



**INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED JUNE 30, 2013**

*(Unaudited – Prepared by Management)*

*(Stated in Canadian Dollars Unless Noted Otherwise)*

**NOTICE TO READER**

These condensed interim consolidated financial statements have been prepared by the management of Laurentian Goldfields Ltd. and have not been reviewed by the auditors of Laurentian Goldfields Ltd.

**Laurentian Goldfields Ltd.**  
**Interim Consolidated Statements of Financial Position**

*(Unaudited – Prepared by Management)*  
*(Stated in Canadian Dollars Unless Noted Otherwise)*

	As at June 30, 2013	(Audited) As at March 31, 2013
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 301,151	\$ 430,606
Restricted cash <i>(Note 6d)</i>	154	2,075
Short-term investments <i>(Note 4)</i>	35,000	35,000
Amounts receivable	72,829	49,515
Prepaid expenses	7,775	11,650
	<b>416,909</b>	<b>528,846</b>
<b>Non-current Assets</b>		
Property and equipment <i>(Note 5)</i>	24,912	26,466
Exploration and evaluation assets <i>(Note 6a)</i>	313,210	313,210
<b>Total Assets</b>	<b>\$ 755,031</b>	<b>\$ 868,522</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 110,583	\$ 119,352
Mineral property funding obligations <i>(Note 6d)</i>	154	2,075
<b>Total Liabilities</b>	<b>110,737</b>	<b>121,427</b>
<b>Equity</b>		
Share capital <i>(Note 7a)</i>	11,534,788	11,534,788
Share-based payments reserve	4,494,086	4,492,018
Accumulated deficit	(15,384,580)	(15,279,711)
<b>Total Equity</b>	<b>644,294</b>	<b>747,095</b>
<b>Total Liabilities and Equity</b>	<b>\$ 755,031</b>	<b>\$ 868,522</b>

**Nature of Operations and Going Concern** *(Note 1)*

**Commitments** *(Note 11)*

ON BEHALF OF THE BOARD:

“Darin Labrenz”, Director

“Brian P. Fowler”, Director

- See Accompanying Notes to the Interim Consolidated Financial Statements -

**Laurentian Goldfields Ltd.**  
**Interim Consolidated Statements of Loss and Comprehensive Loss**

(Unaudited – Prepared by Management)

(Stated in Canadian Dollars Unless Noted Otherwise)

		For the three months ended June 30, 2013		For the three months ended June 30, 2012
<b>Expenses</b>				
Amortization	\$	1,554	\$	2,296
Corporate listing and filing fees		1,377		5,383
Exploration and evaluation expenditures, net (Note 6b)		2,549		208,972
Investor relations		-		5,618
Office		13,536		16,216
Professional fees		-		3,166
Rent		8,042		10,470
Share-based compensation expense (Note 7c)		2,068		-
Travel		220		4,359
Wages and consulting fees		93,296		143,663
<b>Loss from Operations</b>		<b>(122,642)</b>		<b>(400,143)</b>
<b>Other Income</b>				
Interest income		331		330
Management and administration fee		17,442		1,074
<b>Total Other Income</b>		<b>17,773</b>		<b>1,404</b>
<b>Net Loss and Comprehensive Loss for the Period</b>	\$	<b>(104,869)</b>	\$	<b>(398,739)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>				
		<b>9,353,190</b>		<b>6,181,851</b>
<b>Basic and Diluted Loss per Common Share</b>	\$	<b>(0.01)</b>	\$	<b>(0.06)</b>

- See Accompanying Notes to the Interim Consolidated Financial Statements -

**Laurentian Goldfields Ltd.**  
**Interim Consolidated Statements of Cash Flows**

*(Unaudited – Prepared by Management)*  
*(Stated in Canadian Dollars Unless Noted Otherwise)*

	<b>For the three months ended June 30, 2013</b>	<b>For the three months ended June 30, 2012</b>
<b>Cash Flows from (used in) Operating Activities</b>		
Net loss for the period	\$ (104,869)	\$ (398,739)
Items not affecting cash:		
Amortization	1,554	2,296
Shares issued for exploration and evaluation expenditures	-	2,500
Share-based compensation expense	2,068	-
	<b>(101,247)</b>	<b>(393,943)</b>
Changes in non-cash working capital:		
Amounts receivable	(23,314)	259,048
Prepaid expenses	3,875	7,721
Accounts payable and accrued liabilities	(8,769)	15,581
	<b>(129,455)</b>	<b>(111,593)</b>
<b>Cash Flows used in Investing Activities</b>		
Additions to exploration and evaluation assets	-	(30,500)
	-	(30,500)
<b>Net Decrease in Cash</b>	<b>(129,455)</b>	<b>(142,093)</b>
<b>Cash - Beginning of the Period</b>	<b>430,606</b>	<b>317,489</b>
<b>Cash - End of the Period</b>	<b>\$ 301,151</b>	<b>\$ 175,396</b>
<b>Supplemental Schedule of Non-Cash Investing Activities</b>		
Issuance of shares for exploration and evaluation assets	\$ -	\$ 22,720

- See Accompanying Notes to the Interim Consolidated Financial Statements -

**Laurentian Goldfields Ltd.**  
**Interim Consolidated Statements of Changes in Equity**

*(Unaudited – Prepared by Management)*  
*(Stated in Canadian Dollars Unless Noted Otherwise)*

	Number of Shares	Share Capital	Share-Based Payments Reserve	Accumulated Deficit	Total
<b>Balance – April 1, 2012</b>	6,157,790	\$ 11,217,385	\$ 4,067,467	\$ (13,621,964)	\$ 1,662,888
Shares issued for exploration and evaluation assets	28,400	22,720	-	-	22,720
Shares issued for exploration and evaluation expenditures	5,000	2,500	-	-	2,500
Net loss for the three months	-	-	-	(398,739)	(398,739)
<b>Balance – June 30, 2012</b>	6,191,190	\$ 11,242,605	\$ 4,067,467	\$ (14,020,703)	\$ 1,289,369
<b>Balance – April 1, 2013</b>	9,353,190	\$ 11,534,788	\$ 4,492,018	\$ (15,279,711)	\$ 747,095
Share-based compensation expense	-	-	2,068	-	2,068
Net loss for the three months	-	-	-	(104,869)	(104,869)
<b>Balance – June 30, 2013</b>	<b>9,353,190</b>	<b>\$ 11,534,788</b>	<b>\$ 4,494,086</b>	<b>\$ (15,384,580)</b>	<b>\$ 644,294</b>

- See Accompanying Notes to the Interim Consolidated Financial Statements -

# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

*(Unaudited – Prepared by Management)*

*(Stated in Canadian Dollars Unless Noted Otherwise)*

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### 1. Nature of Operations and Going Concern

Laurentian Goldfields Ltd. (the “Company” or “Laurentian”) is an exploration stage enterprise focusing on the acquisition, exploration and development of gold and other precious and base metal properties. Currently, the Company’s principal mineral property is the Van Horne Property located near Dryden, Ontario. The Company also currently has an unincorporated joint venture with Kinross Gold Corporation (“Kinross”) and a strategic exploration alliance with Antofagasta Minerals S.A., whereby a portion of the Company’s exploration and evaluation activities are conducted with its partners, and accordingly, the financial statements reflect only the Company’s proportionate interest in such activities.

Laurentian is a publicly listed company incorporated under the Business Corporations Act of British Columbia. The Company is listed on the TSX Venture Exchange (TSX-V) under the symbol “LGF.” The Company’s head office, principal address and records office is located at Suite 520-800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6. The Company’s registered office address is 1500 Royal Centre PO Box 1117, 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7.

These interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception, has no recurring source of revenue and has an accumulated deficit of \$15,384,580 at June 30, 2013. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

The Company will need to raise sufficient funds in order to finance ongoing exploration and administrative expenses. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company’s performance (as measured by numerous factors including the progress and results of its various projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. If successful, the Company would obtain additional financing through, but not limited to, the issuance of additional equity.

These interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

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### 2. Basis of Presentation

#### a. Statement of Compliance

These condensed interim consolidated financial statements of the Company were prepared in accordance with International Accounting Standards 34, Interim Financial Reporting (“IAS 34”), using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The accounting policies and methods of application applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company’s most recent annual consolidated financial statements as at and for the year ended March 31, 2013, except for those policies which have changed as a result of the adoption of new and amended IFRS pronouncements effective January 1, 2013.

# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Dollars Unless Noted Otherwise)

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### 2. Basis of Presentation - *Continued*

#### a. Statement of Compliance - *Continued*

These condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and therefore should be read in conjunction with the Company's most recent annual consolidated financial statements as at and for the year ended March 31, 2013. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in Note 3 of these condensed interim consolidated financial statements.

#### b. Approval of the Financial Statements

The condensed consolidated interim financial statements of Laurentian for the three months ended June 30, 2013 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on August 20, 2013.

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### 3. Adoption of New and Amended IFRS Pronouncements

#### a. Pronouncements Affecting Financial Statement Presentation or Disclosure

The adoption of the following new and amended IFRS pronouncements will result in enhanced financial statement disclosure in the Company's interim or annual consolidated financial statements or a change in financial statement presentation. These pronouncements did not affect financial results.

##### **IFRS 12 – Disclosures of Interests in Other Entities**

The Company adopted IFRS 12, Disclosures of Interests in Other Entities ("IFRS 12") on April 1, 2013. IFRS 12 outlines the disclosure requirements for interests in subsidiaries and other entities to enable users to evaluate the risks associated with interests in other entities and the effects of those interests on an entity's financial position, financial performance and cash flows.

The requirements of IFRS 12 relate to disclosures only and are applicable for the first annual period after adoption. IFRS 12 does not require the disclosures to be included for any period presented that precedes the first annual period for which IFRS 12 is applied. Accordingly, the Company will include additional disclosures about interests in other entities in the Company's annual consolidated financial statements for the year ended March 31, 2014. This may include summarized financial information for significant associates and joint arrangements.

##### **IFRS 13 - Fair Value Measurement**

The Company adopted IFRS 13, Fair Value Measurement ("IFRS 13") with prospective application from April 1, 2013. IFRS 13 defines fair value, sets out a single IFRS framework for measuring fair value and outlines disclosure requirements for fair value measurement.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement, so assumptions that market participants would use should be applied in measuring fair value.

# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Dollars Unless Noted Otherwise)

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### 3. Adoption of New and Amended IFRS Pronouncements - *Continued*

#### a. Pronouncements Affecting Financial Statement Presentation or Disclosure - *Continued*

##### **IFRS 13 - Fair Value Measurement** - *Continued*

The adoption of IFRS 13 did not have an effect on the Company's condensed interim consolidated financial statements for the current period. The disclosure requirements of IFRS 13 will be incorporated in the Company's annual consolidated financial statements for the year ended March 31, 2014. This will include disclosures about fair values of financial assets and liabilities measured on a recurring basis and non-financial assets and liabilities measured on a non-recurring basis.

##### **IAS 34 – Interim Financial Reporting**

IAS 34, Interim Financial Reporting ("IAS 34") was amended to establish criteria for disclosing total segmented assets and require certain fair value disclosures. The Company has adopted IAS 34 effective April 1, 2013 and has incorporated the required fair value disclosures in its condensed interim consolidated financial statements for the current period. The disclosures included are based on the requirements of IFRS 13 and are discussed in Note 9.

#### b. Pronouncements Affecting Accounting Policies Only

The adoption of the following new IFRS pronouncements did not affect the Company's financial results or disclosures as the Company's analysis of these new IFRS pronouncements determined that no changes were required to the Company's existing accounting treatment.

##### **IFRS 10 - Consolidated Financial Statements**

The Company adopted IFRS 10, Consolidated Financial Statements ("IFRS 10") on April 1, 2013 with retrospective application. IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This IFRS defines the principle of control and establishes control as the basis for determining which entities are consolidated in an entity's financial statements. IFRS 10 sets out three elements of control: power over the investee; exposure, or rights, to variable returns from involvement with the investee; and the ability to use power over the investee to affect the amount of investors' return; and the requirements on how to apply the control principle. IFRS 10 supersedes IAS 27, Consolidated and Separate Financial Statements and Standing Interpretations Committee ("SIC") 12, Consolidation – Special Purpose Entities.

Based on the Company's analysis, IFRS 10 did not have an effect on the Company's interim consolidated financial statements for the current period or prior periods presented as the adoption did not result in a change in the consolidation status of any of the Company's subsidiaries or investees.

##### **IFRS 11 – Joint Arrangements**

The Company adopted IFRS 11, Joint Arrangements ("IFRS 11") on April 1, 2013, with retrospective application from the date of its earliest period presented of April 1, 2012. If an arrangement results in joint control, IFRS 11 classifies joint arrangements as either joint operations or joint ventures, depending on the rights and obligations of the parties involved. The Company also adopted IAS 28(R), Investments in Associates and Joint Ventures ("IAS 28") which included amendments to address accounting for joint ventures.



# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Dollars Unless Noted Otherwise)

### 3. Adoption of New and Amended IFRS Pronouncements - *Continued*

#### b. Pronouncements Affecting Accounting Policies Only - *Continued*

##### **IFRS 11 – Joint Arrangements** - *Continued*

A joint operation is an arrangement where the jointly controlling parties have rights to the assets and obligations in respect of the liabilities of the arrangement. An entity accounts for a joint operation by recognizing its portion of the assets, liabilities, revenues and expenses. A joint venture is an arrangement where the jointly controlling parties only have rights to the net assets of the arrangement. A joint venture is accounted for using the equity method.

Based on the Company's analysis, IFRS 11 did not have an effect on the Company's interim consolidated financial statements for the current period or prior periods presented as the Company accounts for its joint arrangements as joint operations and accordingly, only records its share of assets, liabilities, costs and expenditures.

### 4. Short-term Investments

As at June 30, 2013, the Company has invested \$35,000 (March 31, 2013 - \$35,000) into a Guaranteed Investment Certificate ("GIC") with a Canadian Financial Institution.

This GIC yields interest at a rate of 1.20% with a maturity date of April 4, 2014.

### 5. Property and Equipment

Cost	Office Equipment	Computer Software	Office Furniture & Equipment	Project Field Equipment	Total
Balance – April 1, 2013	\$ 46,370	\$ 56,207	\$ 7,589	\$ 59,712	\$ 169,878
Additions	-	-	-	-	-
<b>Balance – June 30, 2013</b>	<b>46,370</b>	<b>56,207</b>	<b>7,589</b>	<b>59,712</b>	<b>169,878</b>
<b>Accumulated Amortization</b>					
Balance – April 1, 2013	(43,729)	(56,207)	(4,050)	(39,426)	(143,412)
Amortization for the period	(363)	-	(177)	(1,014)	(1,554)
<b>Balance – June 30, 2013</b>	<b>(44,092)</b>	<b>(56,207)</b>	<b>(4,227)</b>	<b>(40,440)</b>	<b>(144,966)</b>
<b>Carrying Amounts</b>					
March 31, 2013	2,641	-	3,539	20,286	26,466
<b>June 30, 2013</b>	<b>\$ 2,278</b>	<b>\$ -</b>	<b>\$ 3,362</b>	<b>\$ 19,272</b>	<b>\$ 24,912</b>

# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Dollars Unless Noted Otherwise)

### 6. Exploration and Evaluation Assets

a. Details of the Company's exploration and evaluation asset acquisition costs are as follows:

	Maze Lake	Van Horne	Thundercloud	Total
April 1, 2012	\$ 350,000	\$ 456,590	\$ 177,500	\$ 984,090
Cash	-	30,500	-	30,500
Shares	-	22,720	-	22,720
Write-off	(350,000)	(196,600)	(177,500)	(724,100)
<b>March 31, 2013 and June 30, 2013</b>	<b>\$ -</b>	<b>\$ 313,210</b>	<b>\$ -</b>	<b>\$ 313,210</b>

b. Details of the Company's exploration and evaluation expenditures, which have been cumulatively expensed in the Statement of Loss and Comprehensive Loss, are as follows:

For the three months ended June 30, 2013	Van Horne	Thundercloud	Goldpines North	Goldpines South	Other Properties <sup>(1)</sup>	Total
Field expenses	\$ 5,666	\$ -	\$ -	\$ 1,320	\$ 61	\$ 7,047
Government assistance	-	-	-	-	(4,498)	(4,498)
<b>Expenditures for the period</b>	<b>5,666</b>	<b>-</b>	<b>-</b>	<b>1,320</b>	<b>(4,437)</b>	<b>2,549</b>
Expenditures, beginning of the period	1,726,136	1,726,994	104,514	81,157	4,348,946	7,987,747
<b>June 30, 2013</b>	<b>\$ 1,731,802</b>	<b>\$ 1,726,994</b>	<b>\$ 104,514</b>	<b>\$ 82,477</b>	<b>\$ 4,344,509</b>	<b>\$ 7,990,296</b>

<sup>(1)</sup> Other properties include Maze Lake and generative projects.

For the three months ended June 30, 2012	Van Horne	Thundercloud	Goldpines North	Goldpines South <sup>(1)</sup>	Other Properties <sup>(2)</sup>	Total
Assaying and sampling	\$ 2,557	\$ -	\$ -	\$ -	\$ -	\$ 2,557
Field expenses	22,418	5,794	2,950	2,202	70,601	103,965
Geological consulting	79,928	492	2,691	1,585	18,104	102,800
Option payments received <sup>(3)</sup>	-	-	-	-	(350)	(350)
<b>Expenditures for the period</b>	<b>104,903</b>	<b>6,286</b>	<b>5,641</b>	<b>3,787</b>	<b>88,355</b>	<b>208,972</b>
Expenditures, beginning of the period	1,588,597	1,712,451	98,873	64,127	4,370,938	7,834,986
<b>June 30, 2012</b>	<b>\$ 1,693,500</b>	<b>\$ 1,718,737</b>	<b>\$ 104,514</b>	<b>\$ 67,914</b>	<b>\$ 4,459,293</b>	<b>\$ 8,043,958</b>

<sup>(1)</sup> As at April 29, 2012, the third anniversary of the AngloGold Alliance with AngloGold Ashanti Ltd. ("AngloGold"), AngloGold advised that it will not fund future exploration projects under the AngloGold Alliance. Consequently, the Company retained 100% interest and will bear all future exploration expenditures, if any, on all the properties, including the Goldpines South, previously under the AngloGold Alliance.

<sup>(2)</sup> Other properties include Maze Lake, Belcourt and generative projects.

<sup>(3)</sup> During the three months ended June 30, 2012, the Company issued 50,000 common shares (fair value - \$2,500) to the Belcourt property vendor pursuant to the Company's option agreement dated May 24, 2011 and received \$2,850 from Pershimco Resources Inc. ("Pershimco") as reimbursement for the 50,000 common shares issued by the Company in accordance with the Company's option agreement with Pershimco as amended on February 21, 2012.

# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

(Unaudited – Prepared by Management)

(Stated in Canadian Dollars Unless Noted Otherwise)

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### 6. Exploration and Evaluation Assets - *Continued*

#### c. Goldpines North Joint Venture

On March 25, 2010, the Company and Kinross signed a joint venture agreement to form the unincorporated Goldpines North Joint Venture (“GPNJV”).

As at June 30, 2013, the Company received \$1,924,951 in aggregate funding from Kinross and incurred an aggregate of \$1,953,644 in exploration expenditures on Goldpines North. As a result, the Company has a receivable balance of \$28,693 (March 31, 2013 - \$21,660) from the GPNJV.

#### d. Antofagasta Alliance

On July 25, 2012, the Company entered into a US\$1,500,000, two year strategic exploration alliance (the “Alliance”) with Antofagasta Minerals S.A., a wholly owned subsidiary of Antofagasta PLC (“Antofagasta”) for generative copper exploration in southern Quebec, Canada.

As at June 30, 2013, the Company received \$503,422 in aggregate funding from Antofagasta and incurred an aggregate of \$503,268 in exploration expenditures. As a result, the Company has restricted cash of \$154 (March 31, 2013 - \$2,075) which must be spent on exploration relating to the Alliance.

As operator, the following costs were incurred on behalf of Antofagasta and accordingly, were not included in the Company’s exploration and evaluation expenditures:

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<b>For the three months ended June 30, 2013<sup>(1)</sup></b>	
Field expenses	\$ 89,622
Geological consulting	22,025
General and administrative	36,937
Operator’s fee	11,165
Cash calls / funds used	(159,749)
	<hr/>
	\$ -

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<sup>(1)</sup> The Alliance was not established until July 2012. Accordingly, there are no comparative figures for the three months ended June 30, 2012.

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### 7. Equity

Effective November 23, 2012, the Company consolidated its share capital, stock options and share purchase warrants on a 10-to-1 basis. Accordingly, the exercise prices of the outstanding stock options and share purchase warrants at the time of consolidation increased by a multiple of ten.

#### a. Share Capital

The Company’s authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares.

**Laurentian Goldfields Ltd.**  
**Notes to the Interim Consolidated Financial Statements**

(Unaudited – Prepared by Management)  
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**7. Equity - Continued**

**b. Share Purchase Warrants**

*Details of issued and outstanding warrants are as follows:*

	Number of Warrants	Weighted Average Exercise Price
Balance - March 31, 2012	502,410 <sup>(1)</sup>	\$5.20
Issued	3,179,500	\$0.30
Expired	(59,243) <sup>(1)</sup>	\$3.00
Balance - March 31, 2013	3,622,667	\$0.29
Expired	(443,167)	\$0.20
<b>Balance – June 30, 2013</b>	<b>3,179,500</b>	<b>\$0.30</b>

<sup>(1)</sup> On February 28, 2013, the exercise price and expiry date of 443,167 warrants out of this balance were re-priced from \$5.50 to \$0.20 and extended from March 4, 2013 to June 4, 2013, respectively. The original terms of the remaining 59,243 warrants with an exercise price of \$3.00 and expiry date of March 4, 2013 were not amended. In accordance with the Company's accounting policy for the treatment of warrants attached to a unit placement (*Note 3l*), the re-pricing and extension of the 443,167 warrants resulted in an increase of \$14,128 in share-based payment reserve with a corresponding decrease to share capital.

*At June 30, 2013, the following warrants are outstanding:*

Expiry Date	Exercise Price	Number of Warrants	Warrant Valuation
January 7, 2015	\$0.30	2,679,500	\$ 280,194
March 20, 2015	\$0.30	500,000	38,483
<b>Weighted Average</b>	<b>\$0.30</b>	<b>3,179,500</b>	<b>\$ 318,677</b>

The above noted fair value of \$318,677 is included in share-based payments reserve in the Company's interim consolidated statement of financial position at June 30, 2013.

**c. Stock Options**

The Company has established a share purchase option plan (the "Plan") whereby the board of directors may, from time to time, grant options to directors, officers, employees, consultants or management company employees. Options granted must be exercised no later than five years from the date of grant or such lesser or greater period as may be determined by the Company's board of directors and in accordance with the policies of the TSX-V. The exercise price of an option must be determined by the board of directors and in accordance with the Plan and the policies of the TSX-V. Subject to the policies of the TSX-V, the board of directors may determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.

There were no stock options granted during the three months ended June 30, 2013 and 2012.

**Laurentian Goldfields Ltd.**  
**Notes to the Interim Consolidated Financial Statements**

(Unaudited – Prepared by Management)  
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**7. Equity – Continued**

**c. Stock Options - Continued**

Share-based compensation expense

The Company applies the fair value based method of accounting for stock options granted to officers, directors, employees and non-employees. During the three months ended June 30, 2013, the Company recorded share-based payments of \$2,068 (June 30, 2012 - \$nil). The current quarter's share-based compensation expense relates to the 30,000 stock options granted during the year ended March 31, 2013 and which partially vested during the three months ended June 30, 2013.

*Details of issued and outstanding stock options are as follows:*

	Number of Options	Weighted Average Exercise Price
Balance – April 1, 2012	254,318 <sup>(1)</sup>	\$3.00
Expired	(16,818)	\$0.44
Forfeited	(45,000)	\$0.32
Granted	500,000 <sup>(2)</sup>	\$0.20
<b>Balance – March 31, 2013 and June 30, 2013</b>	<b>692,500</b>	<b>\$0.20</b>

(1) On March 11, 2013, the exercise prices ranging between \$1.70 and \$4.00 of 195,000 options out of this balance were re-priced to \$0.20 whereas the original terms of the remaining 59,318 options were not amended.

(2) Subsequent to June 30, 2013, 30,000 stock options were forfeited.

*At June 30, 2013, the following options are outstanding and exercisable:*

Expiry Date	Weighted Average Exercise Price	Number of Options	Weighted Average Remaining in Years
August 11, 2014	\$0.20	62,500	1.36
February 1, 2015	\$0.20	20,000	1.84
January 21, 2016	\$0.20	60,000	2.81
March 11, 2016	\$0.20	50,000	3.20
February 25, 2018	\$0.20	500,000 <sup>(1)</sup>	4.91
	<b>\$0.20</b>	<b>692,500</b>	<b>4.18</b>

(1) Subsequent to June 30, 2013, 30,000 stock options were forfeited.

**Laurentian Goldfields Ltd.**  
**Notes to the Interim Consolidated Financial Statements**

*(Unaudited – Prepared by Management)*  
*(Stated in Canadian Dollars Unless Noted Otherwise)*

**8. Related Party Transactions**

The nature of the Company's relationships with its related parties and amounts paid to those parties are as follows:

**a. Related Parties**

As at June 30, 2013, the Company's related parties consist of a Director of the Company, the President and Chief Executive Officer ("CEO"), a company controlled by the Company's Chief Financial Officer ("CFO"), and a company controlled by the Company's Vice-President of Exploration.

	<b>Nature of Relationship</b>
Director	Consulting
President and CEO	Management
0869007 B.C. Ltd.	Management
Sunjem Consulting Ltd.	Management

The Company incurred fees and expenses with the related parties and the amounts outstanding are unsecured, non-interest bearing and due on demand.

	Notes	<b>For the three months ended June 30, 2013</b>	For the three months ended June 30, 2012
Management fees	(i)	<b>\$ 66,500</b>	\$ 66,500
Consulting fees	(ii)	<b>15,000</b>	15,000
<b>Total</b>	<b>(iii)</b>	<b>\$ 81,500</b>	<b>\$ 81,500</b>

- (i) During the period ended June 30, 2013, the Company paid or accrued management fees of \$42,500 (2012 - \$42,500) to the President and CEO; \$9,000 (2012 - \$9,000) to a company controlled by the Company's CFO; and \$15,000 (2012 - \$15,000) to a company controlled by the Company's Vice-President of Exploration.
- (ii) During the period ended June 30, 2013, the Company paid or accrued \$15,000 (2012 - \$15,000) to a Director of the Company for consulting services performed outside his capacity as a director.
- (iii) The total amount included in wages and consulting fees is \$61,522 (2012 - \$68,280), \$nil (2012 - \$13,220) in exploration and evaluation expenditures as geological consulting; and \$19,978 (2012 - \$nil) in the Antofagasta Alliance as geological consulting.

Included in accounts payable and accrued liabilities at June 30, 2013 are:

- \$nil (March 31, 2013 - \$5,600) owing to a director of the Company;
- \$nil (March 31, 2013 - \$17,514) owing to the Company's President and CEO;
- \$3,246 (March 31, 2013 - \$nil) owing to a company controlled by the Company's CFO; and
- \$12,664 (March 31, 2013 - \$nil) owing to a company controlled by the Company's Vice-President of Exploration.

# Laurentian Goldfields Ltd.

## Notes to the Interim Consolidated Financial Statements

(Unaudited – Prepared by Management)  
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### 8. Related Party Transactions - Continued

#### b. Compensation of Key Management Personnel

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The remuneration of the Company's key management personnel for the three months ended June 30, 2013 and June 30, 2012 are as follows:

	Note	June 30, 2013	June 30, 2012
Management and consulting fees	(i)	\$ 81,500	\$ 81,500
		\$ 81,500	\$ 81,500

(i) Management and consulting fees include fees disclosed in Note 8(a) above.

Key management personnel were not entitled to post-employment, termination or other long-term benefits during the periods ended June 30, 2013 and 2012.

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### 9. Fair Value Measurement

The Company does not have any financial assets and liabilities that are measured at fair value on a recurring basis and also does not have any non-financial assets and liabilities measured at fair value on a non-recurring basis.

There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The three levels of the fair value hierarchy are described below:

**Level 1** – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

**Level 2** – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

**Level 3** – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

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### 10. Segmented Information

The Company conducts its business in a single operating segment which is the mining business in Canada. All of the Company's exploration and evaluation assets are located in Canada. Any investment revenues were earned principally from Canadian sources.

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## Laurentian Goldfields Ltd.

### Notes to the Interim Consolidated Financial Statements

*(Unaudited – Prepared by Management)*

*(Stated in Canadian Dollars Unless Noted Otherwise)*

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#### 11. Commitments

- a. Effective May 1, 2011, the Company entered into a sub-lease agreement for head office space at approximately \$2,650 per month (\$31,800 annually). The sub-lease is effectively a month to month lease and expires in January 2014. The head-lease has an expiry date of April 30, 2016.
  - b. Commencing on July 1, 2012 and pursuant to a rental lease agreement dated February 29, 2012, the Company is committed to pay rent for its site office in Winnipeg, Canada at approximately \$2,800 per month (\$33,600 annually). The lease expires on June 30, 2017. On November 14, 2012, the Company sub-leased this site office to a third party for the same rental cost (approximately \$2,800 per month). The third party is bound by all the covenants, terms and conditions of the original rental lease agreement.
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