Winston Resources Inc.

Audited Consolidated Financial Statements

Year Ended July 31, 2013

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of
Winston Resources Inc.

We have audited the accompanying consolidated financial statements of Winston Resources Inc. ("the Company"), which comprise the consolidated statements of financial position as at July 31, 2013 and 2012, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Winston Resources Inc. as at July 31, 2013 and 2012, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matters
Without qualifying our opinion, the accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As more fully described in the notes to these financial statements, the Company has not generated revenues to date and has incurred significant losses. These conditions raise substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of this uncertainty.

Parker Simone LLP.

November 28, 2013 — Licensed Public Accountants
Mississauga, Ontario — Chartered Accountants

Winston Resources Inc.
Audited Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at July 31,	**2013**	2012
Assets		
Current Assets		
Cash	**$ 54,152**	$ 549,654
HST recoverable	**82,279**	9,966
Prepaid expenses	**2,657**	10,025
	139,088	569,645
Equity Investments *(Note 7)*	**-**	-
Exploration and Evaluation Assets *(Note 8)*	**7,703,760**	8,337,645
	$ 7,842,848	$ 8,907,290
Liabilities		
Current Liabilities		
Trade payables and accrued liabilities *(Note 10)*	**$ 263,255**	$ 223,555
Mineral properties purchase price payable *(Note 14)*	**700,000**	633,760
Due to related parties *(Note 10)*	**57,784**	62,641
	1,021,039	919,956
Equity		
Common Share Capital and Reserves *(Note 9)*	**10,408,787**	9,176,237
Deficit	**(3,586,978)**	(1,188,903)
Total Equity Attributed to Winston Resources Inc. Shareholders	**6,821,809**	7,987,334
Non-controlling interests *(Note 17)*	**-**	-
Total Equity	**6,821,809**	7,987,334
	$ 7,842,848	$ 8,907,290

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

Approved by the Board:

/s/ *Daniel Wettreich* ______________ Director

/s/ Mark Wettreich ______________ Director

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

Winston Resources Inc.
Audited Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year Ended July 31, 2013	Period from September 15, 2011 *(date of incorporation)* to July 31, 2012
Interest Revenue	**$ 661**	$ 1,557
Operating Expenses		
Transfer agent fees	**21,146**	-
Filing and listing fees	**64,200**	560,051
Market research	**10,000**	-
Shareholder information	**21,401**	-
Interest – property obligation *(Note 14)*	**119,157**	-
Professional fees	**180,708**	477,635
Office and general	**96,324**	67,214
Regulatory fees		18,460
Consulting fees	**-**	54,000
Management fees *(Note 10)*	**294,000**	-
Share based compensation *(Note 9)*	**767,100**	13,100
	1,574,036	1,190,460
Net loss	**1,573,375**	1,188,903
Equity loss on equity accounted investments *(Note 7)*	**320,200**	-
Net loss and comprehensive loss	**1,893,575**	1,188,903
Attributed to:		
Equity holders of Winston Resources Inc.	**1,789,175**	1,188,903
Non-controlling interests *(Note 17)*	**104,400**	-
	$ 1,893,575	$ 1,188,903
Loss per share attributed to equity holders of Winston Resources Inc. – basic and fully diluted	**$ (0.57)**	$ (1.32)
Weighted average number of shares outstanding	**3,311,849**	902,657

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

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

	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 12)*	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 period	-	-	-	-	-	-	(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)*	-	-	767,100	-	-	767,100	-	-	767,100
Debt conversion *(Note 9)*	54,500	5,450	-	-	-	5,450	-	-	5,450
Cancellation of stock options *(Note 9)*	-	-	(139,300)	-	139,300	-	-	-	-
Cancellation of common shares*(Note 9)*	(1,200,000)	-	-	-	-	-	-	-	-
Distribution in kind *(Note 9)*	-	-	-	-	-	-	(608,900)	-	(608,900)
Expiration of stock options *(Note 9)*	-	-	(100)	-	100	-	-	-	-
Exercise of stock options *(Note 9)*	200,000	12,700	(2,700)	-	-	10,000	-	-	10,000
1:20 share consolidation	(66,575,035)					-			-
Provided by non-controlling interests *(Note 17)*	-	-	-	-	-	-	-	104,400	104,400
Net loss	-	-	-	-	-	-	(1,789,175)	(104,400)	(1,893,575)
Balance at July 31, 2013	**3,503,949**	**$9,392,087**	**$ 638,100**	**$ 239,200**	**$ 139,400**	**$ 10,408,787**	**$ (3,586,978)**	**$ -**	**$ 6,821,809**

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

Winston Resources Inc.
Audited Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended July 31, 2013	Period from September 15, 2011 *(date of incorporation)* to July 31, 2012
Operating Activities		
Net loss	**$(1,893,575)**	$ (1,188,903)
Non-cash items included in net loss:		
Share based compensation	**767,100**	13,100
Interest accretion on mineral properties purchase price obligation	**96,240**	-
Listing fees	**-**	560,051
Trade debt settled through the issue of common shares	**10,000**	-
Equity loss on equity accounted investments	**320,200**	-
Changes in non-cash working capital:		
Prepaid expenses	**7,368**	(9,240)
Trade payables and accrued liabilities	**45,150**	214,259
HST recoverable	**(72,313)**	(3,895)
Cash (Used in) Operating Activities	**(719,830)**	(414,628)
Financing Activities		
Issuance of common share	**450,000**	1,051,550
Exercise of stock options	**10,000**	-
Payment of property purchase price payable	**(30,000)**	-
Due to related party	**(4,857)**	62,641
Cash Provided By Operating Activities	**425,143**	1,114,191
Investing Activities		
Cash acquired on reverse acquisition of Winston	**-**	91
Additions to exploration and evaluation assets	**-**	(150,000)
Interest capitalized to exploration and evaluation assets	**(815)**	-
Advanced to investees under plans or arrangement *(Note 15)*	**(200,000)**	-
Cash (Used in) Investing Activities	**(200,815)**	(149,909)
Increase (Decrease) in Cash	**(495,502)**	549,654
Cash at beginning of Year	**549,654**	-
Cash at End of Year	**$ 54,152**	$ 549,654

Winston Resources Inc.
Notes to Audited Consolidated Financial Statements
For the year ended July 31, 2013
(Expressed in Canadian Dollars)

1. Governing Statutes and Nature of Operations

Corporate

Winston Resources Inc. ("Winston" or the "Company") is incorporate under the laws of the province of British Columbia. Winston is a development stage company engaged in the acquisition and exploration of mineral resource properties in Canada. The Company also invests in Canadian companies operating in the Canadian resource sector as well as a United States based company providing management services to Canadian based mineral exploration companies. Winston 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 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. The Company is newly incorporated and has recently acquired its first exploration and evaluation assets ("E&E"), as such active exploration has not commenced. It is unknown whether the E&E contain reserves that are economically recoverable. As a newly incorporated Company, that is commencing active operations; it incurs operating losses, which casts doubt about the Company's ability to continue as a going concern.

The business of 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 E&E contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation assets. 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 E&E, and making the required payments pursuant to E&E share purchase agreements. The Company has yet to generate income and cash flows from its operations. There is no assurance that the Company will be able to obtain the external financing necessary to explore, develop and bring to commercial production its E&E. The Company has no proven history of profitability, which casts doubt as to whether the Company will be able to continue as a going concern should it not be able to obtain the necessary financing to fund working capital and capital expenditures. The ability of the Company 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. If additional financing is raised by the issuance of shares from the treasury of the Company 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.

As at July 31, 2013, the Company had yet to generate revenues from operations and had a deficit of $3,586,978. 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.

3. Basis of Presentation and Statement of Compliance

Statement of Compliance

These audited consolidated financial statements have been prepared in accordance with accounting policies in full compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These audited consolidated financial statements were authorized for issuance by the Board of Directors of the Company on November 28, 2013.

Basis of Presentation

These audited consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except fair value through profit and loss assets which are carried at fair value, and have been prepared using the accrual basis of accounting, as explained in the accounting policies set out in Note 4.

Functional and Presentation Currency

These audited consolidated financial statements are presented in Canadian Dollars, which is also the functional currency of the Company.

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, 84.9% owned CNRP Mining Inc. ("CNRP"), a Canadian based mineral exploration company, and its 100% owned CNRP Dallas Inc. ("CNRP Dallas"), a Dallas, Texas based management services company. 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 Zara's wholly-owned subsidiary Leo Resources Inc. ("Leo") 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 16. At July 31, 2013, the Company's investment in common shares of Zara was reduced to 25.7% and the Company's investment in common shares of Hadley was reduced to 40.7%. Accordingly each has investee is accounted for using the equity method.

4. Significant Accounting Policies (Continued)

Significant Estimates and Judgments

The preparation of these audited financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses.

Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to impairment assessments of E&E and equity investments, recoverability of HST and the valuation of share-based payments. The most significant judgements relate to the use of the going concern assumption in the preparation of the financial statements, the recognition of deferred income tax assets and liabilities, and the determination of the economic viability of exploration and evaluation assets. The preparation of Winston's financial statements also includes significant judgement in assessing the fair value of the mineral properties purchase price payable.

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.

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, except:

- where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- taxable temporary differences associated with investments in associates and interests in joint ventures, where the timing in the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

4. Significant Accounting Policies (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 profit 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 tax rates that are expected to apply in the year when the asset is expected to be realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position. Deferred income taxes relating to items recognized directly in equity are recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax 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 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.

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.

4. Significant Accounting Policies (Continued)

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 Transactions
The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share based compensation reserve.

Equity Settled Transactions (Continued)
No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

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 common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are recognized in equity as reductions from the gross proceeds received from the issued shares.

4. Significant Accounting Policies (Continued)

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 year.

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.

Financial instruments (Continued)

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.

4. Significant Accounting Policies (Continued)

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).

Loss Per Share
Loss per share is calculated based on the weighted average number of common shares issued and outstanding during the period. In the years when the Company reports a net loss, the effect of potential issuances of common shares are anti-dilutive, therefore, basic and fully diluted loss per common share is the same. The diluted loss per share reflects the potential dilution of common share equivalents, such as the conversion of outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The treasury stock method is used for the assumed proceeds upon exercise of the options and warrants and the conversion of preferred shares that are used to purchase common shares at the average market price during the period.

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.

4. Significant Accounting Policies (Continued)

Future Accounting Policies
At the date of authorization of these Financial Statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period.

- 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.

- IAS 32 *'Financial instruments, Presentation'* – In December 2011, effective for annual periods beginning on or after January 1, 2013, IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date.

- 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.

The Company has not early adopted these standards. The Company is currently assessing the impact the application of these standards may have on the consolidated financial statements of the Company.

5. Financial Risk Management

The Company has designated its cash at fair value through profit and loss. Trade payables and accrued liabilities, 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.

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:

Credit risk
Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the statement of financial position. The Company's assets most susceptible to credit risk is its cash, which is held at a major Canadian bank in a non-interest bearing account, HST recoverable, which is due from the Canadian government, as well as the related party receivables. As such, the risk of loss on these assets is minimal.

Market risk
Market risk is the risk of uncertainty arising primarily from precious metals and 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 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 July 31, 2013, the Company had, at its disposal, $54,152 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, and the acquisition of Hadley, 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 Investments

		2013		2012
Zara				
Common shares (25.7%)	**$**	**143,400**	$	-
Share of equity loss		**(143,400)**		-
		-		-
Hadley				
Common shares (40.7%)	**$**	**176,800**	$	-
Share of equity loss		**(176,800)**		-
		-		-
	$	**-**	$	-

(Expressed in Canadian Dollars)

7. Equity Investments (Continued)

During the year, the Company's share of Zara's equity loss was $250,222 and Hadley's equity loss was $190,827. However, these losses exceeded the carrying amount of the initial investments in Zara and Hadley of $143,400 and $176,800, respectively, Winston recognized no further losses beyond these carrying amounts. If Zara and Hadley subsequently report 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.

The following is financial summary of each equity investment:

	Zara	Hadley
Current assets	$ 237,100	$ 62,300
Non-current assets	1,650,900	320,100
Current liabilities	149,600	66,700
Loss and comprehensive loss	554,200	275,200

8. Exploration and Evaluation Assets

	Balance at July 31, 2012	Property Acquisition Costs	Exploration Expenditures	Disposals	Deconsolidation	Balance at July 31, 2013
Ontario						
Riverbank and Broke Back	$ 300,000	-	-	(300,000)	-	$ -
Etamame	334,700	-	-	-	(334,700)	-
New Brunswick						
Elmtree	7,702,945	815	-	-	-	7,703,760
	$ 8,337,645	$ 815	$ -	$ (300,000)	$ (334,700)	$ 7,703,760

	Balance at September 15, 2011 (date of incorporation)	Property Acquisition Costs	Exploration Expenditures	Disposals	Balance at July 31, 2012
Ontario					
Riverbank and Broke Back	$ -	$ 300,000	$ -	$ -	$ 300,000
Etamame	-	334,700	-	-	334,700
New Brunswick					
Elmtree	-	7,703,945	-	-	7,703,945
	$ -	$ 8,337,645	$ -	$ -	$ 8,337,645

8. Exploration and Evaluation Assets (Continued)

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.

Pursuant to an agreement dated October 12, 2012, Zara entered into purchase and assignment agreement with CNRP. Under the terms of the agreement, Zara agreed to purchase 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, Zara agreed to issue 25 million common shares to CNRP's parent company, Winston Resources Inc. ("Winston"). In exchange of these shares, Winston is to pay Zara $100,000 cash and CNRP is to assign the Option Agreement to the Company. As at July 31, 2013, the Company made the $100,000 cash payment from the Company and Zara had 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 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.

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 July 31, 2013.

Elmtree

The Elmtree Gold Project is owned 100% by the Company's subsidiary 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 agreed to pay Castle 5,016,155 (post-consolidation) common shares, $500,000 in cash, $250,000 of which is payable on the date that is six months from closing with the balance of $250,000 payable twelve months from closing. CNRP also granted 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. CNRP agreed to pay Stratabound 2,786,753 (post-consolidation) common shares, $300,000 in cash, $100,000 of which was payable on the date of closing, $100,000 payable six months from closing, and $100,000 payable twelve months from closing.

(Expressed in Canadian Dollars)

9. Share Capital

The Company's authorized share capital includes:

- an unlimited number of common shares without par value; and
- an unlimited number of preferred shares without special rights or restrictions attached.

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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)
Balance – July 31, 2012	64,524,484		9,001,037
Common shares cancelled	(1,200,000)		-
Common shares issued on debt conversion	54,600		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
1:20 share consolidation	(66,575,035)		
Costs of issuance			
Fair value of warrants issued			(77,100)
Balance July 31, 2013	**3,503,949**	**$**	**9,392,087**

9. Share Capital (continued)

On April 15, 2013, the Company's shareholders approved the creation of $1 non-voting preferred shares. On April 25, 2013, the directors approved a 1 for 20 consolidation of its then 70,078,984 issued and outstanding common shares into 3,503,995 new common shares without par value effective May 15, 2013.

Private Placements

On June 22, 2012, the Company completed a private placement with Euro Pacific through the issuance of 32,000 common shares at $5.00 per share for gross proceeds of $160,000. In connection with the private placement, 21,700 broker compensation warrants with a value of $100 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 62,500 common shares at $4.00 per share for gross proceeds of $250,000. In additional, 62,500 warrants were issued at a fair value of $111,000.

On July 25, 2012, the Company completed a private placement through the issuance of 25,000 common shares at $4.00 per share for gross proceeds of $100,000. In addition, 25,000 warrants were issued at a fair value of $32,000.

On January 28, 2013, the Company completed a private placement through the issuance of 125,000 units at $0.10 per unit for gross proceeds of $250,000. Each unit consisted of one common share plus one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share for $0.20. These warrants expire on January 28, 2015. In addition, 125,000 warrants were issued at a fair value of $77,100.

The fair value of the warrants issued $77,100, which has been allocated to the warrants reserve.. Fair value was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield rate of 0%, forfeiture rate 0%, volatility of 105%, risk free rate of return of 1.15%, and an expected life of two years.

On April 28, 2013, the Company completed a private placement through the issuance of 200,000 common shares at $1.00 per share for gross proceeds of $200,000.

(Expressed in Canadian Dollars)

9. Share Capital (continued)

Warrants

The issued and outstanding warrants balance at July 31, 2013 is comprised as follows:

Date of Expiry	Description	Fair Value	Number of Warrants	Weighted Average Exercise Price
June 22, 2014	Broker Warrants	$ 100	21,700	$ 5.00
June 27, 2014	Purchase Warrants	9,000	5,000	5.00
July 16, 2014	Subscriber Warrants	111,000	62,500	6.00
July 20, 2014	Purchase Warrants	10,000	100,000	6.00
July 25, 2014	Subscriber Warrants	32,000	25,000	6.00
January 28, 2015	Subscriber Warrants	77,100	125,000	4.00
		$239,200	**339,200**	

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	210,000	$ 5.00
Granted	749,984	2,047,500	0.66
Cancelled	(122,184)	(467,500)	(2.65)
Exercised	(2,700)	(10,000)	(1.00)
Expired	(100)	(30,000)	(5.00)
Outstanding, July 31, 2013	**$638,100**	**1,750,000**	**$ 0.49**
Exercisable, July 31, 2013	**$638,100**	**1,750,000**	**$ 0.49**

The following table sets out the details of the stock options granted and outstanding as at July 31, 2013:

Number of stock options	Remaining contractual life	Exercise price per share	Expiry Date
1,150,000	4.83 years	$0.60	May 30, 2018
250,000	1.83 years	0.60	May 30, 2015
200,000	4.92 years	0.05	July 1, 2018
150,000	1.92 years	0.05	July 1, 2015
1,750,000	**4.16 years**	**$0.49**	

(Expressed in Canadian Dollars)

9. Share Capital (continued)

Share-based compensation
The fair value of the stock options granted and fully vested for the year ended July 31, 2013 was $767,100 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%, forfeiture rate 0%, volatility ranging from 105% to 109%, risk free rates ranging from 1.07% to 1.77%, and an executed life ranging from 1 to 5 years. At July 31, 2013, there were 1,750,000 vested options.

A summary of the changes in the Company's contributed surplus is set out below:

		2013		2012
Balance – Beginning of year	**$**	**-**	$	-
Cancellation of stock options		**139,300**		-
Expiration of stock options		**100**		-
Balance – End of year	**$**	**139,400**		-

Distributions in Kind
In December 2012, pursuant to plans of arrangement as detailed in Note 16, 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 (pre-consolidation) of the Company held.

In April 2013, pursuant to a plan of arrangement as detailed in Note 16, 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 (pre-consolidation) of the Company held.

In April 2013, pursuant to a plan of arrangement as detailed in Note 16, 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 (pre-consolidation) of the Company held.

Cancellation of Common Shares
In December 2012, Green Swan Capital Corp. advised the Company that it has not spent $235,000 in exploration expenditures as required pursuant to the June 2012 Riverbank and Brokeback purchase agreement. Accordingly, the 60,000 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 $2.00 per common share. The conversion resulted in the issue of 2,725 common shares of the Company.

(Expressed in Canadian Dollars)

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 of the due to related parties represents a payable to a director in the amount of $57,784 at July 31, 2013 is payable on demand and is interest-free.

The Company incurred management fees expenses of $294,000 to a private company controlled by an officer, for the provision of management services. As at July 31, 2013, the amount of $203,080 was owed thereto and has been included in trade payables and accrued liabilities.

11. Income Taxes

The Company's income tax provision differs from the amount resulting from the application of the Canadian statutory income tax rate. A reconciliation of the combined Canadian federal and provincial income tax rates, as well as the United States federal and state income tax rates, with the Company's effective tax rate is as follows:

	2013	2012
Loss before income taxes	$ 1,573,375	$ 1,188,903
Combined statutory rate	26.50%	26.50%
	(417,000)	(315,000)
Permanent differences, non deductible	130,000	223,000
Valuation allowance adjustment	287,000	92,000
	$ -	$ -

The Company has $650,000 in non-capital losses carry-forward that expire in 2033.

Deferred income tax assets

The tax effects of temporary differences that give rise to significant portions of future tax assets are as follows:

	2013	2012
Mineral properties exploration	$ 109,000	$ 84,000
Non-capital losses	178,000	8,000
Less: valuation allowance	(287,000)	(92,000)
	$ -	$ -

(Expressed in Canadian Dollars)

12. 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 (pre-consolidation). 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.

13. 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 32,500 post-consolidation 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)

14. Mineral Properties Purchase Price Payable

During fiscal 2012, the Company 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 Company agreed with Castle and Stratabound to amend their respective agreements to postpone the partial payments of $250,000 to Castle and $100,000 to Stratabound to June 22, 2013. The payments due on June 22, 2013 were not made. As a result of the extension to June 22, 2013, the Company agreed to pay $5,000 interest to Stratabound and $12,500 interest to Castle. As a result of not meeting the June 22, 2013 extension, the Company agreed to monthly interest payments to Castle of $4,167 on its $500,000 obligation commencing in July 2013. Currently, to the Stratabound obligation of $200,000 is interest free. During the year ended July 31, 2013, the Company recognized $117,907 (2012 - $Nil) interest on the property obligations.

A summary of this obligation is as follows:

	2013	2012
Face value of purchase price payable	**700,000**	730,000
Less: Imputed interest at 22% per annum	**-**	96,240
Fair value of purchase price payable	**700,000**	633,760

15. 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.

16. 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."

(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.

(Expressed in Canadian Dollars)

16. Plans of Arrangement (continued)

(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 (including Zara's wholly-owned subsidiary Leo) and Hadley no longer being subsidiaries of Winston.

17. Non-Controlling Interests

		CNRP Mining Inc.
Balance – July 31, 2012	$	-
Share of net loss		(104,400)
Contributions		104,400
Balance – July 31, 2013	$	-

The non-controlling interest in the net loss for CNRP was $110,582. However, since that amount exceeds the contribution of $104,400, the Company has recognized no further net loss beyond the contribution amount. If CNRP subsequently reports profits, the Company will resume allocating a non-controlling interest in those profits only after its share of the profit equals the share of the losses not recognized.

18. Events after the Reporting Period

On November 6, 2013 the Company completed a non-broker private placement with Mark Wettreich, a director of the Company, of 1,440,000 units (each a "Unit") of the Company at a price of $0.05 per Unit for gross proceeds of $72,000. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of the Company at an exercise price of $0.05, for 36 months after closing.