RUGBY MINING LIMITED

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the nine months ended November 30, 2013 and 2012
(Expressed in Canadian Dollars)

Unaudited – Prepared by Management

RUGBY MINING LIMITED

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Vancouver, Canada

January 28, 2014

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

			November 30, 2013		February 28, 2013
Assets					
Current					
Cash and cash equivalents		$	**3,314,959**	$	5,102,961
Accounts receivable and prepaids			**26,798**		35,277
Exploration advances			**105,702**		89,470
			3,447,459		5,227,708
Property and equipment	(Note 4)		**24,142**		30,756
Mineral properties	(Note 3)		**110,523**		-
		$	**3,582,124**	$	5,258,464
Liabilities					
Current					
Accounts payable and accrued liabilities		$	**63,588**	$	126,869
Due to related parties	(Note 8)		**22,260**		160,323
			85,848		287,192
Shareholders' Equity					
Share capital	(Note 5)		**15,238,612**		15,238,612
Contributed surplus			**5,067,109**		4,915,837
Deficit			**(16,813,388)**		(15,195,821)
Accumulated other comprehensive (loss) income			**3,943**		12,644
			3,496,276		4,971,272
		$	**3,582,124**	$	5,258,464

Basis of Preparation (Note 2)

Approved on behalf of the Board:

"Paul Joyce"
.... Director

"Robert Reynolds"
.... Director

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

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF LOSS AND COMPRENSIVE LOSS

		Three Months ended November 30,		Nine Months ended November 30,	
		2013	2012	**2013**	2012
Income					
Interest income		**$ 9,272**	$ 7,754	**$ 35,331**	$ 25,405
Expenses					
Accounting, audit and professional fees		**42,350**	35,745	**94,993**	95,749
Administrative	(Note 6)	**139,963**	337,848	**461,149**	633,592
Amortization		**2,205**	2,743	**6,614**	8,228
Bank charges		**2,187**	2,812	**8,487**	10,079
Directors' fees	(Note 6)	**-**	129,412	**-**	167,205
Foreign exchange loss (gain)		**17,069**	(147)	**11,282**	(3,162)
Insurance		**9,075**	8,695	**27,029**	24,100
Project evaluation	(Notes 3 and 6)	**219,155**	416,809	**995,606**	1,434,638
Shareholder communications		**1,267**	8,744	**8,867**	10,853
Stock exchange and filing fees		**-**	-	**5,015**	-
Transfer agent		**924**	1,128	**2,465**	3,171
Travel		**7,812**	4,898	**31,391**	26,324
		442,007	948,687	**1,652,898**	2,410,777
Net loss for the period		**432,735**	940,933	**1,617,567**	2,385,372
Other comprehensive (income) loss		**(4,510)**	(4,557)	**8,701**	975
Loss and Comprehensive loss for the period		**$ 428,225**	$ 936,376	**$ 1,626,268**	$ 2,386,347
Basic & diluted loss per common share		**$ 0.01**	$ 0.03	**$ 0.04**	$ 0.07
Weighted average number of common shares outstanding		**46,035,000**	35,502,584	**46,035,000**	34,965,539

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

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine months ended,		November 30, 2013	November 30, 2012
Operating Activities			
Net loss for the period		**$ (1,617,567)**	$ (2,385,372)
Items not requiring an outlay of cash:			
Amortization	(Note 4)	**6,614**	8,228
Share based payments	(Note 6)	**151,272**	573,597
		(1,459,681)	(1,803,547)
Changes in non-cash working capital			
Prepaid expenses and other receivables		**(7,753)**	76,859
Due from related party		**-**	6,599
Accounts payable and accrued liabilities		**(63,281)**	(210,242)
Due to related parties		**(138,063)**	(6,655)
Cash flows from operating activities		**(1,668,778)**	(1,936,986)
Financing Activities			
Issue of share capital for cash	(Note 5)	**-**	400,500
Cash flows from financing activities		**-**	400,500
Investing Activities			
Acquisition of property and equipment		**(110,523)**	-
Cash flows from investing activities		**(110,523)**	-
Effect of foreign exchange rate change on cash		**(8,701)**	(4,550)
Net decrease in cash and cash equivalents		**(1,788,002)**	(1,541,036)
Cash and cash equivalents - beginning of period		**5,102,961**	4,326,222
Cash and cash equivalents - end of period		**$ 3,314,959**	$ 2,785,186

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

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Issued Share Capital					
	Number of Shares	Amount	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at February 29, 2012	**34,700,000**	**$ 11,617,706**	**$ 4,217,715**	**$ (11,747,942)**	**$ 9,351**	**$ 4,096,830**
Activity during the period:						
- Exercise of options	1,335,000	400,500	-	-	-	400,500
- Share-based compensation recognized	-	-	573,597	-	-	573,597
- Contributed surplus allocated on exercise of options	-	273,763	(273,763)	-	-	-
- Other comprehensive loss	-	-	-	-	(975)	(975)
- Net loss for the period	-	-	-	(2,385,372)	-	(2,385,372)
Balance at November 30, 2012	**36,035,000**	**$ 12,291,969**	**$ 4,517,549**	**$ (14,133,314)**	**$ 8,376**	**$ 2,684,580**
Activity during the period:						
- Equity financing net of share issue costs	10,000,000	2,946,643	-	-	-	2,946,643
- Share-based compensation recognized	-	-	398,288	-	-	398,288
- Other comprehensive income	-	-	-	-	4,268	4,268
- Net loss for the period	-	-	-	(1,062,507)	-	(1,062,507)
Balance at February 28, 2013	**46,035,000**	**$ 15,238,612**	**$ 4,915,837**	**$ (15,195,821)**	**$ 12,644**	**$ 4,971,272**
Activity during the period:						
- Share-based compensation recognized	-	-	151,272	-	-	151,272
- Other comprehensive loss	-	-	-	-	(8,701)	(8,701)
- Net loss for the period	-	-	-	(1,617,567)	-	(1,617,567)
Balance at November 30, 2013	**46,035,000**	**$ 15,238,612**	**$ 5,067,109**	**$ (16,813,388)**	**$ 3,943**	**$ 3,496,276**

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

1. Nature of Operations

Rugby Mining Limited ("Rugby" or the "Company") is an exploration stage company incorporated under the laws of British Columbia, Canada and together with its subsidiaries, it is engaged in the acquisition and exploration of mineral properties located in Colombia, the Philippines and Australia.

The Company is in the exploration stage with its various mineral properties. The continued operations of the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of such properties, and the profitable production from or disposition of such properties.

The Company has its primary listing on the Toronto Stock Exchange Venture (the "TSX-V"). The Company's head office is located at 1660 - 999 West Hastings Street, Vancouver, BC, Canada, V6C 2W2.

2. Basis of Preparation

These condensed interim consolidated financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board applicable to the preparation of the interim financial statements, including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. Accordingly, the accounting policies followed by the Company are set out in Note 4 of the audited consolidated financial statements for the year ended February 28, 2013, and have been consistently followed in the preparation of these condensed interim consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements. These condensed interim consolidated financial statements were approved and authorized by the Audit Committee of the Board of Directors for issue on January 28, 2014.

3. Mineral Properties – Acquisition and Exploration Costs

a) Acquisition Costs

		Acquisition Cost		**November 30, 2013**		February 28, 2013
Cobrasco	$	110,523	**$**	**110,523**	$	-
Balance, end of period	$	110,523	**$**	**110,523**	$	-

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

b) Exploration Costs

The tables below show the Company's exploration and evaluation expenditures for the nine month periods ended November 30, 2013 and 2012.

	Nine months ended November 30, 2013					
	Generative & Other	Cobrasco	Comita	Mabuhay	Hawkwood	Total
Assays	$ -	$ -	$ -	$ -	$ -	$ -
Environmental and socialization	21,871	123,490	-	-	-	145,361
Field camp	1,735	-	-	10,892	21	12,648
Geological	104,282	163,467	125,755	38,562	7,395	439,461
IVA	2,717	-	-	-	-	2,717
Legal	16,449	59,558	14,013	26,538	2,073	118,631
Office operations	(6,090)	42,149	14,907	5,919	-	56,885
Option and cannon fees	11,687	-	16,132	-	11,042	38,861
Travel	17,062	35,707	7,353	17,374	16,971	94,467
Wages and benefits	-	31,515	16,235	38,825	-	86,575
Exploration and evaluation costs	$ 169,713	$ 455,886	$ 194,395	$ 138,110	$ 37,502	$ 995,606
Cumulative exploration and evaluation costs	$4,069,052	$ 455,886	$2,137,377	$2,162,150	$1,087,697	$9,912,162

	Nine months ended November 30, 2012					
	Generative & Other	Comita	Mabuhay	Hawkwood	Interceptor*	Total
Assays	$ 7,271	$ -	$ -	$ -	$ 9,764	$ 17,035
Drilling	30,904	-	-	-	80,069	110,973
Environmental	-	43,455	3,295	564	1,078	48,392
Field camp	17,810	-	20,506	9,608	11,817	59,741
Geological***	179,230	207,257	51,977	4,551	86,999	530,014
IVA	-	-	-	-	31,314	31,314
Legal	26,077	51,452	6,671	2,976	21,398	108,574
Office operations***	27,369	64,335	6,440	-	71,146	169,290
Option fee**	86,123	-	-	-	-	86,123
Travel	51,990	41,883	24,044	6,169	21,077	145,163
Wages and benefits	-	67,224	59,847	-	948	128,019
Exploration and evaluation costs	$ 426,774	$ 475,606	$ 172,780	$ 23,868	$ 335,610	$ 1,434,638
Cumulative exploration and evaluation costs	$ 1,819,278	$ 1,851,177	$ 1,921,870	$ 1,043,731	$ 1,846,194	$ 8,482,250

* On February 28, 2013 the Company relinquished the Interceptor property.
** Includes US$50,000 option fee for Zonda. The Zonda Project was relinquished on February 28, 2013.
*** Includes share based compensation as reflected below:

Allocation of Share Based Compensation	Nine months ended November 30, 2012					
	Generative & Other	Comita	Mabuhay	Hawkwood	Interceptor*	Total
Geological	$ -	$ 18,250	$ 20,475	$ -	$ 15,816	$ 54,541
Office operations	-	22,387	-	-	42,587	64,974
Total	$ -	$ 40,637	$ 20,475	$ -	$ 58,403	$ 119,515

* On February 28, 2013 the Company relinquished the Interceptor property.

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

Cobrasco Porphyry Copper Gold Project, Colombia

The Cobrasco concession, which is subject to a 1% net smelter royalty ("NSR"), was acquired in an arm's length transaction at a cost of $110,523.

Comita Porphyry Copper Gold Project, Colombia

On October 12, 2010, the Company announced it had entered into an option agreement (the "Comita Agreement") over the Comita Porphyry Copper Gold project in Colombia ("Comita"), granting the Company the right to earn up to a 60% indirect interest in the project. The Comita Agreement provides that Comita will be transferred to a new Colombian entity ("Newco") and grants the Company the right to earn an initial 40% interest in Newco upon completion of certain exploration activities and incurring expenditure commitments, with a further option to earn an additional 20% interest, for a total interest of 60% in Newco as follows:

Option 1: The Company has an initial 5 year option to acquire a 40% indirect interest in the Comita project by incurring US$10.0 million in exploration expenditures which include at least 10,000 metres ("m") of drilling as follows:

(i) US$250,000 on or before October 21, 2011, the first anniversary date of the agreement (incurred);

(ii) Thereafter the Company has the option, but not the obligation to incur US$9.75 million over the following four years with minimum annual expenditures of US$250,000 until such time as the Comita project is removed from the forestry reserve (minimum expenditure commitments for the first three years have been met to date), following which the minimum annual expenditure increases to US$1.0 million.

Excess expenditure in any given year may be carried forward to the next year, however such carry forward is limited to US$1.0 million at the end of the initial 5 year option. Upon incurring the expenditures set out above, the Company is required to provide the title holder with notice that it has met the requirements to acquire the initial 40% interest in Newco following which the title holder has 90 days to elect to resume management of the Comita project, in which case a joint venture will be formed and dilution provisions will apply.

Should the title holder elect not to resume management of the Comita project, the Company will be granted a second option to acquire a further 20% interest in Newco as set out below.

Option 2: Upon the Company being granted the second option it will have 3 years to acquire an additional 20% interest in Newco for a total 60% indirect interest in the project by incurring an additional US$15.0 million in expenditures, including 20,000 m of drilling with minimum annual expenditures of US$1.0 million on or before October 21, 2018.

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

Mabuhay Gold Project, Philippines

On October 5, 2010, the Company announced it had entered into agreements with Pelican Resources Limited ("Pelican"), an ASX listed company, and All-Acacia Resources Inc. ("All-Acacia"), a Philippine company over the Mabuhay project in the Philippines. The agreement with Pelican and its Philippine subsidiary, SunPacific Resources Philippines, Inc. ("SunPacific"), together with the agreement with All-Acacia (collectively, the "Mabuhay Agreement") grant the Company the right and option ("Mabuhay Option") to earn an 80% interest in the Mabuhay project.

The Company paid Pelican a signature fee of US$20,000 and US$50,000 to All-Acacia under the original terms of the Mabuhay Agreement.

As a result of a Philippine government moratorium on the granting of new Mineral Production Sharing Agreements ("MPSA") pending legislation enacting a revised revenue sharing scheme, the Company along with All-Acacia signed an amended Mabuhay Agreement (the "Amended Mabuhay Agreement") to allow for the conversion of the MPSA Application to an Exploration Permit Application ("EPA") as it is anticipated that an Exploration Permit ("EP") will be granted by the Philippine government earlier than an MPSA. An EP would allow the Company to conduct drilling at Mabuhay. An EPA has now been submitted to the government and all future payments as defined in the Amended Mabuhay Agreement have been deferred until the EP is approved by the federal authorities.

Under the Amended Mabuhay Agreement, in order to maintain its option, the Company is required to make staged payments to Pelican and All-Acacia totaling US$750,000 over three years from the grant date of the EP, incur staged expenditures totaling US$4.5 million over six years from the grant date of the EP, and complete a pre-feasibility study to earn its interest and exercise its Mabuhay Option.

In the event that the Company exercises the Mabuhay Option, it will be required to make an additional US$175,000 payment to All-Acacia within 30 days from the grant and registration with the appropriate Mines and Geosciences Bureau Regional Office of the appropriate mineral agreement (MPSA or Financial and Technical Assistance Agreement) on the property, and Pelican will be paid a further US$5.0 million if commercial production commences at Mabuhay.

Upon the exercise of the Mabuhay Option, All-Acacia and the Company have agreed to form a joint venture with respect to the development of and conduct of mining operations on the property and on each anniversary date thereafter, the Company must pay an additional US$200,000 to All-Acacia towards All-Acacia's pro-rata share of expenditures until commencement of production from the Mabuhay project.

Hawkwood Property Australia

Pursuant to agreements dated July 10, 2008 and December 2, 2008 between Sunland Properties Limited ("Sunland") and Rowen Company Limited ("Rowen") a company controlled by Bryce Roxburgh, a director of the Company, and subsequent amendments dated December 31, 2009, the Company has the option ("Hawkwood Option") to acquire up to 90% of the issued and outstanding shares of Sunland. Sunland's wholly owned subsidiary, Rugby Mining Pty. Ltd., owns the Hawkwood property in Queensland Australia.

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

Under the Hawkwood Option, the Company paid to Rowen A$25,000 as a non-refundable deposit and a further A$200,000 to repay a loan advanced to Sunland by Rowen. In addition, pursuant to the amendment dated December 31, 2009, the Company issued 1.5 million common shares with a fair value of $615,000 to Rowen (issued on June 5, 2010), and is required to incur exploration expenditures*, at its option, as follows:.

(i) In order to acquire an initial 60% interest in Sunland:
A$300,000 by December 31, 2010 (completed);
A$200,000 by December 31, 2011 (completed);
A$500,000 by December 31, 2013 (completed); and

The Company must provide written notice to Rowen of its intention to exercise the option to acquire the initial 60% interest above.

(ii) In order to exercise the option to acquire an additional 30% interest in Sunland, the Company must incur an additional A$3.0 million in expenditures* on the property for a total of A$4.0 million before December 31, 2017, and issue an additional 3 million common shares to Rowen.

* Eligible expenditures under the Hawkwood Option include expenditures incurred by the Company and Eastern Iron Limited ("Eastern Iron"), under their agreement with Rugby Mining Pty. Ltd. (see Eastern Iron Joint Venture Agreement, Australia).

Part of the Hawkwood property is subject to a 2% NSR payable to Newcrest Operations Limited ("Newcrest").

Eastern Iron Joint Venture Agreement, Australia

The Company entered into an agreement (the "Eastern Agreement") dated January 13, 2010 between Eastern Iron and Rugby Mining Pty. Ltd. with respect to certain portions of exploration permits 15289 and 17099 (the "Exploration Area") which comprises a part of the Company's Hawkwood project. Under the terms of the Eastern Agreement, Eastern Iron has earned a 50% interest in the Exploration Area by funding an A$700,000 exploration expenditure work program ("Phase One"). Eastern Iron can increase its interest in the Exploration Area to 80% by incurring an additional A$3.6 million in expenditures and completing a bankable feasibility study by February 10, 2018 ("Phase Two").

Exploration permit 15289 is subject to a 2% NSR held by Newcrest Operations Limited. Eastern Iron is required to incur expenditures and complete a bankable feasibility study to earn its interest, at its option, as follows:

Phase One (Completed)
Total Phase One expenditures of A$700,000.

Phase Two
(i) additional A$300,000 by February 10, 2014;
(ii) additional A$300,000 by February 10, 2015;
(iii) additional A$1.0 million by February 10, 2016;
(iv) additional A$1.0 million by February 10, 2017; and
(v) additional A$1.0 million by February 10, 2018,
for total Phase Two expenditures of A$3.6 million and cumulative expenditures of A$4.3 million.

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

Interceptor Gold Copper Project, Argentina

On November 23, 2010, the Company entered into a 6 year option agreement to acquire 100% of the Interceptor porphyry gold copper project in Catamarca Province, Argentina. The Company made option payments totaling US$100,000 and incurred mineral property exploration expenditures of $1,748,726.

On February 28, 2013 the Company relinquished the Interceptor property.

The Zonda Gold Copper Project, Argentina

On November 28, 2011, the Company announced it had entered into a 6 year option agreement to acquire 100% of the Zonda gold-copper porphyry project in the San Juan Province, Argentina. The Company made cash payments totaling US$100,000 pursuant to the agreement.

On February 28, 2013 the Company relinquished the Zonda property.

4. Property and Equipment

	Computer equipment	Website	Leasehold improvements	Office equipment & furniture	Total
Cost					
As at March 1, 2012	$ 20,705	$ 7,260	$ 15,467	$ 12,551	$ 55,983
Additions	-	-	-	-	-
Balance as at February 28, 2013	$ 20,705	$ 7,260	$ 15,467	$ 12,551	$ 55,983
Depreciation					
As at March 1, 2012	$ (5,790)	$ (2,940)	$ (3,510)	$ (2,016)	$ (14,256)
Charged for the period	(4,474)	(1,296)	(3,094)	(2,107)	(10,971)
Balance as at February 28, 2013	$ (10,264)	$ (4,236)	$ (6,604)	$ (4,123)	$ (25,227)
Net carrying value					
As at March 1, 2012	$ 14,915	$ 4,320	$ 11,957	$ 10,535	$ 41,727
As at February 28, 2013	$ 10,441	$ 3,024	$ 8,863	$ 8,428	$ 30,756
Cost					
As at March 1, 2013	$ 20,705	$ 7,260	$ 15,467	$ 12,551	$ 55,983
Additions	-	-	-	-	-
Balance as at November 30, 2013	$ 20,705	$ 7,260	$ 15,467	$ 12,551	$ 55,983
Depreciation					
As at March 1, 2013	$ (10,264)	$ (4,236)	$ (6,604)	$ (4,123)	$ (25,227)
Charged for the period	(2,349)	(680)	(2,320)	(1,264)	(6,614)
Balance as at November 30, 2013	$ (12,613)	$ (4,916)	$ (8,924)	$ (5,387)	$ (31,841)
Net carrying value					
As at March 1, 2013	$ 10,441	$ 3,024	$ 8,863	$ 8,428	$ 30,756
As at November 30, 2013	$ 8,092	$ 2,344	$ 6,543	$ 7,164	$ 24,142

5. Share Capital

Authorized and issued

The authorized share capital of the Company is an unlimited number of common shares without par value.

The Company has issued common shares as follows:

	November 30, 2013			February 28, 2013		
	Number of Shares		**Amount**	Number of Shares		Amount
Balance, beginning of period	**46,035,000**	**$**	**15,238,612**	34,700,000	$	11,617,706
Issued during the period for:						
Cash – equity financing	**-**		**-**	10,000,000		3,000,000
– options exercised	**-**		**-**	1,335,000		400,500
Contributed surplus allocated	**-**		**-**	-		273,763
Share issue costs	**-**		**-**	-		(53,357)
Balance, end of period	**46,035,000**	**$**	**15,238,612**	46,035,000	$	15,238,612

During the nine month period ended November 30, 2013, no common shares were issued.

During the year ended February 28, 2013, the Company issued common shares as follows:

a) Issued 1,335,000 common shares pursuant to the exercise of stock options at a price of $0.30 per share for $400,500 in cash proceeds. Contributed surplus allocated to share capital upon the exercise of stock options was $273,763.

b) In January 2013, the Company completed a non-brokered private placement consisting of 10,000,000 units ("Units") at $0.30 per Unit for gross proceeds of $3,000,000. Each Unit consisted of one common share ("Share") and one non-transferrable share purchase warrant ("Warrant"). Each Warrant is exercisable to acquire an additional Share of the Company until January 22, 2016, at a price of $0.40 per Share for the first two years, and at an exercise price of $0.55 per Share in the third year. A finder's fee of 5% was paid on certain portions of the offering for a total of $21,259. Costs of $53,357 associated with the placement were charged to share capital.

6. Stock Option Plan

The Company has adopted an incentive stock option plan (the "Plan"), the essential elements of which are as follows: The aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan, which was approved by shareholders on November 27, 2013, may not exceed 20% of the total number of issued and outstanding shares of the Company on a non-diluted basis. At November 30, 2013, subject to TSX-V approval, the maximum number of options issuable under the Plan was 9,207,000 (the Company subsequently received TSX-V approval on December 11, 2013). Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the discounted market price of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the grant date, less the maximum discount permitted by TSX–V), or such other price as may be agreed to by the Company and accepted by the TSX-V. Options granted under the Plan are generally exercisable immediately following the grant however certain options may be subject to vesting at times as determined by the directors of the Company and the TSX-V.

6. Stock Option Plan (Continued)

A summary of the changes in share options during the nine month period ended November 30, 2013 and the year ended February 28, 2013 are as follows:

	November 30, 2013		February 28, 2013	
	Options	**Weighted Average Exercise Price**	Options	Weighted Average Exercise Price
Options outstanding, beginning of period	6,615,000	$ 0.43	6,535,000	$ 0.70
Forfeited/expired	(125,000)	0.39	(795,000)	0.62
Exercised	-	-	(1,335,000)	0.30
Granted	190,000	0.30	2,210,000	0.38
Options outstanding, end of period	6,680,000	$ 0.43	6,615,000	$ 0.43*

There were Nil (February 28, 2013 – 1,335,000) options exercised during the period at a weighted average exercise price of $Nil (February 28, 2013 – $0.30) and a weighted average trading price at the time of exercise of $Nil (February 28, 2013 – $0.50).

* During the year ended February 28, 2013 the Company re-priced 1,440,000 options which ranged in price from $0.85 to $1.31, to an exercise price of $0.50; 1,040,000 options which ranged in price from $0.85 to $1.15, to an exercise price of $0.41; and 250,000 options priced at $0.70, to an exercise price of $0.36. These re-priced options had a fair value of approximately $0.20, $0.14, and $0.23 per option respectively. The Company recognized an additional $125,180, $94,723, and $10,467 in share-based compensation from the re-pricing of these options respectively.

The following table summarizes information about the stock options outstanding and exercisable at November 30, 2013:

Outstanding Options				Exercisable Options		
Range of Prices ($)	Number	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Number	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price
0.01 - 0.49	4,165,000	5.73	$ 0.39	3,086,250	5.28	$ 0.39
0.50 - 0.99	2,515,000	1.95	0.50	2,515,000	1.95	0.50
	6,680,000	4.31	$ 0.43	5,601,250	3.78	$ 0.44

Share-based compensation recognized on options vesting during the period amounting to $151,272 (2012- $573,597) has been allocated to contributed surplus. Share-based compensation has been allocated as follows:

Nine months ended November 30,	**2013**	2012
Administrative	**$ 151,272**	$ 310,088
Directors' fees	**-**	143,994
Mineral property exploration expenditures	**-**	119,515
Total	**$ 151,272**	$ 573,597

6. Stock Option Plan (Continued)

The fair value of options vesting during the period ended November 30, 2013, was estimated using the Black Scholes option pricing model, with the following weighted average assumptions:

Expected annual volatility	100.8%
Risk-free interest rate	1.7%
Expected life	5.0 years
Expected dividend yield	0.00%

7. Warrants

During the periods ended November 30, 2013 and 2012 no warrants were exercised. At November 30, 2013, the Company had 10,000,000 outstanding warrants (February 28, 2013 – 10,000,000) to acquire common shares. Each warrant currently outstanding is exercisable to acquire a common share of the Company until January 22, 2016, at a price of $0.40 per common share for the first two years, and at an exercise price of $0.55 per common share in the third year.

8. Related Party Transactions

During the periods ended November 30, 2013 and 2012, a total of $377,462 (2012 - $346,933) was paid or accrued for related party transactions as follows:

a) During the period ended November 30, 2013, a total of $132,577 (2012 - $161,020) was paid or accrued for related party transactions with directors or officers of the Company for mineral property exploration costs, administrative support fees, rent and consulting fees. Amounts due to directors or officers of the Company of $10,662 at November 30, 2013 (February 28, 2013 - $27,228) are non-interest bearing and are due on demand.

   The total of $132,577 for the period ended November 30, 2013 was paid or accrued as follows; $114,579 (2012 - $136,761) to Berenvy Pty Ltd., a company controlled by the President & CEO of the Company for consulting fees and $17,998 (2012 - $24,258) to Rogo Investments Pty Ltd., a company controlled by a director of the Company for office rental fees which are priced at commercial market prices.

   During the period, the Company shared costs of certain common expenditures including administrative support, office overhead and travel with Exeter Resource Corporation (“Exeter”).

b) The Company, along with Exeter, incurs certain expenditures for staff and exploration expenditures on behalf of each other. The net amount paid or accrued by the Company to Exeter during the period ended November 30, 2013 was $244,885 (2012 - $185,913). As at November 30, 2013, the Company had amounts payable of $11,598 (February 28, 2013 - $133,095) to Exeter. The amounts due to Exeter are non-interest bearing and are due on demand.

9. Executive Compensation

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel of the Company include executive officers and the board of directors.

The following compensation has been provided to key management personnel for the nine month periods ended November 30, 2013 and 2012:

	2013	2012
Compensation - cash	$ **174,579**	$ 158,095
Share-based payments	**27,333**	147,754
Total	$ **201,912**	$ 305,849

10. Segmented Information

The Company's activities are all in the one industry segment of mineral property acquisition, exploration and development. The Company's net assets and net losses by geographic regions are as follows:

November 30, 2013	Canada	Australia	Argentina	Colombia	Philippines	Total
Cash and cash equivalents	$ 3,094,625	$ -	$ -	$ 86,881	$ 133,453	$ 3,314,959
Accounts receivable and prepaids	26,798	-	-	-	-	26,798
Exploration advances	-	25,735	-	78,216	1,751	105,702
Property and equipment	18,455	5,687	-	-	-	24,142
Mineral properties	-	-	-	110,523	-	110,523
	3,139,878	31,422	-	275,620	135,204	3,582,124
Current Liabilities	(72,581)	-	-	(11,802)	(1,465)	(85,848)
	$ 3,067,297	$ 31,422	$ -	$ 263,818	$ 133,739	$ 3,496,276
Nine months ended November 30, 2013						
Mineral property exploration expenditures	$ 51,453	$ 37,502	$ -	$ 768,541	$ 138,110	$ 995,606
Net loss	$ 429,903	$ 37,502	$ 45,850	$ 928,639	$ 175,673	$ 1,617,567

February 28, 2013	Canada	Australia	Argentina	Colombia	Philippines	Total
Cash and cash equivalents	$ 4,950,255	$ -	$ 13,380	$ 102,413	$ 36,913	$ 5,102,961
Accounts receivable and prepaids	35,277	-	-	-	-	35,277
Exploration advances	-	26,895	28,527	33,042	1,006	89,470
Property and equipment	24,027	6,729	-	-	-	30,756
	5,009,559	33,624	41,907	135,455	37,919	5,258,464
Current Liabilities	(246,576)	-	(18,137)	(18,614)	(3,865)	(287,192)
	$ 4,762,983	$ 33,624	$ 23,770	$ 116,841	$ 34,054	$ 4,971,272
Nine months ended November 30, 2012						
Mineral property exploration expenditures	$ -	$ 23,868	$ 652,208	$ 574,981	$ 183,581	$ 1,434,638
Net loss	$ 768,233	$ 23,868	$ 764,459	$ 640,657	$ 188,155	$ 2,385,372