on equity accounted investments (Note 7)	**296,559**	**-**	**296,559**	**-**
Net loss and comprehensive loss for the period	**645,820**	**-**	**252,743**	**-**
Attributed to:				
Equity holders of Winston Resources Inc.	**643,718**	**-**	**250,064**	**-**
Non-controlling interests (Note 16)	**2,102**	**-**	**2,102**	**-**
	645,820	**-**	**$252,743**	**-**
Loss per share attributed to equity holders of Winston Resources Inc. – basic and fully diluted	**$ (0.01)**	**$ -**	**$ (0.00)**	**$ -**
Weighted average number of shares outstanding	**64,855,398**	**-**	**64,855,398**	**-**

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

Winston Resources Inc.
Interim Consolidated Statement of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Common Share Capital		Reserves						
	Number of Shares	Amount	Options	Warrants	Contributed Surplus	Common Share Capital and Reserves	Deficit	Non-Controlling Interests	Total
Issued for cash:									
On incorporation- September 15, 2011	11,972,484	$ 50	$ -	$ -	$ -	$ 50	$ -	$ -	$ 50
Private placements	1,750,000	350,000	-	-	-	350,000	-	-	350,000
Issued for non-cash consideration:									
Exploration and evaluation assets	29,200,000	7,300,000	-	--	--	7,300,000	-		7,300,000
Share-based compensation *(Note 9)*	1,282,000	273,700	-	-	-	273,700	-	-	273,700
Reverse acquisition *(Note 11)*	20,320,000	1,248,887	-	-	-	1,248,887	-		1,248,887
Costs of issuances	-	(171,600)	-	-	-	(171,600)	-	-	(171,600)
Fair value of warrants issued	-	-	-	162,100	-	162,100	-	-	162,100
Share-based compensation	-	-	13,100	-	-	13,100	-	-	13,100
Net loss for the year	-	-	-	-	-	-	(1,188,903)	-	(1,188,903)
Balance at July 31, 2012	**64,524,484**	**$9,001,037**	**$ 13,100**	**$ 162,100**	**$ -**	**$ 9,176,237**	**$ (1,188,903)**	**$ -**	**$ 7,987,334**
Issued for cash:									
Private placements	6,500,000	372,900	-	77,100	-	450,000	-	-	450,000
Issued for non-cash consideration:									
Share-based compensation *(Note 9)*	-	-	111,884	-	-	111,884	-	-	111,884
Debt conversion *(Note 9)*	54,500	5,450	-	-	-	5,450	-	-	5,450
Cancellation of stock options *(Note 9)*	-	-	(13,000)	-	13,000	-	-	-	-
Cancellation of common shares*(Note 9)*	(1,200,000)	-	-	-	-	-	-	-	-
Distribution in kind *(Note 9)*	-	-	-	-	-	-	(608,900)	-	(608,900)
Exercise of stock options *(Note 9)*	200,000	12,700	(2,700)	-	-	10,000	-	-	10,000
Provided by non-controlling interests *(Note 16)*	-	-	-	-	-	-	-	95,430	95,430
Effects of loss of control *(Note 17)*	-	-	-	-	-	-	(321,056)	-	(321,056)
Net loss for the period	-	-	-	-	-	-	(643,718)	(2,102)	(645,820)
Balance at April 30, 2013	**70,078,984**	**$9,392,087**	**$ 109,284**	**$ 239,200**	**$ 13,000**	**$ 9,753,571**	**$ (2,762,577)**	**$ 93,328**	**$ 7,084,322**

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

Winston Resources Inc.

Interim Consolidated Statement of Cash Flows

(Expressed in Canadian Dollars)
(Unaudited)

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	Nine months Ended April 30		Three months ended April 30	
	2013	2012	**2013**	2012
Operating Activities				
Net loss for the period	**$ (645,820)**	$ -	**$ (252,743)**	$ -
Adjustment to reconcile loss to cash flow from operations:				
Share based compensation	**111,884**	-	**9,539**	-
Interest accretion on mineral properties purchase price obligation	**79,351**	-	**17,907**	-
Effects of loss of control (Note 17)	**(321,056)**		**(321,056)**	
Equity loss on equity accounted investments	**296,559**	-	**296,559**	-
Net change in non-cash working capital items:				
Prepaid expenses	**(15,702)**	-	**(15,325)**	-
Trade payables and accrued liabilities	**23,163**	-	**103,585**	-
HST receivable	**(28,721)**	-	**(13,757)**	-
Cash Used in Operating Activities	**(500,342)**	-	**(175,291)**	-
Financing Activities				
Issuance of common share	**450,000**	-	**200,000**	-
Exercise of stock options	**10,000**	-	**10,000**	-
Due to shareholder	**28,515**	-	**38,398**	-
Cash Provided By Operating Activities	**488,515**	-	**248,398**	-
Investing Activities				
Additions to exploration and evaluation assets	**(7,421)**	-	-	-
Advanced to investees under plans or arrangement (Note 15)	**(200,000)**	-	-	-
Cash Used in Investing Activities	**(207,421)**	-	-	-
Decrease in Cash	**(219,248)**	-	**73,107**	-
Cash at Beginning of Period	**549,654**	-	**257,299**	-
Cash at End of Period	**$ 330,406**	**$ -**	**$ 330,406**	**$ -**

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

1. Governing Statutes and Nature of Operations

Corporate

Winston Resources Inc. "Winston" or the "Company" is a development stage mineral exploration company engaged in the acquisition and exploration of mineral resource properties in Canada. The Corporation is a reporting issuer in the jurisdictions of British Columbia, Alberta and Ontario whose common shares are listed for trading on the Canadian National Stock Exchange ("CNSX") under the symbol "WRW". The head office of the Company is located at 208 Queens Quay West, Suite 2506, Toronto, Ontario M5J 2Y5.

2. Going Concern Assumption

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. The use of these principles assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. Accordingly, these consolidated financial statements do not give effect to adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. If the going concern assumption is not used, then the adjustments required to report the Company's assets and liabilities at liquidation values could be material to these consolidated financial statements.

The Company is in the process of exploring its mineral property and has not yet determined whether the property contains reserves that are economically recoverable. The recoverability of the amounts shown as exploration and evaluation assets is dependent upon future profitable production or proceeds from the disposal of properties.

The business of mining and exploration involves a high degree of risk, as such there is no assurance that the Company's expected exploration programs will result in profitable mining operations. Until it is determined that the property it is acquiring contains mineral reserves or resources that can be economically mined, it is classified as an exploration and evaluation asset. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its properties, and making the required payments pursuant to mineral property share purchase agreements.

As at April 30, 2013, the Company had yet to generate revenues and had a deficit of $2,762,577. Winston has no proven history of profitability, which casts considerable doubt as to whether the Company will be able to continue as a going concern over the next twelve months should it not be able to obtain the necessary financing to fund working capital and capital expenditures.

2. Going Concern Assumption

The Company has raised funds throughout the current period and has utilized these funds for working capital and capital expenditure requirements. The ability of Winston to arrange such financing in the future depends in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of Winston may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.

3. Basis of Presentation and Statement of Compliance

Statement of Compliance
The Company's consolidated financial statements have been prepared in accordance with and using accounting policies in full compliance with International Financial Reporting Standards ("IFRS"). The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of June 28, 2013, being the date the board of director approved these consolidated financial statements.

Basis of Measurement
The financial statements have been prepared on the historical cost basis, except for the measurement of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

Functional and Presentation Currency
The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

4. Significant Accounting Policies

These financial statements have been prepared by management in accordance with IFRS. Outlined below are those policies considered particularly significant:

Principles of consolidation
These consolidated financial statements include the accounts of the Company and its subsidiaries, CNRP Mining Inc. (85.3%) and CNRP Dallas Inc. (100%). On consolidation, all intercompany transactions and balances were eliminated.

Equity Method Investees
Equity method investees are entities over which the Company has significant influence but not control. Generally, the Company has a shareholding of between 20% and 50% of the voting rights in its equity method investees. Investments in equity method investees are accounted for using the equity method. Zara Resources Inc. ("Zara") and Hadley Mining Inc. ("Hadley") were subsidiaries of the Company until April 17, 2013 at which time the Company's former wholly-owned subsidiary GreenBank Capital Inc. ("GreenBank") acquired shares of Zara and Hadley from the Company under a plan of arrangement detailed in Note 15. After this transaction, the Company's investment in common shares of Zara was 26.9% and the Company's investment in common shares of Hadley was

4. Significant Accounting Policies (Continued)

Equity Method Investees *(continued)*
40.7% and accordingly each have been accounted for using the equity method as disclosed in Note 7.

Significant Estimates and Judgments
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods as well as the related notes to financial statements. Actual results could differ from those estimates.

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 or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

Provisions
Provisions are recognized when the Company has a present legal or constructive obligation that arose as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pretax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Current Income Taxes
Current income tax assets and liabilities for the current periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute current income taxes are measured at income tax rates, which have been enacted or substantively enacted at the reporting date. Current income taxes are recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the applicable taxes are recognized in other comprehensive income or directly in equity.

Deferred Income Taxes
Deferred income taxes are provided using the liability method on temporary differences at the end of each reporting period. These taxes represent the differences between the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.
Deferred income tax assets are recognized for all deductible temporary differences, the carry forward of unused income tax credits and unused income tax losses, to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

4. Significant Accounting Policies (Continued)

Deferred Income Taxes *(continued)*
The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the income tax rates that are expected to apply in the year in which the asset is to be realized or the liability is to be settled. The expected income tax rate utilized is based upon income tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax assets and liabilities are measured at the income tax rates that are expected to apply in the year in which the asset is to be realized or the liability is to be settled. The expected income tax rate utilized is based upon income tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

The deferred income taxes related to equity transactions are recognized directly in equity and not in the statement of comprehensive income.

Deferred income tax assets and liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Impairment of Non-Financial Assets
At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount 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 or cash-generating unit is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the statement of comprehensive income in the period of impairment, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

4. Significant Accounting Policies (Continued)

Impairment of Non-Financial Assets *(continued)*
Where an impairment loss subsequently reverses the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount 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.

Exploration and Evaluations Assets ("E&E")
E&E assets consist of exploration and mining concessions, options and contracts. Acquisition costs, lease costs and exploration costs are capitalized and deferred until such time as the property is put into production or the properties are disposed of either through sale or abandonment.

E&E costs consist of:
- Acquisition of exploration properties;
- Gathering exploration data through topographical and geological studies;
- Exploratory drilling, trenching and sampling;
- Determining the volume and grade of the resource;
- Test work on geology, metallurgy, mining, geotechnical and environmental; and
- Conducting engineering, marketing and financial studies.

Equity Settled Share-Based Payment Transactions
The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the goods or services are received. The Company measures the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received then the Company measures their fair value and the corresponding increase in equity by reference to the fair value of the equity instruments issued as payment.

Share Capital
Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary common shares are classified as equity instruments. Incremental direct costs directly attributable to the issue of new shares are recognized in equity as reductions from the gross proceeds received from the issued shares.

Financial instruments
Fair value through profit or loss
Financial assets that are held with the intention of generating profits in the near term and derivative contracts that are financial assets, except for a derivative that is a designated and effective hedging instrument, are classified as held for trading. In addition, any other financial assets can be designated by the Company upon initial recognition as held for trading. These instruments are subsequently re-measured at fair value with the change in the fair value recognized in net income or expense during the period.

4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transactions costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. Available-for-sale financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognized in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognized in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method is recognized in profit or loss.

Reversals of impairment losses are recognized in other comprehensive income; except for financial assets that are debt securities which are recognized in profit or loss only if the reversal can be objectively related to an event occurring after the impairment loss was recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The company’s cash is considered Level 1 in the hierarchy.

4. Significant Accounting Policies (Continued

Loss Per Share and Comprehensive Loss Per Share

Comprehensive loss per share is calculated based on the weighted average number of shares issued and outstanding during the quarter or year, as appropriate. In the years when the Company reports a net loss and comprehensive net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share is the same. For the period ended April 30, 2013, all the outstanding options and warrants were anti-dilutive.

Foreign Currency Transactions

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of each entity is the Canadian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation when items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of the monetary assets and liabilities denominated in foreign currencies are recognized in operations.

Future Accounting Policies

The International Accounting Standards Board ("IASB") issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning on or after August 1, 2013. For the purpose of preparing and presenting the financial statements for the relevant periods, the Company has consistently adopted all new standards for the relevant reporting periods.

At the date of authorization of these financial statements, the IASB issued the following Standards that are effective for reporting periods ending after the date of these financial statements and which the Company may be required to adopt in future reporting periods.

- IFRS 9 *Financial Instruments: Classification and Measurement* - effective for annual periods beginning on or after January 1, 2015, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.

- IFRS 10 *Consolidated Financial Statements* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

- IFRS 11 *Joint Arrangements* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.

4. Significant Accounting Policies (Continued

Future Accounting Policies *(continued)*

- IFRS 12 *Disclosure of Interests in Other Entities* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

- IFRS 13 *Fair Value Measurement* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.

IFRS 13 *Fair Value Measurement* was issued in May 2011 and defines fair value, sets out in a single standard a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when other IFRSs require or permit fair value measurements. The main features of the new standard include the fact that fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Fair value measurements are based on the assumptions that market participants would use when pricing the item being measured under current market conditions, including assumptions about risk (i.e., it is a market-based, rather than entity-specific, measurement).

When measuring the fair value of a non-financial asset, an entity considers the highest and best use of the asset, and whether the asset is used in combination with other assets or on a stand-alone basis. A fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value and gives priority to observable inputs. An entity discloses information about the valuation techniques and inputs it has used, as well as the uncertainty inherent in its fair value measurements.

The Company has not early adopted these standards, amendments and interpretations, however it is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

5. Financial Instruments and Risk Management

The Company has designated its cash at fair value through profit and loss. The HST receivable is classified as loans and receivables whereby they are initially recognized at fair value and then subsequently carried at amortized cost. Trade payables and accrued liabilities, preferred share dividend accrual, due to related parties, and mineral properties purchase payable are classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost.

(Expressed in Canadian Dollars)

5. Financial Instruments and Risk Management (Continued)

The carrying values, which approximate fair values, of the Company's financial instruments are as follows:

		April 30, 2013		July 31, 2012
Financial Assets				
Fair value through profit and loss				
Cash	$	330,406	$	549,654
Amortized Cost				
HST receivable		38,687		9,966
Financial Liabilities				
Other financial liabilities				
Trade payables and accrued liabilities		270,237		223,555
Due to related parties		91,156		62,641
Mineral properties purchase payable		694,593		633,760

Cash is classified as a level 1 under the fair value hierarchy.

Financial Risk Management Objectives and Policies

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

Financial Risks

The Company's main financial risk exposure and its financial risk management policies are as follows:

Market risk

Market risk is the risk of uncertainty arising primarily from possible commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly

Fair value risk

Fair value risk is the potential for fair value fluctuations in the value of a financial instrument. The level of market risk to which the Company is exposed varies depending on market conditions, and expectations of future price and yield movements. The Company believes the carrying amounts of its financial assets and financial liabilities are a reasonable approximation of fair value.

Interest rate risk

The savings accounts are at variable rates. Consequently, the Company is exposed to a fluctuation of the interest rate on the market which could vary the interest income on the savings accounts. The Company does not use financial derivatives to decrease its exposure to interest rate risk.

(Expressed in Canadian Dollars)

5. Financial Instruments and Risk Management (Continued)

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. As at April 30, 2013, the Company had, at its disposal, $466,353 in cash. The Company anticipates having sufficient funds to carry out an exploration and acquisition program, pursue and evaluate new resources projects and meet its corporate and administrative expenses for the next twelve months. During the next twelve months the Company is due to make payments to third parties relating to the acquisition of the Elmtree property, the acquisition of Hadley, and the acquisition of the Etamame airborne survey, and will need to raise additional equity capital in relation thereto. There is no guarantee that market conditions will be conducive to raising such additional equity capital.

Foreign currency risk

The Company is exposed to currency risks on its United States dollar denominated working capital balances due to changes in the US dollar/Canadian dollar exchange rate.

6. Capital Management

The Company's objective in managing capital is to ensure continuity as a going-concern and to safeguard its ability to continue its acquisition and exploration programs. The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company defines its capital as its shareholder's equity. To effectively manage the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long term debt as the Company does not currently generate operating revenues. There is no dividend policy.

7. Equity Accounted Investments

	April 30, 2013	July 31, 2012
Zara Resources Inc. ("Zara")		
Common shares (26.9%)	$ 143,400	$ -
Share of equity loss	(143,400)	-
	-	-
Hadley Mining Inc. ("Hadley")		
Common shares (40.7%)	$ 176,800	$ -
Share of equity loss	(153,159)	-
	23,641	-
	$ 23,641	$ -

(Expressed in Canadian Dollars)

7. Equity Accounted Investments (Continued)

During the period, the Company's share of Zara's equity loss was $152,907. However, since this exceeded the $143,400 carrying amount of the investment, the Company recognized no further losses beyond the carrying amount. If Zara subsequently reports profits, the Company will resume recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

8. Exploration and Evaluation Assets

	Balance at July 31, 2012	Property Acquisition Costs	Exploration Expenditures	Disposals	Deconsolidation	Balance at April 30, 2013
Ontario						
Riverbank and Broke Back	$ 300,000	-	-	(300,000)	-	$ -
Etamame	334,700	-	-	-	(334,700)	-
New Brunswick						
Elmtree	7,702,945	12,297	6,606	-	-	7,721,848
	$ 8,337,645	$ 12,297	$ 6,606	$ (300,000)	$ (334,700)	$ 7,721,848

Riverbank and Broke Back

The properties are located in Sachigo sub-province, Ontario. The Broke Back property consists of 18 unpatented mining claims covering an area of approximately 4096 ha and the Riverbank property consists of 8 unpatented mining claims covering approximately 1392 ha. The Company acquired from Green Swan Capital Corp an option on the properties with Melkior Resources Inc whereby it can obtain up to a 70% ownership interest in the properties. The Company can obtain an initial 51% undivided interest in the Properties by incurring a minimum of $1,600,000 in work expenditures by no later than December 31, 2014. Following that, Melkior has the right to elect to form a joint venture with the Company. Should Melkior not elect to form a joint venture on the Properties, the Company will have the option to acquire an additional 19% interest (for a total 70% undivided interest in the Properties) by incurring an additional $1,000,000 in work expenditures on the Properties within twenty-four months.

As consideration, Green Swan received 1,200,000 common shares in the Company, at a deemed price of $0.25 per share, and 400,000 common share purchase warrants having a 24 month term and an exercise price of $0.50 per warrant. Green Swan was obligated to complete work expenditures ("Work") on the Properties of not less than $235,000 prior to December 14, 2012, failing which the 1,200,000 shares would be cancelled. If Green Swan did complete the Work prior to December 14, 2012, then Green Swan shall be issued additional common shares, in an amount equal to (the dollar amount of Work divided by 110% of the Market Price for the Company's common shares on December 14, 2012), provided that the denominator as so calculated may not be less than 32 cents. Under this formula, Green Swan would have been issued a maximum further 734,000 common shares. Green Swan failed to complete the Work in the required time frame and the 1,200,000 common shares were cancelled.

On October 12, 2012 Zara entered into purchase and assignment agreement with CNRP Mining Inc ('CNRP"), a subsidiary of the Company. Under the terms of the agreement, Zara agreed to purchase

8. Exploration and Evaluation Assets (Continued)

Riverbank and Broke Back

from CNRP all of CNRP's rights, interests, obligations and benefits in an Option Agreement dated August 10, 2011 with Melkior Resources Inc. In consideration for the assignment of the Agreement, The Company agreed to issue 25.0 million common shares to CNRP's parent company, Winston Resources Inc. ("Winston"). In exchange of these shares, Winston is to pay the Company $100,000 cash and CNRP is to assign the Option Agreement to the Company. As at April 30, 2013, the Company received the $100,000 cash payment from Winston and has issued the 25.0 million shares.

Etamame

Etamame consists of 10 claim blocks totaling 142 claim units that have not previously been drilled. The Company acquired 100% of Hadley Mining Inc. ("Hadley") in July 2012, which owns 100% of the Etamame Lake Nickel Project located in the Lingman Lake Greenstone belt area about 38 kilometers south-west of Sachigo Lake in Northwestern Ontario. It also acquired a geophysical airborne survey (the "Airborne Survey") carried out over Etamame. The consideration for Hadley was the issuance of 650,000 common shares at a fair value of $0.21 per share for total consideration of $135,600, and a royalty ("NSR") to the Vendors equal to 2% of net smelter returns from the sale of mineral products from Etamame. Further, Winston acquired from 2212150 Ontario Inc operating as Vanex Exploration, a 1.5% NSR in consideration for the issuance of 200,000 shares at a fair value of $42,000 or $0.21 per share and 100,000 warrants to acquire 100,000 common shares at a price of $0.25 exercisable for a period of 24 months commencing from June 27, 2012. Utilizing the Black-Scholes model these warrants are valued at $9,000.

Winston also acquired the Airborne Survey from Largo Resources Ltd. ("Largo"), in consideration for which it issued 320,000 common shares at a deemed price of $0.25 per share, and paid $50,000 in cash to Largo. A further payment of $31,250 is also payable by Winston to Largo at April 30, 2013 and this amount was paid after the period end.

Effective April 17, 2013, Hadley was no longer a subsidiary under a plan of arrangement (Note 15). Accordingly, Etamame was deconsolidated from exploration and evaluation assets at April 30, 2013.

Elmtree

The Elmtree Gold Project is owned 100% by the Company's subsidiary CNRP Mining Inc ("CNRP") and consists of 83 claims that cover a contiguous area of approximately 1,811 hectares and hosts at least 3 gold bearing zones, being the higher grade West Gabbro Zone, the original Discovery Zone and the larger tonnage, lower grade South Gold Zone. CNRP entered into two transactions to acquire a total of 100% of the Elmtree Gold Project, 60% from Castle Resources Inc ("Castle") and 40% from Stratabound Minerals Corp ("Stratabound"). Both transactions closed on June 22, 2012.

CNRP paid Castle 18,000,000 common shares at a deemed price of $0.25 per common share, which shares were exchanged at closing for 18,000,000 shares of the Company, $500,000 in cash, $250,000 of which is payable on the date which is 6 months from completion and the balance of $250,000 payable on the date which is 12 months from completion. CNRP also agreed to grant a 3% Net Smelter Royalty in favour of Castle from 60% of the gross revenue received from the sale of minerals from Elmtree less transportation and refining costs. On January 24, 2013, Castle agreed to extend the first $250,000 payment due to June 22, 2013 for in an interest payment of $12,500. On June 24, 2013, the payment to Castle was extended to December 22, 2013.

(Expressed in Canadian Dollars)

8. Exploration and Evaluation Assets (Continued)

Elmtree *(continued)*
CNRP paid Stratabound 10,000,000 common shares at a deemed price of $0.25 per common share, which shares were exchanged at closing for 10,000,000 common shares of the Company, $300,000 in cash, $100,000 of which was payable on the date of closing, $100,000 of which is payable 6 months from closing, and $100,000 of which is payable on the date which is12 months from closing. On January 24, 2013, Stratabound agreed to extend the first $100,000 payment due to June 22, 2013 for in an interest payment of $5,000.

9. Share Capital

The Company's authorized share capital includes:

(i) an unlimited number of common shares without par value;
(ii) an unlimited number of $1 non-voting preferred shares
.

(i) **Common**

	Number of shares		Amount
Common shares issued for cash			
Upon incorporation	11,972,484	$	50
Private placement - July 2012	1,250,000		250,000
Private placement - July 2012	500,000		100,000
Common shares issued for non-cash			
Exploration and evaluation assets	29,200,000		7,300,000
Reverse acquisition *(Note 10)*	20,320,000		1,248,887
Extinguishment of debt	112,000		28,000
Acquisition of Hadley *(Note 11)*	650,000		136,500
Purchase of Airborne Survey	320,000		67,200
Consideration for Amending and Royalty Termination Agreement	200,000		42,000
Costs of issuance			
Broker commission paid in cash			(8,500)
Fair value of warrants issued			(143,100)
Fair value of broker's shares issued			(20,000)
	64,524,484		9,001,037
Common shares cancelled	(1,200,000)		-
Common shares issued on debt conversion	54,500		5,450
Common shares issued for cash			
Private placement – January 2013	2,500,000		250,000
Private placement – April 30, 2013	4,000,000		200,000
Stock options exercised	200,000		12,700
Costs of issuance			
Fair value of warrants issued			(77,100)
Balance April 30, 2013	**70,078,984**	**$**	**9,392,087**

(Expressed in Canadian Dollars)

9. Share Capital (continued)

(ii) On April 15, 2013, the Company's shareholders approved the creation of $1 non-voting preferred shares.

Private Placements

On June 22, 2012, the Company completed a private placement with Euro Pacific through the issuance of 640,000 common shares at $0.25 per share for gross proceeds of $160,000. In connection with the private placement, 34,000 broker compensation warrants with a value of $nil were issued and cash commissions totaling $8,500 were paid, both charged against capital stock as a share issuance cost.

On July 16, 2012, the Company completed a private placement through the issuance of 1,250,000 common shares at $0.20 per share for gross proceeds of $250,000. In additional, 1,250,000 warrants were issued at a fair value of $111,000.

On July 25, 2012, the Company completed a private placement through the issuance of 500,000 common shares at $0.20 per share for gross proceeds of $100,000. In addition, 500,000 warrants were issued at a fair value of $32,000.

On January 28, 2013, the Company completed a private placement through the issuance of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000. In addition, 2,500,000 warrants were issued at a fair value of $77,100.

On April 28, 2013, the Company completed a private placement through the issuance of 4,000,000 common shares at $0.05 per share for gross proceeds of $200,000.

Warrants

The issued and outstanding warrants balance at April 30, 2013 is comprised as follows:

Date of Expiry	**Description**	**Fair Value**	**Number of Warrants**	**Exercise Price**
June 22, 2014	Broker Warrants	$ 100	434,000	$ 0.25
June 27, 2014	Purchase Warrants	9,000	100,000	0.25
July 16, 2014	Subscriber Warrants	111,000	1,250,000	0.30
July 20, 2014	Purchase Warrants	10,000	2,000,000	0.30
July 25, 2014	Subscriber Warrants	32,000	500,000	0.30
January 28, 2015	Subscriber Warrants	77,100	2,500,000	0.30
		$239,200	**6,784,000**	

(Expressed in Canadian Dollars)

9. Share Capital (continued)

Stock Options

The Company has a stock option plan in place under which the Board of Directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and other service providers. The stock options vest according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum life of ten years. The plan allows for the issuance of up to 10% of the number of issued and outstanding common shares of the Company at any time on a non-diluted basis.

The following table summarizes the activity in the Plan over the period.

	Fair Value	Number of Options	Weighted Average Exercise Price
Outstanding, July 31, 2012	$ 13,100	4,200,000	$ 0.25
Granted – September 14, 2012 *(375,000 Vested)*	31,284	1,000,000	0.10
Granted – January 31, 2013	80,600	4,950,000	0.05
Cancelled	(13,000)	(3,600,000)	(0.25)
Exercised – February 2013	(2,700)	(200,000)	(0.05)
Outstanding, April 30, 2013	**$109,284**	**6,350,000**	**$ 0.08**
Exercisable, April 30, 2013	**$109,284**	**5,975,000**	

The following table sets out the details of the stock options granted and outstanding as at April 30, 2013:

Number of stock options	Remaining contractual life	Exercise price per share	Expiry Date
600,000	0.32 years	$0.25	June 22, 2013
1,000,000	0.97 years	0.10	September 14, 2014
4,750,000	4.75 years	0.05	January 31, 2018
6,350,000	**3.71 years**	**$0.08**	

Share-based compensation

The fair value of the stock options granted and fully vested for the period ended April 30, 2013 was $111,884 which has been expensed as share-based compensation in the statement of operations. Fair value was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield rate of 0%, volatility of 105%, risk free rate of 1.15%, and an executed life ranging from 1 to 3 years. At April 30, 2013, there were 5,975,000 vested options.

9. Share Capital (continued)

Distributions in Kind

In December 2012, pursuant to plans of arrangement as detailed in Note 14, the Company declared a distribution of 2,580,979 common shares of Hadley at a value of $44,900 and 2,580,979 common shares of Zara at a value of $41,200. The distributions were on a pro rata basis whereby one share of each of Hadley and Zara were issued for every twenty five shares of the Company held.

In April 2013, pursuant to a plan of arrangement as detailed in Note 14, the Company declared a distribution of 2,064,982 common shares of CNRP at a value of $94,400. The distribution was on a pro rata basis whereby one share of CNRP was issued for every thirty two shares of the Company held.

In April 2013, pursuant to a plan of arrangement as detailed in Note 14, the Company declared a distribution of 25,710,000 common shares of GreenBank Capital Inc. ("GreenBank') at a value of $428,400. The distribution was on a pro rata basis whereby one share of GreenBank was issued for every 2.567 shares of the Company held.

Cancellation of Common Shares

In December 2012, Green Swan Capital Corp. advised the Company that it has not timely spent $235,000 in exploration expenditures as required pursuant to the June 2012 Riverbank and Brokeback purchase agreement. Accordingly, the 1,200,000 common shares issued by the Company to Green Swan as partial consideration were cancelled and are no longer outstanding

Conversion of Debt into Common Shares

In December 2012, the Company effected a conversion of $5,450 in debt into common shares in the Company at a price of $0.10 per common share. The conversion resulted in the issue of 54,500 common shares of the Company.

10. Related Party Transactions and Remuneration

Related party transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. The amount is due to related parties in the amount of $91,156 at April 30, 2013 is payable on demand and is interest-free.

The Company incurred management fees of $198,000 to Sammiri Capital Inc a private company of which the Company's Chief Executive Officer and the Vice President are directors. The management fees were for the provision to the Company of the management services of the Chief Executive Officer and the Vice President. As at April 30, 2013, the amount of $215,734 has not been paid and was owed thereto and has been included in trade payables and accrued liabilities.

(Expressed in Canadian Dollars)

11. Reverse Acquisition of Winston Resources Inc.

On April 30, 2012, CNRP and Winston entered into a Share Exchange Agreement ("Agreement") under which CNRP's shareholders exchanged their shares for Winston shares on a 1:1 basis. On June 22, 2012, the transaction closed, resulting in Winston acquiring CNRP. For accounting purposes,CNRP is considered to have acquired Winston as immediately following the acquisition CNRP's shareholders owned a majority of Winston's common shares. As such, this transaction is accounted for as a reverse acquisition.

A summary of Winston's net assets acquired by CNRP and the consideration paid is as follows:

Cash	$	92
Other current assets		7,071
		7,163
Trade liabilities assumed		(27,297)
Deficiency in assets acquired		(20,134)
Fair value of consideration paid		539,917
Excess of consideration paid over deficiency in assets acquired	**$**	**560,051**

The excess of consideration paid over deficiency in assets acquired was charged to the statement of comprehensive loss as a listing fee expense.

12. Acquisition of Hadley Mining Inc.

On June 28, 2012, the Company acquired 100% of the outstanding common shares of Hadley Mining Inc. ("Hadley") in exchange for 650,000 common shares of Winston with a fair value of $136,500. Hadley is a mineral exploration company with its principal asset being the Etamame property (see Note 7). A summary of the net assets acquired and consideration paid is as follows:

Working capital	$	-
Exploration and evaluation asset		121,910
		121,910
Liabilities assumed		-
Net assets acquired		121,910
Fair value of consideration paid		136,500
Excess of consideration paid over net assets acquired	**$**	**14,590**

The excess of consideration paid over net assets acquired was allocated to the exploration and evaluation asset at the acquisition date.

(Expressed in Canadian Dollars)

13. Mineral Properties Purchase Price Payable

CNRP entered into agreements to acquire a mineral exploration property. Under the terms of these agreements, CNRP is required to pay a portion of the purchase price over a period of twelve months from the dates of acquisition. $350,000 of which is payable on the date which is six months from completion of the reverse takeover transaction and the balance of $350,000 payable on the date that is twelve months from completion. On January 24, 2013 the parties to the agreement postponed the partial payments of $350,000 and all payments are now due be made on June 22, 2013. As a result of the payment extensions, an interest payment of $5,000 was paid during the period and $12,500 interest was paid June 21, 2013. On June 24, 2013, Castle extended the $500,000 acquisition period to December 22, 2013.

Face value or purchase price payable	$ 712,500
Less: Imputed interest at 22.0% per annum	17,907
Fair value of purchase price payable	$ 694,593

14. Contingency

Legal claim

On July 20, 2012, the Company entered into an agreement with Jacob Securities Inc. ("Jacob") whereby Jacob purported to provide advisory services to the Company, but failed to provide such services. Accordingly, the Company terminated the agreement for non-performance on August 28, 2012. The Company received a Statement of Claim on October 24, 2012 from Jacob for breach of contract in the amount of $120,000. The Company denies the claim, has made a counter claim and will defend itself vigorously.

15. Plans of Arrangement

(i)On October 12, 2012, Hadley entered into a Plan of Arrangement (the "Hadley Plan") to acquire certain assets from Winston, its parent company at the time. The assets transferred under the Hadley Plan include $100,000 cash, which was received by Hadley in October 2012, plus the rights to data compiled from airborne geological surveys conducted on Hadley's exploration and evaluation asset that was acquired by Winston from a third party in the amount of $198,200, as well as the 100% of the royalty right (1.5% Net Smelter Royalty) as described in note 7, which Winston also acquired. Under the terms of the Hadley Plan, Hadley issued 25.0 million common shares to Winston in exchange for these assets. Of the Hadley shares issued, 2,580,979 shares were immediately transferred to Winston's shareholders as a distribution. Upon completion of the Hadley Plan, Hadley became a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, and was listed on the CNSX under the symbol "HM."

15. Plans of Arrangement *(continued)*

(ii)On October 12, 2012, Zara Resources Inc. ("Zara"), which was incorporated in October 2012 as a subsidiary of Winston, entered into a Plan of Arrangement (the "Zara Plan") and acquired certain assets from Winston. Under the terms of the Zara Plan, Zara issued 25.0 million common shares to Winston in exchange for $100,000 cash plus the Riverbank and Brokeback property described in note 7. Of the Zara shares issued, 2,580,979 shares were immediately transferred to Winston's shareholders as a distribution. Upon completion of the Zara Plan, Zara became a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, and was listed on the CNSX under the symbol "ZRI."

All costs and expenses of the transactions under the Zara Plan, including legal, financial advisory, regulatory, printing and mailing costs, were paid and borne by Winston.

(iii) On February 19, 2013 Winston announced that its board of directors had unanimously approved a proposal to spin off to its shareholders approximately 15% of CNRP. Following the spin-off, CNRP applied for listing of its common shares on the CNSX. The spin-off was transacted by way of a statutory plan of arrangement (the "CNRP Plan") under the Business Corporations Act (British Columbia). Pursuant to the terms of the CNRP Plan, Winston distributed 2,064,982 of the outstanding 14,000,000 common shares of CNRP to holders of common shares of Winston such that each Winston shareholder of record on the effective date of the CNRP Plan received one common share in the capital of CNRP for every thirty-two common shares in the capital of Winston. A special meeting of Winston shareholders was held on April 15, 2013 at which the shareholders voted and approved the CNRP Plan. Court approval was also obtained and spin-off was completed shortly thereafter. On April 17, 2013, the Company announced its common shares were now listed on the CNSX under the symbol "CND".

All costs and expenses of the transactions under the CNRP Plan, including legal, financial advisory, regulatory, printing and mailing costs, were paid and borne by Winston.

(iv)On February 8, 2013, GreenBank Capital Inc. ("GreenBank") entered into a Plan of Arrangement (the "GreenBank Plan") and acquired certain assets from Winston, its parent company. Under the terms of the GreenBank Plan, GreenBank issued 25,710,000 common shares to Winston in exchange for 13,460,000 common shares of Zara Resources Inc. and 12,250,000 common shares of Hadley Mining Inc. In addition, the Winston board of directors approved a spinoff to its shareholders 100% of its wholly-owned subsidiary GreenBank. The GreenBank common shares were transferred to Winston shareholders at the rate of one GreenBank share for every 2.567 Winston shares.

A special meeting of Winston shareholders was held on April 15, 2013 at which the shareholders voted and approved the GreenBank Plan. Court approval was also obtained and spin-off was completed shortly thereafter. Greenbank is no longer a subsidiary of Winston. On April 17, 2013, the Company announced its common shares were now listed on the CNSX under the symbol "GBC".

All costs and expenses of the transactions under the GreenBank Plan, including legal, financial advisory, regulatory, printing and mailing costs, were paid and borne by Winston.

The GreenBank plan of arrangement resulted in Zara and Hadley no longer being subsidiaries of Winston.

(Expressed in Canadian Dollars)

16. Non-Controlling Interests

	CNRP Mining Inc.	
Balance – July 31, 2012	$	-
Share of net loss		(2,102)
Contributions		95,340
Balance – April 30, 2013	$	93,238

17. Effects of Loss of Control

Pursuant to plans of arrangement as detailed in Note 15, the Company no longer consolidates its investments in Zara and Hadley effective April 17, 2013.

The effects of the loss of control on the financial statements are as follows:

Management fees	$	(21,000)
Share-based compensation		(276,600)
Transfer agent fees		(5,540)
Filing and listing fees		(7,766)
Write-off of exploration and evaluation asset		(10,000)
Office and general		(150)
	$	(321,056)

18. Events after Reporting Period

(i) On April 25, 2013, the Company approved a 1 for 20 consolidation of its 70,078,984 issued and outstanding common shares into 3,503,995 new common shares without par value effective May 15, 2013.

(ii) On May 28, 2013, the Company filed a rights offering circular with regulators to raise gross proceeds of $43,800 to be used for general corporate purposes. Under the offering, each shareholder on the record date of June 18, 2013 will receive one right for each common share held. Four rights plus the sum of $0.05 are required to subscribe for one common share. On September 13, 2013, the Company announced the Rights Offering will not proceed.