

MAUDORE MINERALS LTD.

Consolidated Statements of Financial Position

(Unaudited, in Canadian dollars)

	September 30, 2014	December 31 2013
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	1,036,508	820,734
Restricted cash	-	3,316,161
Tax credits receivable	3,640,206	4,705,289
Accounts receivable	215,681	291,299
Sales tax receivable	357,405	197,653
Inventories	3,041,556	3,130,141
Prepaid expenses	446,958	463,589
	8,738,314	12,924,866
Non-current		
Reclamation deposit	1,880,084	1,880,084
Non-current portion of tax credits receivable	550,254	613,825
Exploration and evaluation assets	5,325,775	5,325,775
Property, plant and equipment	22,840	9,461,520
	7,778,953	17,281,204
Total assets	16,517,267	30,206,070
LIABILITIES		
Current		
Accounts payable and accrued liabilities	10,802,637	9,962,427
Credit facility	26,218,251	27,315,324
Senior secured loans	2,188,962	-
Royalty claim	4,139,201	-
Current portion of obligations under finance leases	1,991	185,407
	43,351,042	37,463,158
Non-current		
Obligations under finance leases	-	13,143
Mine restoration provision	5,216,893	6,232,912
Other liabilities	311,325	212,706
	5,528,218	6,458,761
Total liabilities	48,879,260	43,921,919
EQUITY		
Share capital	62,984,659	60,079,772
Contributed surplus	6,722,396	6,579,202
Warrants	1,050,803	1,050,803
Deficit	(100,508,227)	(81,425,626)
Equity attributable to shareholders of the parent Corporation	(29,750,369)	(13,715,849)
Non-controlling interest	(2,611,624)	-
Total equity	(32,361,993)	(13,715,849)
Total liabilities and equity	16,517,267	30,206,070

MAUDORE MINERALS LTD.

Consolidated Statements of Comprehensive Loss

(Unaudited, in Canadian dollars)

	For the three-month period ended September 30		For the nine-month period ended September 30	
	2014	2013	2014	2013
	\$	\$	\$	\$
		(restated)		(restated)
REVENUES	3,792,217	296,132	8,354,678	296,132
OPERATING EXPENSES				
Production costs	(3,082,329)	(427,461)	(12,529,788)	(650,271)
Care and maintenance Veza	(174,676)	-	(501,304)	-
Depreciation and amortization	(159,656)	(18,402)	(394,401)	(41,069)
Total mining operating expenses	(3,416,661)	(445,863)	(13,425,493)	(691,340)
Gain (loss) from mining operations	375,556	(149,731)	(5,070,815)	(395,208)
OTHER EXPENSES				
General and administrative expenses	(765,084)	(693,210)	(2,215,321)	(2,459,939)
Acquisition related expenses	-	14,727	-	(2,194,231)
Rights offering expenses	(4,342)	-	(48,264)	-
Debt restructuring expenses	(2,530,115)	-	(2,907,695)	-
Exploration and evaluation expenses	(51,830)	(192,183)	(119,985)	(674,115)
Gain (loss) on disposal of property, plant and equipment	156,016	-	170,516	(26,497)
Impairment of property, plant and equipment	(11,626,540)	225,597	(11,626,540)	(9,604,403)
Total other expenses	(14,821,895)	(645,069)	(16,747,289)	(14,959,185)
Loss from operations	(14,446,339)	(794,800)	(21,818,104)	(15,354,393)
OTHER EXPENSES (INCOME)				
Financial expenses	(1,513)	(1,127,969)	(25,201)	(2,746,550)
Fair value variation on credit facility and senior secured loans	(5,243,016)	-	(2,163,244)	-
Finance costs on mine restoration provision	(25,027)	(8,300)	(93,990)	(49,628)
Interest income	3,147	25,237	26,132	40,544
Loss before income taxes	(19,712,748)	(1,905,832)	(24,074,407)	(18,110,027)
Recovery (expense) of income and mining duty taxes	-	(233,878)	22,065	52,325
NET LOSS AND COMPREHENSIVE LOSS	(19,712,748)	(2,139,710)	(24,052,342)	(18,057,702)
Attributable to:				
Shareholders of the parent Corporation	(14,743,007)	(2,139,710)	(19,082,601)	(18,057,702)
Non-controlling interest	(4,969,741)	-	(4,969,741)	-
NET LOSS AND COMPREHENSIVE LOSS	(19,712,748)	(2,139,710)	(24,052,342)	(18,057,702)

MAUDORE MINERALS LTD.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-month period ended September 30, 2014

(Unaudited, in Canadian dollars)

	For the nine-month period ended September 30,	
	2014	2013
	\$	\$ (restated)
OPERATING ACTIVITIES		
Net loss	(24,052,344)	(18,057,702)
Adjustments:		
Recovery (expense) of income and mining duty taxes	2,550,448	(52,235)
Share-based compensation	143,194	-
Accrued interest related to term loans	-	(18,329)
Transaction costs related to term loans	-	861,446
Fair value variation on credit facility and senior secured loans	2,163,244	41,069
Credit facility restructuring	2,358,117	-
Depreciation and amortization	394,401	(14,518)
Loss (gain) on disposal of property, plant and equipment	(170,516)	26,497
Impairment of property, plant and equipment	11,626,540	9,604,403
Accretion on payables resulting from the acquisition of Aurbec Mines Inc.	19,079	36,530
Finance costs on mine restoration provision	(1,016,019)	49,628
Changes in working capital items	(1,627,585)	271,865
Net cash flows used in operating activities	(7,611,441)	(7,251,346)
INVESTING ACTIVITIES		
Acquisition of Aurbec Mines Inc.	(135,000)	(18,000,000)
Additions to exploration and evaluation assets	-	(96,286)
Additions to property, plant and equipment	(2,624,297)	(3,657,594)
Proceeds on disposal of property, plant and equipment	212,551	3,200
Mine restoration deposit	-	(1,880,084)
Bank indebtedness assumed following the acquisition of Aurbec Mines inc.	-	(179,169)
Tax credits received (paid)	1,183,007	1,130,276
Net cash flows used in investing activities	(1,363,739)	(22,679,957)
FINANCING		
Term loans structuring fees	5,950,707	(3,250,000)
Repayment of bank indebtedness	-	(107,451)
Issue of credit facility	-	22,000,000
Credit facility structuring fees	-	(1,040,859)
Transaction cost paid to FBC Holding S.à r.l.	-	-
Senior secured loans & Royalty claim	-	-
Cash removed from restricted status	3,316,161	-
Repayment of obligation under finance leases	(196,559)	(98,409)
Other liabilities	98,619	35,834
Issue of shares	-	15,506,250
Share issue expenses	22,026	(951,200)
Net cash flows from financing activities	9,190,954	32,094,165
Net change in cash and cash equivalents	215,774	2,163,072
Cash and cash equivalents, beginning of the period	820,734	3,126,129
Cash, end of the period	1,036,508	5,289,201