Infinity Minerals Corp.

Condensed Interim Financial Report

For the nine month period ended May 31, 2013

Expressed in Canadian Dollars - Unaudited

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Infinity Minerals Corp. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim 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 unaudited condensed interim 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 unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibilities 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.

(signed) "Ron Shenton"

Ron Shenton

Chief Executive Officer

(signed) "Brian Roberts"

Brian Roberts

Chief Financial Officer

Infinity Minerals Corp.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars - Unaudited)

	May 31, 2013	August 31, 2012
ASSETS		
Current assets		
Cash	$ 71,770	$ 22,642
Term deposit	276,511	523,537
HST recoverable	6,816	27,188
Prepaid expense	4,109	-
Total current assets	**359,206**	**573,367**
Non-current assets		
Equipment (Note 3)	1,362	1,809
Exploration and evaluation assets (Note 4)	209,979	183,694
Total non-current assets	**211,341**	**185,503**
TOTAL ASSETS	**$ 570,547**	**$ 758,870**
LIABILITIES		
Current liabilities		
Trade payables and other accrued liabilities	$ 82,132	$ 27,609
Total liabilities	**82,132**	**27,609**
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	1,035,704	1,005,704
Share-based payment reserve (Note 5)	234,602	140,263
Deficit	(781,891)	(414,706)
Total shareholders' equity	**488,415**	**731,261**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 570,547**	**$ 758,870**

These financial statements were approved and authorized for issue by the Board of Directors on July 12, 2013.

On behalf of the Board of Directors:

"Ron Shenton" Director *"Brian Roberts"* Director

Infinity Minerals Corp.
Condensed Interim Statements of Comprehensive Loss
(Expressed in Canadian dollars - Unaudited)

	Three Months Ended May 31, 2013	Three Months Ended May 31, 2012	Nine Months Ended May 31, 2013	Nine Months Ended May 31, 2012
Expenses				
Amortization	$ 149	$ 31	$ 447	$ 31
Consulting (Note 6)	1,759	1,000	12,259	1,000
Investor relations	-	3,500	-	3,500
Legal and audit	3,400	3,010	31,352	51,326
Listing and filing fees	6,567	14,539	14,466	32,021
Management fees (Note 6)	15,000	35,000	89,000	65,000
Office and general and rent (Note 6)	6,478	4,698	18,940	9,240
Project evaluation (Note 6)	86,362	-	86,362	-
Share- based compensation (Note 6)	51,202	-	94,339	111,623
Transfer agent	1,320	9,496	10,384	11,098
Travel and entertainment	115	-	10,675	-
Loss before interest expense (income)	172,352	71,274	368,224	284,839
Interest expense (income)				
Interest expense	1,139	1,291	3,338	3,900
Interest income	(1,183)	(1,453)	(4,377)	(2,831)
Net loss and comprehensive loss for the period	**$ 172,308**	**$ 71,112**	**$ 367,185**	**$ 285,908**
Loss per share - basic and diluted	**$ (0.01)**	**$ (0.01)**	**$ (0.03)**	**$ (0.03)**
Weighted average number of shares outstanding	**13,600,483**	**11,689,613**	**13,544,271**	**10,245,627**

Infinity Minerals Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian dollars - Unaudited)

	Share capital				
	Number of shares	Amount	Share- based payment reserve	Deficit	Total
Balance at August 31, 2011	9,515,700	$ 582,657	$ -	$ (65,525)	$ 517,132
Shares issued for cash – private placement	4,000,000	600,000	-	-	600,000
Share issue costs	-	(176,953)	-	-	(176,953)
Share-based compensation	-	-	140,263	-	140,263
Net loss for the year	-	-	-	(349,181)	(349,181)
Balance at August 31, 2012	13,515,700	1,005,704	140,263	(414,706)	731,261
Shares issued for cash – exercise of warrants	200,000	30,000	-	-	30,000
Share-based compensation	-	-	94,339	-	94,339
Net loss for the period	-	-	-	(367,185)	(367,185)
Balance at May 31, 2013	13,715,700	$ 1,035,704	$ 234,602	$ (781,891)	$ 488,415

Infinity Minerals Corp.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars - Unaudited)

	Nine Months Ended May 31, 2013	Nine Months Ended May 31, 2012
Operating activities		
Net loss for the period	$ (367,185)	$ (285,908)
Deduct interest income relating to investing activities	(4,377)	(2,831)
Adjustments for non-cash items:		
Accrued interest expense	3,338	3,900
Accrued management fees	63,000	-
Amortization	447	31
Share-based compensation	94,339	111,623
Changes in non-cash working capital items:		
HST recoverable	20,370	(17,596)
Prepaid expenses	(4,109)	(1,500)
Trade payables and other accrued liabilities	(11,813)	(10,880)
Net cash flows used in operating activities	(205,990)	(203,161)
Investing activities		
Term deposit	247,026	(220,229)
Purchase of equipment	-	(420)
Deferred finance fee	-	27,500
Expenditures on deferred exploration costs	(26,285)	(26,500)
Interest income	4,377	2,831
Net cash flows from/ (used in) investing activities	225,118	(216,818)
Financing activities		
Proceeds from the issuance of common shares, net of share issue costs	30,000	451,350
Net cash flows from financing activities	30,000	451,350
Increase(Decrease) in cash	49,128	31,371
Cash, beginning	22,642	66,674
Cash, ending	**$ 71,770**	**$ 98,045**

Supplemental disclosure with respect to cash flows

There were no significant non-cash investing and financing transactions for the nine months ended May 31, 2013.

During the nine months ended May 31, 2012, the Company issued 400,000 agent warrants in connection with a private placement. The two year warrants had a non cash fair value of $28,640 which was charged to share issue costs and offset against share-based payment reserve.

See accompanying notes to the financial statements

1. Nature and continuance of operations

Infinity Minerals Corp. (the "Company") was incorporated on November 12, 2010, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties.

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company has incurred losses from inception of $781,891, but has raised $1,192,500. The Company needs to raise sufficient capital to fund exploration and evaluation costs, administration expenses and future acquisitions. Readers should refer to note 10 Subsequent Events.

The Company's ability to continue as a going concern is dependent upon its ability to attain future profitable operations and to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. As at May 31, 2013, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business plan, all of which may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company not be able to continue as a going concern.

2. Significant accounting policies and basis of preparation

The financial statements were authorized for issue on July 12, 2013 by the directors of the Company. The directors of the Company have the power to amend and reissue the financial statements.

Statement of compliance

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements do not include all of the footnotes required by the International Financial Reporting Standards ("IFRS") for full annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended August 31, 2012.

Basis of preparation

These unaudited condensed interim financial statements have been prepared on the basis of accounting policies, critical accounting judgments and estimates, and methods of computation consistent with those applied in the Company's August 31, 2012 annual audited financial statements and reflect all the adjustments necessary for fair presentation in accordance with IFRS for the interim periods presented. The financial statements of the Company have been prepared on an accrual basis and are presented in Canadian dollars unless otherwise noted.

2. Significant accounting policies and basis of preparation (cont'd)

Critical accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Areas requiring a significant degree of estimation and judgment relate to but are not limited to the recoverability of the carrying value of exploration and evaluation assets and the fair value measurements for financial instruments, the recognition and valuation of provisions for restoration and environmental liabilities, qualifying expenditures for refundable and non-refundable tax credits, timing of receipt of refundable tax credits, the recoverability and measurement of deferred tax assets and liabilities and the fair value estimation of share-based awards. Actual results may differ from those estimates and judgments.

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2015.

New standard IFRS 10 "Consolidated Financial Statements"

This new standard will replace IAS 27 "Consolidated and Separate Financial Statements", and SIC-12 "Consolidation – Special Purpose Entities". Concurrent with IFRS 10, the IASB issued IFRS 11 "Joint Ventures"; IFRS 12 "Disclosures of Involvement with Other Entities"; IAS 27 "Separate Financial Statements", which has been amended for the issuance of IFRS 10 but retains the current guidance for separate financial statements; and IAS 28 "Investments in Associates and Joint Ventures", which has been amended for conforming changes based on the issuance of IFRS 10 and IFRS 11.

IFRS 10 uses control as the single basis for consolidation, irrespective of the nature of the investee, eliminating the risks and rewards approach included in SIC-12, and requires continuous assessment of control over an investee. The above consolidation standards are effective for annual periods beginning on or after January 1, 2013.

2. Significant accounting policies and basis of preparation (cont'd)

New standard IFRS 11 "Joint Arrangements"

This new standard requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes lAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities-Non-monetary Contributions by Venturers. IFRS 11 is effective for annual periods beginning on or after January 1, 2013.

New standard IFRS 12 "Disclosure of Interests in Other Entities"

This new standard establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013.

New standard IFRS 13 "Fair value measurement"

This new standard replaces the fair value measurement guidance currently included in various other IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 provides guidance on how to measure fair value and does not introduce new requirements for when fair value is required or permitted. It also establishes disclosure requirements to provide users of the financial statements with more information about fair value measurements. IFRS 13 is in effect for annual periods beginning on or after January 1, 2013.

Amended Standard IAS 1 "Presentation of Financial Statements"

This standard provides extensive guidance on determining fair value for measurement or disclosure purposes. The Company will adopt the standard prospectively effective January 1, 2013.

IAS 27 - Separate Financial Statements

IAS 27 contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. IAS 27 requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9. This new standard is effective January 1, 2013 with earlier application permitted.

IAS 28 - Investments in Associates and Joint Ventures

IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. This amendment is effective January 1, 2013 with earlier application permitted.

None of the above standards have been early adopted or are expected to have significant impact on the Company's consolidated financial statements.

(Expressed in Canadian dollars - Unaudited)

3. Equipment

		Computer equipment
Cost:		
At August 31, 2012	$	1,990
Additions		-
At May 31, 2013		1,990
Depreciation:		
At August 31, 2012		181
Charge for the year		447
At May 31, 2013		628
Net book value:		
At August 31, 2012		1,809
At May 31, 2013	**$**	**1,362**

4. Exploration and evaluation assets

On November 15, 2010, the Company signed a Mineral Property Purchase Agreement ("MMPA") to acquire a 100% interest in the Rainbow Claim Group comprising of 318 hectares located in the Greenwood Mining Division, Midway, British Columbia, Canada. The Company issued 2,015,700 common shares in exchange for mineral property interests of $20,157 to a director of the Company. These shares are subject to an escrow agreement which releases 15% of the escrowed shares every six months until April 16, 2015.

The composition of accumulated acquisition and deferred exploration costs is:

	May 31, 2013	August 31, 2012
Acquisition costs:		
Balance, opening	$ 20,157	$ 20,157
	20,157	20,157
Deferred exploration costs:		
Balance, opening	163,537	111,037
Assessment Filing Fees with BCMEM	-	500
Equipment rental	7,123	-
Geochemical analysis	-	26,000
Geological Field Work	5,386	26,000
Geological and GIS mapping services	13,776	-
Balance, ending	189,822	163,537
Exploration and evaluation assets, ending	**$ 209,979**	$ 183,694

5. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At May 31, 2013, there were 13,715,700 issued and fully paid common shares (August 31, 2012 – 13,515,700).

Share issuances

During the nine months ending May 31, 2013, the Company issued 200,000 common shares for cash proceeds of $30,000 for the exercise of share purchase warrants.

On April 11, 2012 the Company completed its initial public offering of 4,000,000 units at a price of $0.15 per unit for total gross proceeds of $600,000. Each unit was comprised of one common share and one half of one tradable common share purchase warrant. Each whole warrant is exercisable into one additional common share of the Company exercisable at $0.20 until April 11, 2013 or exercisable at $0.30 until April 11, 2014. In connection with this offering, the Company paid a cash commission equal to 10% of the gross proceeds and issue 400,000 agent warrants with a fair value of $28,640. These agent warrants are exercisable at $0.15 per warrant until April 11, 2014.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three and nine months ended May 31, 2013 was based on the loss attributable to common shareholders of $172,308 and $367,185, respectively, and the weighted average number of common shares outstanding of 13,600,483 and 13,544,271, respectively.

Diluted loss per share did not include the effect of 1,350,000 stock options as the effect would be anti-dilutive.

Shares held in escrow

The escrow agreement provides share release equal to 10% upon completion of the IPO and listing on the TSX Venture Exchange, the remaining shares will be released in 6 equal tranches (15%) every six months. As of May 31, 2013, a total of 994,280 shares have now been released and a total of 1,491,420 shares remain in the escrow pool.

Stock option plan and stock options

The Company has a 10% rolling stock option plan for its directors, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date of grant. During the nine months ended May 31, 2013, the Company granted 490,000 stock options with a fair value of $94,339. The Company's stock option plan provides for immediate vesting or vesting at the discretion of the Board at the time of the option grant. Stock options granted to investor relations' consultants vest over a twelve month period, with one quarter of such options vesting in each three month period.

During the nine month period ended May 31, 2013, the Company granted 940,000 stock options fully vested with a fair value of $111,623. The options granted during the year expire on September 15, 2016.

(Expressed in Canadian dollars - Unaudited)

5. Share capital (cont'd)

Stock options (cont'd)

The changes in options during the nine month period ended May 31, 2013 and the year ended August 31, 2012 were as follows:

	May 31, 2013			August 31, 2012		
	Number of options		Weighted average exercise price	Number of options		Weighted average exercise price
Options outstanding, beginning of period	940,000	$	0.15	-	$	-
Options surrendered	(80,000)		0.15	-		-
Options granted	490,000		0.22	940,000		0.15
Options outstanding, end of period	1,350,000	$	0.18	940,000	$	0.15
Options exercisable, end of period	1,350,000	$	0.18	940,000	$	0.15

Details of options outstanding as at May 31, 2013 are as follows:

Weighted average exercise price	Weighted average contractual life	Number of options outstanding
$0.15	2.10 years	860,000
$0.20	0.83 years	250,000
$0.24	0.86 years	240,000
$0.18	3.79 years	1,350,000

The weighted average grant date fair value of options granted during the nine month period ended May 31, 2013 was approximately $0.19. The fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	Nine month period ended May 31, 2013
Expected life of options	5 years
Annualized volatility	131 - 160%
Risk-free interest rate	1.24 - 1.32%
Dividend rate	0%
Forfeiture rate	0%

(Expressed in Canadian dollars - Unaudited)

5. Share capital (cont'd)

Share purchase warrants

The changes in share purchase warrants during the nine month period ended May 31, 2013 were as follows:

	May 31, 2013		August 31, 2012	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Outstanding, beginning of period	2,400,000	$ 0.19	-	$ -
Granted	-	-	2,400,000	0.19
Exercised	(200,000)	0.15	-	-
Outstanding, end of period	2,200,000	$ 0.20	2,400,000	$ 0.19

Details of share purchase warrants outstanding as at May 31, 2013 are as follows:

Weighted average exercise price	Weighted average contractual life	Number of options outstanding
$0.15	0.08 years	200,000
$0.20	0.78 years	2,000,000
$0.20	0.86 years	2,200,000

6. Related party transactions

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company.

Key management personnel compensation

	Nine Months Ended May 31, 2013	Nine Months Ended May 31, 2012
Consulting fees	$ 5,500	$ -
Management fees	89,000	65,000
Office and general	3,200	
Project evaluation	39,000	-
Rent	10,375	-
Share-based compensation	94,339	111,623
	$ 241,414	$ 176,623

As at May 31, 2013 the Company owed its directors and officers $63,000 in unpaid management fees.

(Expressed in Canadian dollars - Unaudited)

7. Financial risk management

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank accounts. The Company's bank accounts are held with a major bank in Canada. As all of the Company's cash and cash equivalents are held by one bank in Canada, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company is not exposed to credit risk on recoverable taxes, as these are due from the Government of Canada.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and banking facilities.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at May 31, 2013:

	Within one year	Between one and five years	More than five years
Trade payables and other accrued liabilities	$ 82,132	$ -	$ -
	$ 82,132	$ -	$ -

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency exchange rate risk and commodity price risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Commodity price risk is the risk that market values and future incomes will fluctuate because of changes in commodity prices. The Company does not have any direct exposure to foreign currency exchange rate risk or commodity price risk. The Company had no forward exchange rate contracts or commodity price contracts in place as at May 31, 2013.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at May 31, 2013, the Company did not have any significant interest rate risk.

The Company had no interest rate swap or financial contracts in place as at May 31, 2013.

Capital Management

The Company defines capital that it manages as shareholders' equity that is expected to be realized in cash. The Company raises capital through private and public share offerings and related party loans and advances. Capital is managed in a manner consistent with the risk criteria and policies provided by the

7. Financial risk management (cont'd)

Capital Management (cont'd)

board of directors and followed by management. All sources of financing and major expenditures are analyzed by management and approved by the board of directors.

The Company's primary objectives when managing capital is to safeguard and maintain the Company's financial resources for continued operations and to fund expenditure programs to further advance mineral property interests.

The Company is meeting its objective of managing capital through detailed review and due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to maintain sufficient resources.

The Company is able to scale its expenditure programs and the use of capital to address market conditions by reducing expenditures and the scope of operations during periods of commodity pricing decline and economic downturn.

There were no changes in the Company's approach to capital management during the period from September 1, 2012 to May 31, 2013. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

The following is an analysis of the Company's financial assets and liabilities measured at fair value as at May 31, 2013:

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 71,770	$ -	$ -
Term deposits	$ 276,511	$ -	$ -

	Level 1	Level 2	Level 3
Trade payables and accrued liabilities	$ 82,132	$ -	$ -

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

8. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

8. Segmented information (cont'd)

Geographic segments

The Company's non-current assets are located in Canada.

9. Commitments

Flow-through

In December 2010, the Company received cash proceeds of $187,500 for the issue of 2,500,000 flow-through common shares and as a result was committed to expending these funds on qualifying exploration expenditures by December 16, 2012 in accordance with the provisions of the Canadian Income Tax Act. As at May 31, 2013, the Company has met this commitment and renounced all of these expenditures to investors as tax benefits.

10. Subsequent events

In April 2013, the Company announced that it has signed a Non-Binding Letter of Intent to acquire 100% of the outstanding shares of an Alberta based energy services company.

The Letter of Intent is subject to the execution of a definitive agreement (the "Transaction") between the two parties by June 26, 2013, or on such other date as may be mutually agreed upon. The closing of the Transaction will be subject to a number of other conditions including completing due diligence to the satisfaction of Infinity management, financing, non-compete agreements and receipt of all necessary shareholder and stock exchange approvals. The purchase price will be $22.6 million and, as consideration for the shares and shareholders loans, Infinity will pay to the shareholders the aggregate amount of $15,250,111 (the "Base Purchase Price") comprised of $14,250,111 cash; and a secured convertible debenture to the shareholders in the amount of $1,000,000 which convertible debenture shall be in a form approved by the Exchange and on terms and conditions acceptable to Infinity and the shareholders, acting reasonably. The Base Purchase Price will be subject to certain post-closing adjustments as contemplated in a definitive Share Purchase Agreement.

In June 2013, the Company announced that it has entered into a financing arrangement with PI Financial Corp. as lead agent, to raise gross proceeds of up to $30.0 million through the issuance of convertible debentures and private placement units (the "Financing"). The agents will receive a 7% cash commission as well as broker warrants equal to the same value for Debenture amounts sold and 6% cash commission as well as broker warrants equal to the same value for equity unit sales.

The net proceeds from the Financing will be used to fund the previously announced acquisition described above, to expand the equipment fleet and for general working capital purposes.

The convertible debentures will have a face value of $100 per debenture, a maturity date of June 30, 2018, and will be convertible into common shares of the Company at the option of the holder at a conversion price, subject to certain adjustments, of $0.40 per common share (the "Conversion Price"), being a conversion rate of 2,500 Infinity common shares for each $1,000 principal amount of Debentures. The debentures will accrue interest at a rate of 9.00% per annum payable semi-annually in arrears on June 30 and December 31 in each year commencing December 31, 2013. The December 31, 2013 interest payment will represent accrued interest for the period from the closing date. The debentures will not be redeemable before June 30, 2015. On or after June 30, 2015 and prior to the maturity date, the Company

10. Subsequent events (cont'd)

may, at its option, subject to providing not more than 60 and not less than 30 days prior notice, redeem the debentures, in whole or, from time to time, in part, at par plus accrued and unpaid interest provided that the volume weighted average trading price of the common shares of the Company on the TSX Venture Exchange during the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is not less than 125% of the Conversion Price. The debentures will be direct, secured obligations of the Company, subordinated to the senior indebtedness of the Company for borrowed money and ranking equally with all other secured subordinated indebtedness. Subject to specified conditions, the Company will have the right to repay the outstanding principal amount of the debentures, on maturity or redemption, through the issuance of common shares of the Company. The Company also has the option to satisfy its obligation to pay interest through the issuance and sale of additional common shares of the Company.

The private placement units will be issued at a price of $0.30 per Unit and are comprised of one (1) common share and one-half of one (0.5) common share purchase warrant of the Company. Each full warrant entitles the holder thereof to acquire one additional common share of the Company at a price of $0.40 for a period of 18 months following closing of the private placement.