Coro Mining Corp.
(An Exploration Stage Company)
Condensed Interim Consolidated Financial Statements
September 30, 2013
(Expressed in U.S. dollars, except where indicated)

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 condensed interim consolidated 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 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.

Coro Mining Corp.

Consolidated Statement of Financial Position

As at September 30, 2013 and December 31, 2012 (unaudited)

(Expressed in U.S. dollars, except where indicated)

($000's)	September 30, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	896	2,086
Accounts receivable and prepaid expenses	37	47
Investments	6	19
	939	2,152
Property, plant and equipment	601	622
Mineral property interests (note 4)	31,689	29,824
Total assets	**33,229**	**32,598**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	229	297
Equity attributable to shareholders'		
Common Shares (note 5)	51,656	51,656
Contributed Surplus	5,723	5,317
Accumulated other comprehensive income ("AOCI")	515	534
Deficit	(24,974)	(25,206)
	32,920	32,301
Non-controlling interest ("NCI") (note 7)	80	-
Total equity	**33,000**	**32,301**
Total liabilities and equity	**33,229**	**32,598**

Nature of operations and going concern (note 1)
Commitments (note 10)

Approved by the Board of Directors

"Robert Watts"
Director

"Alvin Jackson"
Director

Coro Mining Corp.

Consolidated Statement of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2013 and 2012 (unaudited)

(Expressed in U.S. dollars, except where indicated)

Expenditures ($000's)	Three months ended Sept 30, 2013	Three months ended Sept 30, 2012	Nine months ended Sept 30, 2013	Nine months ended Sept 30, 2012
Exploration expenditures (note 3)	219	1,594	(774)	4,874
Corporate and Other Costs				
Depreciation and amortization	6	6	16	19
Finance income	-	(11)	(2)	(56)
Foreign exchange loss (gain)	(25)	102	(71)	70
Legal and filing fees	14	2	67	68
Other corporate costs	39	85	133	222
Realized (gain) on disposal of shares & warrants	-	-	-	(251)
Salaries and management fees	112	191	445	573
Share-based payments expense	51	238	360	858
Unrealized loss on held-for-trading investment	(2)	(1)	14	326
	195	612	962	1,829
Loss for the period	414	2,206	188	6,703
Attributable to:				
Owners of the parent	414	2,206	188	6,703
Non-controlling interests	-	-	-	-
Other comprehensive income				
Items that may be reclassified subsequently to net income				
Foreign currency translation adjustment	(24)	(216)	19	(233)
Loss & comprehensive loss for the period	390	1,990	207	6,470
Attributable to:				
Owners of the parent	390	1,990	207	6,470
Non-controlling interests	-	-	-	-
Basic loss per share ($ per share)	$0.00	$0.02	$0.00	$0.05
Diluted loss per share ($ per share)	$0.00	$0.02	$0.00	$0.05
Weighted average shares outstanding (000's) basic	138,294	138,271	138,294	138,271

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

Coro Mining Corp.

Consolidated Statements Shareholders' Equity

For the nine months ended September 30, 2013 and 2012 (unaudited)

(Expressed in U.S. dollars, except where indicated)

	Attributable to owners of the parent							
	Common shares							
	No. of shares #000's	Amount $000's	Contributed Surplus $000's	AOCI $000's	Deficit $000's	Total $000's	NCI $000's	Total Equity $000's
Balance – January 1, 2012	138,269	51,650	3,986	342	(16,233)	39,745	-	39,745
Warrants exercised	-	-	282	-	-	282	-	282
Options exercised	25	6	(2)	-	-	4	-	4
Share-based payments (note 6)	-	-	750	-	-	750	-	750
Comprehensive income (loss)	-	-	-	233	(6,702)	(6,469)	-	(16,469)
Balance- September 30, 2012	138,294	51,656	5,016	575	(22,935)	34,312	-	36,019
Balance – January 1, 2013	138,294	51,656	5,317	534	(25,206)	32,301	-	32,301
NCI financing (note 7)	-	-	-	-	420	420	80	500
Warrants exercised	-	-	-	-	-	-	-	-
Options exercised	-	-	-	-	-	-	-	-
Share-based payments (note 6)	-	-	406	-	-	406	-	406
Comprehensive (loss) income	-	-	-	(19)	(188)	(207)		(207)
Balance- September 30, 2013	138,294	51,656	5,723	515	(24,974)	32,920	80	33,000

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

Coro Mining Corp.

Consolidated Statement of Cash Flow

For the three and nine months ended September 30, 2013 and 2012 (unaudited)

(Expressed in U.S. dollars, except where indicated)

	Three months ended Sept 30, 2013 $000's	Three months ended Sept 30, 2012 $000's	Nine months ended Sept 30, 2013 $000's	Nine months ended Sept 30, 2012 $000's
Cash flows from operating activities				
(Loss) for the period	(414)	(2,206)	(188)	(6,703)
Items not affecting cash				
Depreciation and amortization	6	6	16	19
Gain on disposal of shares and warrants	-	-	-	(251)
Share-based payment expense	51	238	360	858
Unrealized loss on held-for-trading investments	(2)	(1)	14	326
	(359)	(1,963)	202	(5,751)
Change in non-cash operating working capital				
Decrease (increase) in receivables & prepaids	(8)	(13)	6	20
(Decrease) increase in accounts payable & accruals	(31)	72	(75)	342
	(398)	(1,903)	133	(5,389)
Cash flows from financing activities				
Non-controlling interest (note 3)	-	-	500	-
Issuance of common shares (net of issue costs)	-	-	-	6
	-	-	500	6
Cash flows from investing activities				
Proceeds from sale of investments	-	-	-	382
Property, plant and equipment (net)	-	(4)	-	(26)
Mineral property interests	(283)	(256)	(1,806)	(1,245)
	(283)	(260)	(1,806)	(889)
Effect of exchange rate changes on cash	22	217	(17)	229
(Decrease) Increase in cash and cash equivalents	(658)	(1,946)	(1,190)	(6,043)
Cash and cash equivalents - beginning of period	1,554	7,868	2,086	11,965
Cash and cash equivalents - end of period	896	5,922	896	5,922

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

1 Nature of operations and Going Concern

Coro Mining Corp. (the "Company" or "Coro") and its subsidiaries are engaged in the exploration and development of base and precious metal projects in the Latin American countries of Chile and Argentina. The Company was incorporated on September 22, 2004 and commenced activities in 2005. The Company's registered office is Suite 2610, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia, Canada.

Going concern

These consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. For the period ended September 30, 2013, the Company reported a net loss of $0.2 million and as at that date had a net working capital balance of $0.7 million and an accumulated deficit of $25.0 million. The Company also has property payments due on certain properties (note 10). The Company is also pursuing a number of additional financing alternatives, including joint venturing its properties.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from loans, equity financings or through other arrangements. The success of such initiatives cannot be assured. These conditions and events cast significant doubt on the validity of the going concern assumption.

These 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 deemed to be inappropriate. These adjustments could be material.

2 Significant accounting policies

These condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB ("International Accounting Standards Board") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34- Interim Financial Reporting. The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the preparation of, and disclosed in, the consolidated annual financial statements for the year ended December 31, 2012, except as discussed in the condensed interim consolidated financial statements for the three months ended March 31, 2013 under "Changes in accounting standards".

These interim consolidated financial statements were approved for issue on November 13, 2013 by the Audit Committee on behalf of the Board of Directors.

The condensed interim consolidated financial statements do not contain all disclosures required under IFRS and should be read in conjunction with the Company's audited annual consolidated financial statements and the notes thereto for the year ended December 31, 2012.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income and mining taxes. Differences may be material.

3 Exploration expenditures

For the three months ended September 30, 2013

$000's	**Berta**	**Chacay**	**El Des**	**El Inca**	**Payen**	**General**	**Total**
Consulting, labour & professional fees	**Costs Capitalized Effective Jan 1, 2013**	-	49	-	36	75	160
Drilling & trenching		-	-	-	-	-	-
General & admin		7	1	-	4	26	38
Property investigation		12	2	-	2	-	16
Property acquisition		-	-	-	-	-	-
Travel & accommodation		-	-	-	1	4	5
Total exploration expenditure		**19**	**52**	**-**	**43**	**104**	**219**

For the three months ended September 30, 2012

$000's	**Berta**	**Chacay**	**El Des**	**El Inca**	**Payen**	**General**	**Total**
Consulting, labour & professional fees	153	-	10	29	-	27	219
Drilling & trenching	534	-	19	230	-	-	783
General & admin	5	-	-	3	-	256	264
Property investigation	75	3	5	1	-	14	98
Property acquisition	-	-	-	201	-	-	201
Travel & accommodation	15	-	5	-	-	9	29
Total exploration expenditure	**782**	**3**	**39**	**464**	**-**	**306**	**1,594**

For the nine months ended September 30, 2013

$000's	**Berta**	**Chacay**	**El Des**	**El Inca**	**Payen**	**General**	**Total**
Consulting, labour & professional fees	**Costs Capitalized Effective Jan 1, 2013**	5	133	-	108	94	340
Drilling & trenching		-	-	-	-	-	-
General & admin		7	5	2	20	99	133
Property investigation		48	52	-	50	70	220
Property acquisition		(2,000)	500	-	-	-	(1,500)
Travel & accommodation		-	9	-	11	13	33
Total exploration expenditure		**(1,940)**	**699**	**2**	**189**	**276**	**(774)**

For the nine months ended September 30, 2012

$000's	**Berta**	**Chacay**	**El Des**	**El Inca**	**Payen**	**General**	**Total**
Consulting, labour & professional fees	404	8	10	29	-	97	548
Drilling & trenching	1,684	-	24	230	-	-	1,939
General & admin	16	3	-	3	-	619	640
Property investigation	296	36	54	1	-	84	470
Property acquisition	800	-	200	201	-	-	1,201
Travel & accommodation	27	10	5	-	-	33	76
Total exploration expenditure	**3,227**	**57**	**293**	**464**	**-**	**833**	**4,874**

3 Exploration expenditures (continued)

Berta, Chile
In April 2013, Coro amended its option agreement to acquire the Berta Property (note 10). Coro may now acquire 100% of the Berta property for total cash consideration of $4 million. This consideration is to be paid in the following staged option payments: $1.5 million (paid); $2.5 million in June 2014. In addition, a 1.5% Net Smelter Royalty ("NSR") is payable on all copper production together with any by-product metals. The Company has also staked a land position around the optioned property.

In May 2013, the Company announced that it had entered into a Letter of Intent ("LOI") with ProPipe S.A. ("ProPipe") in respect of the Berta property, under which ProPipe could earn up to a 50% interest in Berta by completing various milestones on the project. A summary of the earn-in thresholds are as follows, an initial 10 % interest (earned) by making the option payment due in June 2013; an additional 3% by filing an Environmental Impact Declaration ("EID") by July 30, 2013 (earned in November 2013); an additional 5% by completing a Preliminary Economic Assessment ("PEA") by September 30, 2013 (deferred by mutual consent); and up to an additional 32% by arranging project financing for up to 100% of the total project costs (including an overrun facility).

From January 1, 2013 the Company started to capitalize the costs associated with Berta after the preparation of the initial NI 43-101 compliant resource statement (refer note 4 for capitalized amounts). Coro will retain control of the entity which owns the project during the earn in period. Dilution of the Company's interest in the Berta project and entity by way of contributions from ProPipe will be accounted for as equity transactions.

Chacay, Chile
In March 2013, the Company agreed to sell the core mining claims covering the Chacay property to Compania Minera Relincho SA ("Relincho"), a subsidiary of Teck Resources Limited ("Teck"), for $2.0 million and a 1.5% NSR. Under the terms of the agreement, Coro also agreed to enter into a sale promise agreement to sell the remainder of their Chacay exploration claims for $0.5 million and a 1.5% NSR. The purchase agreement for the remaining claims will be executed upon Coro converting the exploration claims to mining claims.

El Desesperado Chile
In February 2012, the Company entered into an option agreement (subsequently amended August 2013) to acquire 100% of the El Desesperado property, in Chile for total cash consideration of $13 million. This consideration is to be paid in the following option payments; $0.7 million (paid); $0.65 million in February 2014; $1.75 million in February 2015; and $9.9 million in February 2016. In addition, a 1.9% sales royalty is payable on any production from the property. Coro has a first right of refusal on the sales royalty.

El Inca, Chile
In January 2013, the El Inca property option agreement was terminated.

Payen, Chile:
In October 2012, the Company entered into an option agreement to acquire the Payen property in Chile for total cash consideration of $17 million with $0.5 million paid upon signing. A 2.5%NSR is retained by the owner and Coro may acquire half of this (1.25%NSR) for $10 million. In October 2013, the Company signed into an option agreement with Minera Aurex Chile Ltda. ("Aurex"), a subsidiary of Freeport-McMoRan Copper & Gold Inc. ("Freeport"), for Aurex to acquire a 70% interest in the by meeting the obligations set forth in the following table:

3 Exploration expenditures (continued)

Date	Underlying Option Payment	Work Commitment	Payment to Coro
On October 10, 2013	$500,000 *(paid)*	-	-
By October 10, 2014	$1,000,000	$1,500,000	-
By October 10, 2015	$2,000,000	$3,500,000	$500,000
By October 10, 2016	$13,000,000	$8,000,000	$500,000
On Formation of Operating Company			$21,500,000
Total	**$16,500,000**	**$13,000,000**	**$22,500,000**

The Operating Company may complete a Feasibility Study to NI43-101 standards on a best efforts basis by October 10, 2019 at Aurex's expense, at which point Coro will have the option of refunding 20% of the costs of the Feasibility Study, and thereby own 20% of the operating company, or will immediately dilute to a 2% NSR. If Coro elects to fund its 20% share of the Feasibility Study, the operating company shareholders will be responsible for all future costs on a pro-rata basis, or be subject to dilution.

General, Chile

General exploration activity in Chile includes property evaluation and other exploration costs. It also includes costs associated with the wholly owned Celeste, Gloria, Llancahue and Talca properties.

4 Mineral property interests

$000's	Berta	San Jorge[1]	Total
Balance – January 1, 2012	**-**	**27,115**	**27,115**
Engineering	-	112	112
Environmental	-	255	255
Geology	-	223	223
Misc. development costs	-	652	652
Property acquisition costs	-	1,250	1,250
Share-based compensation	-	217	217
Balance – December 31, 2012	**-**	**29,824**	**29,824**
Environmental	114	149	263
Geology	291	44	335
Misc. development costs	236	172	408
Property acquisition costs	500	313	813
Share-based compensation	19	27	46
Balance – September 30, 2013	**1,160**	**30,529**	**31,689**

[1] Included within mineral property interests is a Value Added Tax ("IVA") receivable in Argentina of $417,106 (December 2012: $511,000). Due to the uncertainty surrounding timing and collectability, the Company views the IVA as a cost of developing the San Jorge project.

4 Mineral property interests (continued)

Berta, Chile

The costs associated with the Berta project (note 3) prior to January 1, 2013 were being expensed.

San Jorge, Argentina:

The Amended San Jorge Purchase Agreement (October 2012) requires annual payments of $1.25 million (payable in quarterly installments), for 10 years, commencing on March 31, 2012 ($1.6 million paid –the June 30, 2013 remains unpaid as of the date of these financial statements. Coro has reached agreement in principle with Franco Nevada to defer the June 30 and September 30 2013 payments due for San Jorge.)

In addition a 7.5% NSR payable on all gold produced from the property. The annual payments are not payable when that payment is exceeded by the gold NSR payment. Coro may at any time, prepay the outstanding amount with a one-time payment equal to the net present value of the future payments, using a 5% discount rate. No other consideration, obligations, payments, or royalties are due, and Coro may withdraw from the Agreement at any time with no further obligation.

On August 24, 2011, the Provincial Legislature of Mendoza voted against ratifying the Company's EID that had been approved by the Provincial Government of Mendoza. As a result the Company has focused on an alternative development scenario involving construction of a processing facility in the neighboring province of San Juan.

5 Common shares

Authorized

The Company has an unlimited number of authorized common shares without par value.

Issued

In 2013, no options (2012: 25,000) and no warrants (2012: none) were exercised. No other shares were issued in 2013 or 2012.

Capital risk management

The Company considers its common shares and options as capital. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to explore and develop its projects for the benefit of its stakeholders.

6 Share stock options and warrants

Options

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined in accordance with the plan. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

(Expressed in U.S. dollars, except where indicated)

6 Share stock options and warrants (continued)

	September 30, 2013		December 31, 2012	
	Number of shares	Weighted average exercise price CA$	Number of shares	Weighted average exercise price CA$
Outstanding – January 1	11,793,333	0.60	7,728,333	0.74
Cancelled	(2,910,000)	1.45	-	-
Exercised	-	-	(25,000)	0.15
Expired	(108,333)	1.07	(196,667)	1.50
Forfeited	(108,334)	0.34	(58,333)	1.45
Granted	-	-	4,345,000	0.41
Outstanding	**8,666,666**	**0.31**	**11,793,333**	**0.60**

In June 2013, the option holders of 2,910,000 options priced at CA$1.45 agreed to have their options cancelled.

At September 30, 2013, the following stock options were outstanding:

	Number of options Outstanding	Number of options vested and exercisable	Exercise price CA$	Expiry Date
	3,033,333	3,033,333	0.15	2014
	425,000	325,000	0.22	2014
	455,000	455,000	0.52	2015
	550,000	366,667	0.39	2016
	4,053,333	2,809,999	0.41	2017
	150,000	-	0.25	2017
Total	**8,666,666**	**6,989,999**		

The majority of stock options vest over a two or three year period.

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense for options and the fair value for warrants:

	Warrants	Options
Risk-free interest rate	1.45%	0.47% to 2.39%
Expected life	1.25 years	2 to 3.5 years
Expected volatility	79%	90% to 115%
Expected dividend	0%	0%

For the three months ended September 30, 2013 total share-based compensation expense was $58,089 (2012: $282,252) of which $7,414 (2012: $45,002) was capitalized. For the nine months ended September 30, 2013 total share-based compensation expense was $405,925 (2012: $1,030,833) of which $45,698 (2012: $172,851) was capitalized.

6 Share stock options and warrants (continued)

Warrants

	2013		2012	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – beginning of year	-	-	2,777,777	0.65
Issued	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	(2,777,777)	(0.65)
Outstanding – end of period	-	-	-	-

At September 30, 2013, no warrants were outstanding.

7 Non-controlling interest

In May 2013, ProPipe (note 3) earned its initial 10% interest in the previously 100% owned subsidiary holding the Berta Property by making the June 2013 option payment due under the underlying option agreement (June 2013). As this change in ownership interest did not result in a loss of control of the subsidiary it is considered an equity transaction.

As a result, the Company recognized non-controlling interest of $80,236 as of June 30, 2013 being 10% of the net assets of SCM Berta as of that date and a credit of $419,764 has been recorded to retained earnings. As of the date of these financial statements the final definitive agreement has not yet been signed and therefore this accounting treatment is subject to final review and may change. Subsequent to period end, ProPipe earned a further 3% interest in SCM Berta by filing the EID (note 3).

8 Related party transactions

The Company considers the Executive Directors and Officers of the Company to be key management personnel.

$000's	**Three months ended Sept 30, 2013**	**Three months ended Sept 30, 2012**	**Nine months ended Sept 30, 2013**	**Nine months ended Sept 30, 2012**
Salaries and short-term employee benefits	237	263	756	779
Share-based payments	25	169	204	630
Total key management personnel	**262**	**432**	**960**	**1,409**

9 Geographic segmented information

The Company operates in a single operating segment, mineral exploration and development. The following table provides the geographic information.

$000's	Argentina	Canada	Chile	Total
September 30, 2013				
Loss (earnings) for the period	-	1,012	(824)	188
Non-current assets	31,085	2	1,203	32,290
Total assets	31,111	838	1,280	33,229
Total liabilities	36	54	139	229
December 31, 2012				
Loss for the year	276	2,065	6,632	8,973
Non-current assets	30,387	3	56	30,446
Total assets	30,377	1,977	244	32,598
Total liabilities	54	68	175	297

10 Commitments

The following table sets out the commitments of the Company as of September 30, 2013 and does not consider any subsequent events.

$000's	2013 (3 months)	2014	2015	2016	2017	Thereafter	Total
Operating leases	23	28	-	-		-	51
Property option payments[1]	**938**	**4,400**	**3,000**	**11,150**	**1,250**	**5,000**	**25,738**
San Jorge	938	1,250	1,250	1,250	1,250	5,000	10,938
Berta (note 3)	-	2,500	-	-	-	-	2,500
El Desesperado (note 12)	-	650	1,750	9,900	-	-	12,300
Payen (note 12)		*(not considered as payments are being made by Aurex (refer note 3))*					
Total	**961**	**4,428**	**3,000**	**11,150**	**1,250**	**5,000**	**25,789**

[1] Excludes royalty payments and net profit interests (refer to note 3 and 4).

11 Financial instruments

Financial instruments include cash and any contracts that give rise to a financial asset to one party and a financial liability or equity instrument to another party. As at September 30, 2013, the Company's carrying values of cash and cash equivalents, accounts receivable, and accounts payable approximate their fair values due to their short term to maturity.

11 Financial instruments (continued)

The three levels of the fair value hierarchy are:

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

At September 30, 2013, the Company's financial instruments measured at fair value on a recurring basis were the held-for-trading investment in Bearing shares (classified as "Level 1").

Credit Risk
Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies.

Currency Risk
The Company's significant subsidiaries are located in Chile and Argentina and the parent company is in Canada. As a result a portion of the Company's accounts receivable, accounts payable and accruals are denominated in the Chilean Peso, Argentine Peso and Canadian Dollars and are therefore subject to fluctuation in exchange rates.

As the Company's parent company functional currency is the Canadian dollar, a 100 basis point (one per cent) increase/ strengthening (decrease/ weakening) in the U.S. dollar at period end would have resulted in the net loss being $7,826 lower ($7,826 higher).

Interest Rate Risk
The Company was exposed to interest rate risk on cash and cash equivalents held as at June 30, 2013. A 100 basis point (1%) increase or decrease in the interest rate in 2013 would have resulted in approximately a $2,571 change in the Company's reported loss for the period ended September 30, 2013 based on average cash holdings during the period.

Liquidity Risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash equivalents to capital and operating needs. For further information related to liquidity refer to note 1.