(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED

December 31, 2013 and December 31, 2012

(Expressed in Canadian Dollars)

INDEX

Management's responsibility for financial reporting

Auditors' Report

Consolidated Financial Statements

- Consolidated Statements of Financial Position
- Consolidated Statements of Loss and Comprehensive Loss
- Consolidated Statements of Changes in Equity
- Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Mantis Mineral Corp. have been prepared by, and are the responsibility of the Company's management.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and reflect management's best estimates and judgments based on information currently available. In the opinion of management, the accounting practices utilized are appropriate in the circumstances and the consolidated financial statements fairly reflect the financial position and results of operations of the Company within reasonable limits of materiality.

Management has developed and maintains a system of internal controls to obtain reasonable assurance that the Company's assets are safeguarded, transactions are authorized, and financial information is reliable. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and therefore, can provide only reasonable assurance as to financial statement reliability and the safeguarding of assets.

The Board of Directors is responsible for ensuring management fulfills its responsibilities. The Audit Committee meets with the Company's management and external auditors to discuss the results of the audit and to review the consolidated financial statements prior to the Audit Committee's submission to the Board of Directors for approval. The Audit Committee also reviews the quarterly financial statements and recommends them for approval to the Board of Directors, reviews with management the Company's systems of internal control, and approves the scope of the external auditors' audit and non-audit work. The Audit Committee is composed entirely of directors not involved in the daily operations of the Company who are thus considered to be free from any relationship that could interfere with their exercise of independent judgment as a Committee member.

The consolidated financial statements have been audited by Stern & Lovrics LLP, Chartered Accountants and their report outlines the scope of their examination and gives their opinion on the consolidated financial statements.

Signed by

"Troy Grant"	"*Vicki Rosenthal"*
Troy Grant	Vicki Rosenthal
President and Chief Executive Officer	Chief Financial Officer

April 29th, 2014

Stern & Lovrics LLP
Chartered Accountants

Samuel V. Stern, BA, CPA, CA
George G. Lovrics, BComm, CPA, CA
CPA (Illinois)

Nazli Dewji, BA, CMA

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Mantis Mineral Corp.

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

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 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 Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates that the Company has cumulative losses of $32.6 million as of December 31, 2013, and a net loss of $1.9 million for the year ended December 3, 2013. These conditions, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

Stern & Lovrics LLP

Toronto, Ontario
April 29, 2014

Chartered Accountants
Licensed Public Accountants

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MANTIS MINERAL CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	December 31 2013 $	December 31 2012 $
ASSETS			
Current assets:			
Cash and cash equivalents	5	55,981	212,223
Marketable securities	5	66,550	325,157
Prepaid and sundry receivables	6	19,738	6,534
Total current assets		142,269	543,914
Non-current assets:			
Equipment	7	5,242	7,226
Exploration and evaluation assets	8	-	931,812
Total non-current assets		5,242	939,038
Total assets		147,511	1,482,952
Liabilities and Equity			
Current liabilities:			
Loan payable	9	100,000	-
Accounts payable and accrued liabilities	10	592,693	267,724
		692,693	267,724
Equity:			
Share Capital	11	29,502,521	29,274,279
Warrant reserve	11	-	50,800
Contributed surplus		2,610,987	2,560,187
Deficit		(32,658,690)	(30,670,038)
Total equity		(545,182)	1,215,228
Total liabilities and equity		147,511	1,482,952
Nature of Operations and Going Concern	1		

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

MANTIS MINERAL CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

	Note	Year ended December 31 2013	Year ended December 31 2012
		$	$
EXPENSES			
General and office administration		251,292	232,275
Management		192,163	184,640
Investor communications and travel		79,516	94,248
Legal and audit		288,990	25,820
Amortization		980	1,335
Total Expenses		812,941	538,318
Net loss before the undernoted		(812,941)	(538,318)
Gain on sale of exploration and evaluation assets		-	105,000
Gain on write-down of debt	13	-	374,400
Impairment of exploration and evaluation assets	8(a)/(c)	(1,061,471)	(1,780,890)
Write-down of exploration and evaluation assets	8(d)	-	(57,110)
Interest income		1,303	17,214
Unrealized (losses)		(92,951)	-
Gain(loss) on sale of investments		(22,592)	1,705
Net loss and comprehensive loss for the year before income taxes		(1,988,652)	(1,877,999)
Future income tax recovery	14	-	-
Net loss and comprehensive loss for the year		(1,988,652)	(1,877,999)
DEFICIT, BEGINNING OF THE YEAR		(30,670,038)	(28,792,039)
DEFICIT, END OF THE YEAR		(32,658,690)	(30,670,038)
Weighted average number of outstanding common shares		108,478,624	106,166,388
Loss per common share		(0.018)	(0.018)

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

	Number of shares outstanding	Share Capital	Warrant Reserve	Contributed Surplus	Deficit	Total Equity

	Number of shares outstanding	Share Capital	Warrant Reserve	Contributed Surplus	Deficit	Total Equity
Balance at January 1, 2012	**105,999,265**	**$ 29,224,279**	**$ 77,420**	**$ 2,533,567**	**$ (28,792,039)**	**$ 3,043,227**
Shares issued:						
Evaluation and exploration expenditures	1,000,000	50,000	-	-	-	50,000
Flow-through tax effect	-	-	-	-	-	-
Services			-	-	-	-
Conversion of debt			-	-	-	-
Value of warrants expired	-	-	(26,620)	26,620	-	-
Loss for the year	-	-	-	-	(1,877,999)	(1,877,999)
Balance at December 31, 2012	**106,999,265**	**$ 29,274,279**	**$ 50,800**	**$ 2,560,187**	**$ (30,670,038)**	**$ 1,215,228**
Shares issued:						
Evaluation and exploration expenditures	4,000,000	200,000	-	-	-	200,000
Flow-through tax effect	-	-	-	-	-	-
Services	-	-	-	-	-	-
Conversion of debt	564,850	28,242	-	-	-	28,242
Value of warrants expired	-	-	(50,800)	50,800	-	-
Loss for the year	-	-	-	-	(1,988,652)	(1,988,652)
Balance at December 31, 2013	**111,564,115**	**$ 29,502,521**	**$ -**	**$ 2,610,987**	**$ (32,658,690)**	**$ (545,182)**

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

MANTIS MINERAL CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended December 31 2013		Year ended December 31 2012
		$		$
CASH (USED IN) PROVIDED BY				
Operating Activities				
Net loss and comprehensive loss for the year		(1,988,652)		(1,877,999)
Adjustment for :				
Amortization		980		1,335
Gain on write down of debt		-		(374,400)
Impairment of exploration and evaluation assets		1,061,471		1,780,890
Write -down of exploration and evaluation assets		-		57,110
Unrealized losses		92,951		-
(Gain) on sale of exploration and evaluation assets		-		(105,000)
(Gain)loss on sale of investments		22,592		(1,705)
		(810,658)		(519,769)
Net change in non-cash working capital				
Changes in operating assets and operating liabilities:				
(Increase)decrease in prepaid and sundry receivables	(13,204)		(11,486)	
Increase(decrease) in accounts payable and accrued liabilities	353,212	340,008	(161,495)	(172,981)
Cash flows from operating activities		(470,650)		(692,750)
Financing Activities				
Loan proceeds		100,000		-
Cash flows from financing activities		100,000		-
Investing Activities				
Purchase of shares for investments		(5,000)		(75,000)
Proceeds from sale of exploration and evaluation assets		25,000		-
Proceeds from sale of investments		206,067		219,576
Expenditures on exploration and evaluation assets		(11,659)		(36,338)
Cash flows from investing activities		214,408		108,238
Net change in cash and cash equivalents		(156,242)		(584,512)
Cash and cash equivalents, beginning of year		212,223		796,735
Cash and cash equivalents, end of year		55,981		212,223

NON-CASH INVESTING ACTIVITIES

Shares received for sale of exploration and evalution assets	$	57,000	$	105,000
Shares issued for the acquisition of exploration and evaluation assets	$	200,000	$	50,000
Common shares issued on settlement of debt	$	28,243	$	-
Common shares issued for services	$	-	$	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Mantis Mineral Corp. (the "Company" or "Mantis"), incorporated in the Province of Ontario, is in the exploration stage and is engaged principally in the acquisition and exploration of mineral properties in Ontario. The address of the head office is at 148 Yorkville, Avenue, Toronto, Ontario. M5R 1C2

These consolidated financial statements have been prepared on a going concern basis, which assumes the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties connected to related events or conditions that cast significant doubt upon the entity's ability to continue as a going concern.

The Company is in the exploration stage and is subject to the risks and challenges similar to other companies in a comparable stage of exploration. These risks include, but are not limited to, dependence on key individuals, successful exploration results and the ability to secure adequate financing to meet the minimum capital required to successfully advance the projects and continue as a going concern.

The Company has incurred losses in previous years, with a current net loss of $1,988,652 for the year ended December 31, 2013 (December 31, 2012 - $1,877,999) and an accumulated deficit of $32,658,690 (December 31, 2012 - $30,670,038). In addition, the Company had a working capital deficit of $550,424 at December 31, 2013 (December 31, 2012 Balance – $276,190). Current working capital is insufficient to fund the Company`s budgeted expenditures for the next twelve months from the end of the reporting period. The ability of the Company to continue as a going concern, realize its assets and discharge its liabilities in the normal course of business and continue with, or expand upon its exploration programs is contingent upon securing equity financing or monetizing assets. The timing and availability of additional financing will be determined largely by market conditions, legal restrictions, and the results of the Company`s ongoing exploration programs. There is no certainty that the Company will be able to raise funds as they are required in the future.

To assist with the Company continuing as a going concern, the Company completed the "Business Combination", subsequent to the year end, as indicated in Note 17.

These consolidated financial statements do not reflect the adjustments that would be necessary if the going concern assumptions were not appropriate. If the going concern basis was not appropriate, then adjustments would be necessary to the carrying value of the assets, the reported revenues and expenses, and the statement of financial position classifications used.

These financial statements of the Company for the year ended December 31, 2013 were authorized for issuance by the board of Directors of the Company on April 29th, 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended December 31, 2013.

b) Basis of presentation

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of April 25, 2013, the date the Board of Directors approved the statements. These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value. In addition these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of presentation (Continued)

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reported year. Significant areas where management's judgment is applied include the carrying value of exploration and evaluation assets, accounts payable and accrued liabilities, fair value estimates for stock options, warrants, taxation and contingencies. Actual results may differ from those estimates. Of particular significance are the estimates and assumptions used in recognition and measurement of items included in note 2(n).

c) Principles of Consolidation

The consolidated financial statements include the accounts of Mantis Mineral Corp. (the "Company") and it's wholly owned subsidiaries Mantis Explorations Inc., Mantis Explorations Ltd., Avenue Bancorp Ltd., and University Avenue Management Ltd. On consolidation, all intercompany transactions and balances have been eliminated.

d) Financial Instruments

Financial assets:

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets 'at fair value through profit or loss' ["FVTPL"], 'held-to-maturity investments', 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities:

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities:

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest 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

De-recognition of financial liabilities:
The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments (Continued)

The Company's financial instruments consist of the following:

Financial assets:		Classification:
Cash and cash equivalents Marketable securities Prepaid and sundry receivables		FVTPL FVPTL Receivables
Financial liabilities:		Classification:
Accounts payable and accrued liabilities		Other financial liabilities
Loan payable		Other financial liabilities

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; or default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts or loan receivable, where the carrying amount is reduced through the use of an allowance account. When an accounts or loan receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the consolidated statements 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]; and Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data [unobservable inputs]. As of December 31, 2013 and December 31, 2012, cash and cash equivalents were classified as Level 1 on the consolidated balance sheets.

The following table illustrates the classification of the Company's financial instruments within the fair value hierarchy as at December 31, 2013:

	Financial assets at fair value as at December 31,2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash	$ 40,891	$ -	$ -	$ 40,891
Cash equivalents	$ 15,000	$ -	$ -	$ 15,000
Marketable securities	$ 66,550	$ -	$ -	$ 66,550
	$ 122,441	$ -	$ -	$ 122,441

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment. The Company has assessed its assets and has determined that there is no impairment of its non-financial assets.

f) Exploration and evaluation expenditures

The Company is in the exploration stage with respect to its investment in mineral properties. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized on a property by property basis. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

g) Equipment

Equipment is carried at cost, less accumulated amortization and accumulated impairment losses.

The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Equipment is amortized using the declining-balance method at an annual rate of 30%.

An asset's residual value, useful life and amortization method are reviewed, and adjusted if appropriate, on an annual basis.

An item of equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the statements of comprehensive income or loss.

Where an item of equipment consists of major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Cash and cash equivalents

Cash and cash equivalents in the statements of financial position comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, and which are readily convertible into a known amount of cash. The Company's cash and cash equivalents are invested with major financial institutions in business accounts and higher yield investment and savings accounts that are available on demand by the Company for its programs.

i) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The Company had no material provisions at December 31, 2013 and December 31, 2012.

j) Share based payment transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

k) Income taxes

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

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

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

As at December 31, 2013 and December 31, 2012 the Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

m) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all options outstanding that may add to the total number of common shares.

n) Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the estimated useful lives and residual value of Equipment which are included in the consolidated statements and the related depreciation included in profit or loss;
- the inputs used in accounting for stock option based transactions in profit or loss in the current and prior periods;
- the assessment of indications of impairment of each mineral property and related determination of the net realizable value and write-down of these properties where applicable.
- management assumption of no material restoration, rehabilitation and environmental exposure, based on the facts and circumstances that existed in the current and prior periods.
- management's position that there is no income tax consideration required for the current and prior periods.

How financial assets and liabilities are categorized is an accounting policy that requires management to make judgments or assessments.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New accounting standards and interpretations

Certain pronouncements were issued by the IASB or IFRIC that are mandatory for accounting periods after December 31, 2012. The following new standards have been adopted:

IFRS 10 Consolidated Financial Statements ("IFRS 10")

IFRS 10 provides a single model to be applied in the control analysis for all investees, including entities that currently are SPEs in the scope of SIC-12. In addition, the consolidation procedures are carried forward substantially unmodified from IAS 27 (2008). At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 11 Joint Arrangements ("IFRS 11")

IFRS 11 replaces the guidance in IAS 31 Interests in Joint Ventures. Under IFRS 11, joint arrangements are classified as either joint operations or joint ventures. IFRS 11 essentially carves out of previous jointly controlled entities, those arrangements which although structured through a separate vehicle, such separation is ineffective and the parties to the arrangement have rights to the assets and obligations for the liabilities and are accounted for as joint operations in a fashion consistent with jointly controlled assets/operations under IAS 31. In addition, under IFRS 11 joint ventures are stripped of the free choice of equity accounting or proportionate consolidation; these entities must now use the equity method.

Upon application of IFRS 11, entities which had previously accounted for joint ventures using proportionate consolidation shall collapse the proportionately consolidated net asset value (including any allocation of goodwill) into a single investment balance at the beginning of the earliest period presented. The investment's opening balance is tested for impairment in accordance with IAS 28 and IAS 36 Impairment of Assets. Any impairment losses are recognized as an adjustment to opening retained earnings at the beginning of the earliest period presented. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 12, Disclosure of interest in Other Entities ("IFTRS 12")

IFRS 12 was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IFRS 13, Fair Value Measurement ("IFRS 13")

IFRS 13, Fair Value Measurement was issued by the IASB on May 12, 2011. The new standard converges IFRS and US GAAP on how to measure fair value and the related fair value disclosures. The new standard creates a single source of guidance for fair value measurements, where fair value is required or permitted under IFRS, by not changing how fair value is used but how it is measured. The standard provides a precise definition of fair value and a single source of fair value measurement considerations for use across IFRSs.

The key points of IFRS 13 are as follows:

- fair value is measured using the price in a principal market for the asset or liability, or in the absence of a principal market, the most advantageous market;
- financial assets and liabilities with offsetting positions in market risks or counterparty credit risks can be measured on the basis of an entity's net risk exposure;
- disclosures regarding the fair value hierarchy has been moved from IFRS 7 to IFRS 13, and further guidance has been added to the determination of classes of assets and liabilities;
- a quantitative sensitivity analysis must be provided for financial instruments measured at fair value;
- a narrative must be provided discussing the sensitivity of fair value measurements categorised under Level 3 of the fair value hierarchy to significant unobservable inputs;
- and information must be provided on an entity's valuation processes for fair value measurements categorized under Level 3 of the fair value hierarchy.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New accounting standards and interpretations (continued)

IFRS 13, Fair Value Measurement ("IFRS 13") (Continued)

At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IAS 1, Presentation of Financial Statements ("IAS 1")

IAS 1 was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive loss with US GAAP standard. Items in other comprehensive loss will be required to be presented in two categories: items that might be reclassified into profit or loss and those that will not be reclassified. The flexibility to present statement of comprehensive loss as one statement or two separate statements of profit and loss and other comprehensive loss remains unchanged. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

IAS 27, Separate Financial Statements

IAS 27, Separate Financial Statements is amended to deal with the requirements for separate financial statements, which have been carried over largely un-amended from IAS 27 Consolidated and Separate Financial statements. Requirements for consolidated financial statements are now contained in IFRS 10 Consolidated Financial Statements. At January 1, 2013, the Company adopted this pronouncement and there was no material impact on the Company's consolidated financial statements.

p) New standards and interpretations not yet adopted

The following accounting standards have been released but have not yet been adopted by the Company.

IFRS 9, Financial Instruments ("IFRS9")

In November 2009, the IASB issued and subsequently revised in October 2010, IFRS 9 as a first phase in its ongoing project to replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS39"). IFRS 9 which is to be applied retrospectively, will be effective as of January 1, 2018.

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. Management has not yet determined the potential impact the adoption of IFRS 9 will have on the Company's financial statements.

3. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company considers its capital to be equity, comprising share capital, reserves and deficit which at December 31, 2013 totalled a deficit of $545,182 (December 31, 2012- $1,215,228). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, and acquire or dispose of assets to adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including but not limited to source and use of capital and general industry conditions. The Company's capital management objectives, policies and processes have remained unchanged during the years ended December 31, 2013 and December 31, 2012.

4. PROPERTY AND FINANCIAL RISK FACTORS

The Company is exposed to property risk and a variety of financial risks: credit risk, liquidity risk and market risk [including interest rate and foreign exchange rate risks] as explained below. Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

(a) Property risk

The Company's major mineral properties are Cree Lake and the East Lingman Lake Gold claims. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon these two projects. If no additional major mineral exploration properties are acquired by the Company, any adverse development affecting these two projects would have a material adverse effect on the Company's financial condition and results of operations.

(b) Financial risk

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents, marketable securities and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents have been invested with reputable financial institutions, from which management believes the risk of loss to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company’s liquidity and operating results may be adversely affected if the Company’s access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at December 31, 2013, the Company had cash, cash equivalents and marketable securities of $122,531 (December 31, 2012-$537,380) to settle current liabilities of $692,693 (December 31, 2012 - $267,724). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The majority of the current liabilities were settled on amalgamation, subsequent to the year end.

Market risk

(i) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

(ii) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars.

4. PROPERTY AND FINANCIAL RISK FACTORS (continued)

(c) Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve month period:

(i) Cash and cash equivalents are subject to floating interest rates. The Company has no variable debt and receives low interest rates on its cash and cash equivalents balances. As such, the Company does not have significant interest rate risk.

(ii) The Company's investment in marketable securities amounting to $66,550 is subject to fair value fluctuations. As at December 31, 2013, if the fair value of the Company's investment in marketable securities had decreased/increased by 25% with all other variables held constant, comprehensive loss and equity for the year ended December 31, 2013 would have been approximately $16,600 higher/lower.

5. CASH AND MARKETABLE SECURITIES

(a) Cash and cash equivalents

The cash and cash equivalents are comprised as follows:

	2013	2012
	$	$
Cash	40,981	182,223
Cashable Term Deposit	15,000	30,000
Total	**55,981**	**212,223**

The Term Deposit is held as security by the Company's bankers against the corporate credit card, which has a revolving balance.

(b) Marketable securities consisted of the following as at December 31, 2013:

	Cost December 31,2013 $	Fair Value December 31,2013 $	Cost December 31,2012 $	Fair Value December 31,2012 $
Signature Resources Limited	75,000	32,144	75,000	96,428
VMS Ventures Inc.	-	-	105,000	105,000
Other marketable securities	63,188	34,406	117,577	123,729
Total	**138,188**	**66,550**	**297,577**	**325,157**

6. PREPAID AND SUNDRY RECEIVABLES

There were sundry receivables at December 31, 2013 of $14,800 (December 2012-$Nil) comprised of Harmonized Sales Tax.

7. EQUIPMENT

The office and mining equipment is recorded at cost and is comprised as follows:

	December 31 2013			December 31 2012		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Furniture and fixtures	$ 13,471	12,016	$ 1,455	$ 13,471	11,653	$ 1,818
Computer Equipment	39,843	38,399	1,444	39,843	37,782	2,061
Mining Equipment	14,082	11,739	2,343	14,082	10,735	3,347
	$67,396	**62,154**	**$ 5,242**	**$ 67,396**	**60,170**	**$ 7,226**

8. EXPLORATION AND EVALUATION ASSETS

The mineral property acquisition costs and direct exploration expenditures are capitalized as incurred. If a property is abandoned or continued exploration is not deemed appropriate in the foreseeable future, the related costs and expenditures are written down.

	East Lingman Lake	**Orphan Mine**	**Cree Lake**	**Case Pegmatite**	**Total**
	$	$	$	$	$
Balance at January 1,2012	-	1,807,931	845,947	57,110	2,710,988
Acquisition costs	50,000	-	-	-	50,000
					-
Exploration costs					-
Amortization	-	-	1,077	-	1,077
Geosciences	-	(27,041)	34,788	-	7,747
	50,000	(27,041)	35,865	-	58,824
Subtotal	-	1,780,890	881,812	57,110	2,769,812
Impairment in exploration and evaluation assets	-	(1,780,890)	-	-	(1,780,890)
Write-down in exploration and evaluation assets	-	-	-	(57,110)	(57,110)
Balance, December 31, 2012	50,000	-	881,812	-	931,812
Acquisition costs	200,000	-	-	-	200,000
Exploration costs					
Amortization	-	-	1,004	-	1,004
Geosciences	7,300	-	3,355	-	10,655
	207,300	-	4,359	-	211,659
Subtotal	257,300	-	886,171	-	1,143,471
Impairment in exploration and evaluation assets	(257,300)	-	(804,171)	-	(1,061,471)
Sale of options	-	-	(82,000)	-	(82,000)
Balance, December 31, 2013	-	-	-	-	-

8. EXPLORATION AND EVALUATION ASSETS (continued)

The following are descriptions of the Company's mineral properties:

(a) The East Lingman Lake Gold Property

On October 25, 2012, Mantis announced that it had entered into an option agreement (the "Agreement") to acquire a 100% registered undivided interest in The East Lingman Lake Gold Property consisting of twelve (12) staked claims, totalling 538.3-hectares and located in the Kenora District, Province of Ontario, approximately 325-kilometers north of the Town of Red Lake. The twelve (12) staked claims surround the Lingman Lake Gold Property.

Property description

The East Lingman Lake Gold Property surrounds the Lingman Lake Gold Property currently owned by Signature Resources Ltd. (TSX-V) which hosts the Lingman Lake gold mine, (4-patented claims) an underground infrastructure that includes a 126.5-meter shaft which serviced three levels, at 46-meters (150L), 84-meters (275L) and 122-meters depths (400L) and a reported historical resource estimate of 152,000 ounces of contained gold in five zones (D.S. McPhee, 1988).

Option agreement

The Agreement provides that Mantis may acquire a 100% registered undivided interest in the East Lingman Lake Gold Property subject to a 3% Net Smelter Royalty, by making an initial payment of 1,000,000 common shares (issued) within 10 days of the signing of the Agreement, and further paying an aggregate of $800,000 in cash, or equivalent value in common shares of Mantis over four years. Any common shares issued by Mantis under the terms of the Agreement are to be priced at $ 0.05, subject to regulatory approval and a four month regulatory hold period from date of issue.

Date	Cash Payments or equivalents	Common Shares
On signing of the Option Agreement	Nil	1,000,000
On or before June 30,2013	$200,000	Nil
On or before June 30,2014	$200,000	Nil
On or before June 30,2015	$200,000	Nil
On or before June 30,2016	$200,000	Nil

In September 2013, 4,000,000 shares of the Company were issued with a value of $200,000 to satisfy the second payment in accordance with the terms of the option agreement.

In November 2013, the Company entered into an option agreement to grant an option to acquire a 100% registered undivided interest in the East Lingman Lake to Signature Resources Ltd. (SGU: TSX-V) ("Signature"). In order to acquire the option currently held by the Company, Signature agreed to pay $127,500 or the number of common shares in the capital of SGU equal to $127,500, each such common share at an attributed value of $0.085 or such value allowable under the TSXV Exchange policies on or before June 30, 2014.

As at December 31, 2013, based on the review of this project, management determined that it was necessary to record an impairment charge on this property in the amount of $257,300 as there are no planned expenditures in the near future.

(b) Orphan Gold Mine Property

The company acquired in 2007, 100% interest in the mineral rights in the former Orphan Gold Mine. In November 2007, the Company acquired the surface rights for the Property, additionally; the Company increased its land holdings at the Orphan Mine Project by staking five contiguous claims totalling 1,280-hectares, located 3,000-meters north east of Mantis' Orphan Mine.

As at December 31, 2012, based on the review of this project, management determined that it was necessary to record an impairment on this property in the amount of $1,780,890 as there are no planned expenditures in the near future.

8. EXPLORATION AND EVALUATION ASSETS (continued)

(c) The Cree Lake Property

On October 4, 2012 the Company entered into an arm's length binding letter of intent with Elcora Resources Corp. ("Elcora") for the right to acquire a 51% undivided interest in the 100% owned Cree Lake Gold Property located in Swayze Township, Ontario, consisting of 18 mining claims covering approximately 3904 hectares, which claims are subject to a 1.5% net smelter return royalty ("NSR") on mining claim numbers 4203295, 4203275, 4203296, 4209811.

Under the terms of the Letter of Intent, Elcora has the exclusive right to earn up to a 51% undivided interest in the Cree Lake Claims by making cash payments, issuing common shares of Elcora and conducting work programs on the Cree Lake Claims. Elcora may earn a 51% interest in the Cree Lake Claims by making cash payments totaling $50,000, issuing 3,000,000 common shares and completing work programs on the Cree Lake Claims with a total value of a minimum of $1,000,000 over a four year period.

Date	Common Shares	Work commitment/Expenditures
Within 10 days of the closing date	300,000	$ 25,000 cash payment to Mantis
On or before December 31,2013	400,000	$200,000 exploration expenditures and $25,000 cash payment to Mantis
On or before December 31,2014	600,000	$250,000 exploration expenditures
On or before December 31,2015	700,000	$250,000 exploration expenditures
On or before December 31,2016	1,000,000	$300,000 exploration expenditures

In March 2013, 300,000 shares of Elcora and $25,000 in cash were received pursuant to the agreement.

As at December 31, 2013, based on the review of this project, management determined that it was necessary to record an impairment on this property in the amount of $804,171 as there are no planned expenditures in the near future.

The Company is continuing to receive the payments from Elcora in accordance with the above agreement.

See "Subsequent event" Note 17(1)

(d) The Case Pegmatite Property

The Company entered into an agreement with an arm's-length third party corporation dated October 5, 2009 to acquire a 100% interest in the lithium-tantalum rich pegmatite property located in Steele Township, Ontario, by initially issuing 150,000 common shares and paying $75,000 over three years. The Company issued 150,000 common shares valued at $9,000, paid $15,000 in 2010 and in the current year a further $20,000 was paid. The Company was committed to paying a further $40,000 on September 1, 2012.

The Optionor retains a 2% Net Smelter Return Royalty.

In August 2012, the Company elected to terminate its option on this project and recorded a write-down of $57,110.

9. LOAN PAYABLE

The loan payable is to Gondwana Energy Corp., bears no interest, has no stated terms of repayment and is unsecured.
On amalgamation, the loan payable was eliminated. (see Note 17 (2))

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable are comprised as follows:

	December 31 2013	December 31 2012
	$	$
Accounts payable and accrued liabilities	582,317	164,776
Government remittance payable	10,376	102,948
	592,693	267,724

11. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares

(b) Common shares issued

	Note	Number of shares	Amount
		#	$
Balance, January 1, 2012		**105,999,265**	**29,224,279**
Issued for evaluation and exploration properties	(i)	1,000,000	50,000
Balance, December 31, 2012		**106,999,265**	**29,274,279**
Issued on conversion of debt	(ii)	564,850	28,242
Issued for evaluation and exploration properties	(iii)	4,000,000	200,000
Balance, December 31, 2013		**111,564,115**	**29,502,521**

(i) Issued for evaluation and exploration properties

On October 25, 2012, Mantis announced that it had entered into an option agreement to acquire a 100% registered undivided interest in The East Lingman Lake Gold Property consisting of twelve staked claims, totalling 538.3-hectares and located in the Kenora District, Province of Ontario, approximately 325-kilometers north of the Town of Red Lake. 1,000,000 Mantis common shares with a value of $50,000 were issued to an arm's length third party as consideration to complete its obligations on signing the Option Agreement.

(ii) Issued on conversion of debt

On October 4, 2013, 564,850 common shares at $0.05 were issued to two arm's length creditors to settle amounts owing for services of $28,242.

(iii) Issued for evaluation and exploration properties

In September 2013, 4,000,000 common shares at $0.05 were issued to satisfy the option payment on the East Lingman Lake Gold Property that was due on June 30, 2013.

See Subsequent Event - Note 17(2).

11. SHARE CAPITAL (continued)

(c) Stock options

The Company has a stock option plan ("the Plan") under which options to purchase common shares may be granted to officers, directors, employees and non-employees of the Company. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of five years. The exercise price of any option granted under the Plan may not be less than fair market value (e.g., the prevailing market price) of the common shares at the time the option is granted, less any permitted discount.

All options are non-transferable. The options are subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be a director, officer, or consultant of the Company, or upon the retirement, permanent disability or death of an optionee.

The stock option plan is a "rolling" stock option plan whereby the aggregate number of common shares of the Company to be delivered upon the exercise of all stock options granted thereunder is limited to 10% of the Company's issued and outstanding shares at the date of grant. Currently, a maximum of 11,156,411 common shares may be issued under the Plan from time to time. All issued options are vested at the date they are granted. The Company applies the fair value method of accounting for all stock-based compensation awards. No stock options were issued in 2013 or 2012.

The following table summarizes information about stock options outstanding and exercisable at December 31, 2013:

	December 31, 2013		**December 31, 2012**	
	Number of options outstanding	Weighted Average Exercise Price	Number of options outstanding	Weighted Average Exercise Price
		$		
Outstanding, beginning of year	3,050,000	0.09	6,930,000	0.15
Granted during the year	-	-	-	-
Expired during the year	(600,000)	(0.23)	(3,880,000)	(0.06)
Outstanding, end of year	2,450,000	0.06	3,050,000	0.09

The number of common shares issuable under options and the average option prices per share, are as follows:

Weighted Average Remaining Contractual Life	**Fair Value of Options**	**Number of options and exercisable options**	**Exercise price**	**Expiry Date**
Years	**$**	**#**	**$**	
0.17	73,231	2,100,000	0.05	March 10,2014
0.83	8,718	250,000	0.05	October 26,2014
1.75	1,100	100,000	0.05	October 4,2015
0.69	83,049	2,450,000	0.05	

See Subsequent Event - Note 17(2).

11. SHARE CAPITAL (continued)

(d) Warrants

The following tables summarize information about warrants outstanding at December 31:

Warrants outstanding as at December 31, 2013 and 2012:

	Number of warrants		Weighted Average Exercise Price	
	December 31		December 31	
	2013	2012	2013	2012
	#	#	$	$
Outstanding,beginning of year	10,863,438	13,063,438	0.27	0.27
Granted during year	-	-	-	-
Cancelled or expired during year	(10,863,438)	(2,200,000)	(0.27)	(0.15)
Outstanding,end of period	-	10,863,438	-	0.27

Expiry date quarter ended	Exercise price $	Number of warrants outstanding and exercisable	Scholes value $
June-13	0.15	1,232,500	4,500
June-13	0.15	5,650,000	20,900
September-13	0.15	3,980,938	25,400
Balance, December 31,2012		10,863,438	50,800
Balance, December 31,2013		-	-

12. LOSS PER COMMON SHARE

Loss per common share has been calculated based on the weighted average number of common shares outstanding during the period of 108,478,624 (2012- 106,166,388) shares. Fully diluted loss per common share has not been provided for the years ended December 31, 2013 and 2012 as the effect would be anti–dilutive.

13. GAIN ON WRITE DOWN OF DEBT

In 2012, the Company wrote off accounts payable that had been outstanding for over eight years. Based on the facts that there is no record in court of this action and that the limitation period has expired, the Company has written off this liability. The amount of the liability written off and the gain recorded was $374,400.

14. INCOME TAXES

The Company has reported non-capital losses available for deduction of approximately $9,850,124. These losses, if not utilized will expire as follows:

2014	2,637,506
2015	1,835,946
2026	1,427,277
2027	1,056,925
2028	793,208
2029	909,981
2030	971,739
2031	38,195
2032	179,347
2033	799,374
	$ 10,649,498

In addition, the Company has available capital losses of $127,042 (2012-$104,450) for deduction against future capital gains. This loss may be carried forward indefinitely.

Significant components of the Company's deferred tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

The Company has recorded a full valuation allowance for all of its deferred income taxes because management believes that the deferred income tax assets in respect of such losses are not, more likely than not, to be realized in the carry-forward period.

The reconciliation of income tax provision computed by applying the basic combined Federal and Provincial income tax rate aggregating 26.50% (2012 – 26.50%) to loss before income taxes, is as follows:

	2013	2012
Statutory tax rate	26.50%	26.50%
	$	$
Expected income tax recovery	(526,993)	(497,670)
Non-deductible expenses	3,228	5,128
Share issue expenses deductible	(2,703)	(13,778)
Loss on sale of mineral rights and investments	(5,987)	(28,277)
Write-down of evaluation and exploration assets	-	15,134
Impairment of evaluation and exploration assets	281,290	471,936
Tax benefits not recognized	251,165	47,527
Income tax recovery	-	-

	2013	2012
	$	$
Non-capital loss carry forwards	2,768,891	2,610,057
Net capital losses	16,833	13,840
Exploration and evaluation assets	1,351,881	1,070,591
Capital assets	16,276	15,945
Share issue costs	880	3,583
Unrecognized deferred income tax assets	4,154,761	3,714,016

15. RELATED PARTY TRANSACTIONS

(a) Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company incurred the following related party expenses during the period ended December 31, 2013 and 2012:

Included in accounts payable is an amount of $ 240,458 (2012-$113,083) owing to the Chief Executive Officer of the Company for wages earned in prior years.

These transactions are in the normal course of operations and are measured at the exchange amounts, which are the amounts of consideration established and agreed to by the parties.

(b) In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key management of the Company was as follows:

	Year ended December 31, 2013	Year ended December 31, 2012
	$	$
Salary (i)	165,375	157,500
Consulting fees (ii)	64,003	58,155

(i) Chairman and Chief Executive Officer
(ii) Chief Financial Officer

16. COMMITMENTS

The Company and its subsidiaries are committed to annual rental payment for office premises and office equipment, exclusive of taxes and other operating costs. The future minimum lease payments are as follows:

	Total	2014	2015
Operating leases	$40,020	$40,020	$Nil

17. SUBSEQUENT EVENTS

(1) Elcora Agreement

On January 8, 2014 The Company agreed to amend the option agreement that was entered into in December 2012 with Elcora. The cash payment that would have been due on or before December 31, 2013 for $25,000 was deleted and added was that the consideration for entering into the original agreement would be changed to 400,000 shares of Elcora to be received on or before January 31, 2014. On April 24, 2014 the Company received these 400,000 shares and these shares together with 300,000 shares that were received previously, were sold to an arm’s length third party for $0.10 per share, a total of $70,000.

17. SUBSEQUENT EVENTS (continued)

(2) The Business Combination

On December 23, 2013, Mantis and Gondwana Energy Corp. ("Gondwana Energy") entered into an agreement for a business combination for the two companies (the "Business Combination"). Gondwana Energy is a private company that was incorporated under the laws of Ontario which is engaged in the acquisition, exploration and development of oil and gas properties in Ghana, Africa. On January 31, 2014, the business combination was approved and became effective February 24, 2014. As a result, all of the common shares outstanding for the two companies were exchanged to form Gondwana Oil Corp ("Gondwana Oil") and Mantis ceased to exist on a standalone basis. Under the terms of the agreement, each Gondwana Energy and Mantis common share was exchanged for one common share of Gondwana Oil. On amalgamation, the existing shareholders of Mantis received 111,564,115 common shares of Gondwana Oil representing approximately 11.03% of the outstanding common shares. In addition, the existing 2,450,000 stock options currently issued by Mantis were exchanged for the equivalent amount of stock options of Gondwana Oil having the same terms and conditions.

As a result of the amalgamation, the former shareholders of Gondwana Energy Corp. own a majority of the common shares of the Gondwana Oil Corp. Accordingly, the amalgamation will constitute a reverse take-over of the Company.

As a result of the above Business Combination, the Company does not plan any further exploration work on its existing mineral properties, but intends to maintain the key projects from the mineral exploration projects in good standing.

The Company intends, with the change of business to the oil and gas sector, to pursue opportunities through joint ventures where practical and seek out areas of investment to further the advancement of the Company in its new endeavours.

On March 18, 2014 the Company announced that after review of its application on the Offshore Cape Three Points South Block, Ghana's Ministry of Energy and Petroleum invited Gondwana's 70% owned Ghanaian subsidiary, Miura Petroleum Limited, to negotiate exclusively on the Block.

There can be no assurance that Gondwana Oil will be able to satisfy any of the conditions required in order to negotiate and conclude a Petroleum Agreement with the Government of Ghana with respect to the Application on terms acceptable to Gondwana Oil or at all.

(3) Debt Settlement

On February 20, 2014, Gondwana issued 28,907,040 common shares at $0.005 per share, to settle an outstanding amount of $144,535. This amount was included in accounts payable at December 31, 2013.

(4) Consulting Agreement

On March 14, 2014, an agreement was entered into with the incoming President and Chairman the board of Gondwana to provide consulting services, for up to one year- renewable for periods of equal duration, for $5,000 per month payable with common shares of Gondwana at a deemed price per share equal to the five day volume weighted average price as calculated on the Canadian Securities Exchange for the five trading days immediately preceding the applicable month end.

(5) Shares and warrants issued

Subsequent to the year end, 5,036,000 Compensation Options were converted into 5,036,000 common shares and warrants of Gondwana at $0.005 per unit, and 12,000,000 stock options were converted in 12,000,000 common shares $0.005 per unit. The Compensation Options and the stock options represented were issued by Gondwana Energy Corp. prior to the Business Combination.

17. SUBSEQUENT EVENTS (continued)

(6) Other

The Ministry of Energy and Petroleum of Ghana issued a press release ("The Announcement") dated April 10, 2014 in connection with the activities of the Company's 70% held subsidiary, Miura Petroleum Limited. The Announcement made allegations with respect to the authenticity of certain documentation issued by the Ministry in connection with Miura's application for the Offshore Cape Three Point South block. Based on the facts that the Company was not given prior notification of the matters relating to The Announcement, which is not in line with the usual protocol expected in these matters, and that the Ministry has removed the announcement from its website, appears to be constructive. The Company anticipates further confirmations from the Ministry regarding the overall status of such application.