STRONGBOW EXPLORATION INC.

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

APRIL 30, 2013

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

Reader’s Note:

These consolidated condensed interim financial statements of Strongbow Exploration Inc. (“Strongbow”) for the three months ended April 30, 2013 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.

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	April 30, 2013	January 31, 2013
ASSETS		
Current		
Cash	$ 70,954	$ 167,495
Marketable securities (Note 3)	12,700	13,525
Receivables (Note 4)	57,770	55,250
Prepaid expenses	17,561	33,389
	158,985	269,659
Investment (Note 3)	70,490	120,490
Deposits	10,945	10,945
Equipment (Note 6)	18,024	19,486
Exploration and evaluation assets (Note 7)	3,298,717	3,345,945
	$ 3,557,161	$ 3,766,525
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 39,658	$ 74,380
Asset retirement obligation (Note 10)	83,371	81,170
	123,029	155,550
CAPITAL AND RESERVES		
Capital stock (Note 8)	26,415,443	26,415,443
Share-based payment reserve (Note 8)	4,095,128	4,095,128
Investment revaluation reserve	(825)	-
Deficit	(27,075,614)	(26,899,596)
	3,434,132	3,610,975
	$ 3,557,161	$ 3,766,525

Nature and Continuance of Operations and Going Concern Assumption (Note 1)
Commitments (Note 12)

Approved and authorized on behalf of the Board on June 27, 2013:

"D. Grenville Thomas" Director   *"Kenneth A. Armstrong"* Director

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED APRIL 30
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	2013	2012
EXPENSES		
Accretion	$ 225	$ -
Advertising and promotion	16,154	32,100
Depreciation (Note 6)	1,462	1,641
Insurance	8,256	11,515
Office, miscellaneous and rent	17,421	23,476
Professional fees	4,932	21,165
Generative exploration costs	11,467	21,007
Regulatory and filing fees	7,815	7,715
Salaries and benefits	27,758	49,789
Share-based compensation (Note 8)	-	58,924
Loss before other items	(95,490)	(227,332)
OTHER ITEMS		
Foreign exchange loss	(689)	(1,517)
Loss on sale of investments (Note 3)	(9,430)	-
Interest income	-	219
Cost recovery	1,200	-
Write-off of exploration and evaluation assets (Note 7)	(71,609)	(2,019)
	(80,528)	(3,317)
Loss for the period	(176,018)	(230,649)
Unrealized loss on marketable securities	(825)	(240,631)
Comprehensive loss for the period	$ (176,843)	$ (471,280)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	91,077,163	87,301,832

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED APRIL 30
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (176,018)	$ (230,649)
Items not involving cash:		
Accretion	225	-
Depreciation	1,462	1,641
Generative exploration costs	1,976	-
Loss on sale of investments	9,430	-
Share-based compensation	-	58,924
Write-off of exploration and evaluation assets	71,609	2,019
Changes in non-cash working capital items:		
Increase in receivables	(2,520)	(665)
Decrease in prepaid expenses	15,828	18,769
Increase (decrease) in accounts payable and accrued liabilities	(34,226)	30,125
Net cash used in operating activities	(112,234)	(119,836)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in deposits	-	(5,665)
Expenditures on exploration and evaluation assets	(24,877)	(125,461)
Recoveries on exploration and evaluation assets	-	25,000
Proceeds from sale of marketable securities	40,570	-
Net cash provided by (used in) investing activities	15,693	(106,126)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of capital stock	-	1,157,000
Share issue costs	-	(12,772)
Net cash provided by financing activities	-	1,144,228
Change in cash during the period	(96,541)	918,266
Cash beginning of period	167,495	186,209
Cash end of period	$ 70,954	$ 1,104,475
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for income taxes	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 11)

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

STRONGBOW EXPLORATION INC.
CONSOLIDATED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
APRIL 30, 2013
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Capital Stock		Reserves			
	Number of shares	Amount	Share-based payment reserve	Investment revaluation reserve	Deficit	Total
Balance at January 31, 2012	81,995,963	$ 25,280,132	$ 3,983,741	$ 355,870	$ (15,011,193)	$ 14,608,550
Shares issued for cash – private placement	8,900,000	1,157,000	-	-	-	1,157,000
Shares issued for cash – finder's units	181,200	23,556	8,918	-	-	32,474
Share issue costs	-	(45,245)	-	-	-	(45,245)
Share-based compensation	-	-	58,924	-	-	58,924
Unrealized loss on marketable securities and investments	-	-	-	(240,631)	-	(240,631)
Loss for the period	-	-	-	-	(230,649)	(230,649)
Balance at April 30, 2012	**91,077,163**	**26,415,443**	**$ 4,051,583**	**$ 115,239**	**$ (15,241,842)**	**$ 15,340,423**
Balance at January 31, 2013	91,077,163	$ 26,415,443	$ 4,095,128	$ -	$ (26,899,596)	$ 3,610,975
Unrealized loss on marketable securities and investments	-	-	-	(825)	-	(825)
Loss for the period	-	-	-	-	(176,018)	(176,018)
Balance at April 30, 2013	**91,077,163**	**$ 26,415,443**	**$ 4,095,128**	**$ (825)**	**$ (27,075,614)**	**$ 3,434,132**

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

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN ASSUMPTION

Strongbow Exploration Inc. (the "Company") is incorporated federally under the laws of the Canada Business Corporations Act ("CBCA").

The consolidated condensed interim financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company. The Company trades on the TSX Venture Exchange, (TSXV – SBW) and its head office is located at Suite 860 – 625 Howe Street, Vancouver, BC, Canada V6C 2T6.

The Company's principal business activity is the acquisition and exploration of exploration and evaluation assets. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

The Company is in the process of acquiring and exploring its exploration and evaluation assets and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the financing necessary to complete the development of its exploration and evaluation assets and upon future profitable production.

These consolidated condensed interim financial statements have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company and further exploration on the remaining exploration and evaluation assets is dependent on the Company's ability to complete additional equity financings or generate profitable operations in the future. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated condensed interim financial statements have been prepared on a historical basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of June 27, 2013, the date the Board of Directors approved the statements.

New Accounting Standards

The following new standards, amendments and interpretations have not been early adopted in these consolidated financial statements. The Company has adopted the following new standards for the fiscal period beginning after January 1, 2013:

2. BASIS OF PRESENTATION – *Continued*

New Accounting Standards – *Continued*

IFRS 9 *Financial instruments*, was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in International Accounting Standard (“IAS 39”), Financial instruments – Recognition and Measurement, for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added to IFRS 9 in October 2010 and they largely carried forward existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. This standard is effective for all annual periods beginning on or after January 1, 2015. The Company is currently evaluating the effect of adopting this standard.

IFRS 10 *Consolidated financial statements* requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 *Consolidation—special purpose entities* and parts of IAS 27 *Consolidated and separate financial statements*. This standard is effective for all annual periods beginning on or after January 1, 2013. The adoption of this standard has not impacted the Company’s financial statements.

IFRS 11 *Joint arrangements* requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in joint ventures*, and SIC-13, *Jointly controlled entities—non-monetary contributions by venturers*. This standard is effective for all annual periods beginning on or after January 1, 2013. The adoption of this standard has not impacted the Company’s financial statements.

IFRS 12 *Disclosure of interests in other entities* establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity’s interests in other entities. This standard is effective for all annual periods beginning on or after January 1, 2013. The adoption of this standard has not impacted the Company’s financial statements.

IFRS 13 *Fair value measurement* is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is 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. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. This standard is effective for all annual periods beginning on or after January 1, 2013. The adoption of this standard has not impacted the Company’s financial statements.

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION – *Continued*

New Accounting Standards – *Continued*

IAS 28 *Investment in associates*, was amended to include joint ventures in its scope and to address the changes in IFRS 10 to 13. This amendment is effective for annual periods beginning on or after January 1, 2013. The adoption of this standard has not impacted the Company's financial statements.

IAS 32 *Financial instruments: presentation*, was amended to address inconsistencies in current practice when applying the offsetting criteria in IAS 32. Under this amendment, the meaning of "currently has a legally enforceable right of set-off" was clarified as well as providing clarification that some gross settlement systems may be considered equivalent to net settlement. This amendment is effective for annual periods beginning on or after January 1, 2014. The Company is presently evaluating the effect of adopting this standard.

3. MARKETABLE SECURITIES AND INVESTMENTS

a) Marketable Securities

	April 30, 2013			January 31, 2013		
	Cost	**Unrealized Loss***	**Fair Market Value**	Cost	Reversal of Previous Unrealized Losses and Permanent loss*	Fair Market Value
Various public companies	**$ 13,525**	**$ (825)**	**$ 12,700**	$ 51,500	$ (37,975)	$ 13,525

*before deferred taxes

During the year ended January 31, 2013, the Company wrote-down its marketable securities by $37,975 to an estimated net realizable value of $13,525, since the decline in the fair value of the marketable securities was deemed to be other than temporary.

(Expressed in Canadian dollars)

3. MARKETABLE SECURITIES AND INVESTMENTS – *Continued*

b) Investment in North Arrow Minerals Inc. ("North Arrow")

	April 30, 2013			January 31, 2013		
	Cost	**Unrealized Gain***	**Fair Market Value**	Cost	Reversal of Previous Unrealized Losses and Permanent loss *	Fair Market Value
Investment in North Arrow	**$ 70,490**	**$ -**	**$ 70,490**	$ 240,979	$ (120,489)	$ 120,490

*before deferred taxes

North Arrow and the Company are related by virtue of two common directors. During the period ended April 30, 2013 the Company received gross proceeds of $40,570 from the sale of its investment in North Arrow and recognized a loss of $9,430 from the sale. During the year ended January 31, 2013, the Company wrote-down its investment in North Arrow by $120,489 to an estimated net realizable value of $120,490, since the decline in the fair value of the investments was deemed to be other than temporary.

4. RECEIVABLES

	April 30, 2013	January 31, 2013
HST/GST receivables	**$ 3,785**	$ 3,735
Trade receivables	**7,091**	-
Mineral exploration tax credit receivable	**-**	11,274
Related party receivables	**46,894**	40,241
Total	**$ 57,770**	$ 55,250

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	April 30, 2013	January 31, 2013
Trade payables	**$ 34,883**	$ 10,604
Accrued liabilities	**4,775**	63,776
Total	**$ 39,658**	$ 74,380

(Expressed in Canadian dollars)

6. EQUIPMENT

	Furniture and Equipment	Computer Equipment	Software	Leasehold Improvements	Total
Cost					
As at January 31, 2012	$ 43,041	$ 108,706	$ 42,532	$ 33,912	$ 228,191
Additions	-	14,787	-	-	14,787
Disposals	(43,041)	(74,905)	(42,532)	(33,912)	(194,390)
As at January 31, 2013 and April 30, 2013	**$ -**	**$ 48,588**	**$ -**	**$ -**	**$ 48,588**
Accumulated Depreciation					
As at January 31, 2012	(38,374)	(91,380)	(42,532)	(32,180)	(204,466)
Charge for the year	(933)	(7,416)	-	(433)	(8,782)
Disposals	39,307	69,694	42,532	32,613	184,146
As at January 31, 2013	$ -	$ (29,102)	$ -	$ -	$ (29,102)
Charge for the period	-	(1,462)	-	-	(1,462)
As at April 30, 2013	**$ -**	**$ (30,564)**	**$ -**	**$ -**	**$ (30,564)**
Net book value					
As at January 31, 2013	$ -	$ 19,486	$ -	$ -	$ 19,486
As at April 30, 2013	**$ -**	**$ 18,024**	**$ -**	**$ -**	**$ 18,024**

During the year ended January 31, 2013, the Company reduced its leased office space and disposed of furniture and equipment and a portion of its computer equipment. The Company recognized a loss on the disposal of equipment of $10,244 for the year ended January 31, 2013.

(Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS

	January 31, 2013	Expended During The Period	Write-off of Costs and Recoveries	**April 30, 2013**
Gold and Base Metal Properties, British Columbia				
Exploration costs	$ 51,405	$ -	$ -	**$ 51,405**
Acquisition costs	44,467	-	-	**44,467**
Geological and assays	66,942	-	-	**66,942**
Office and salaries	452,023	4,020	-	**456,043**
	614,837	4,020	-	**618,857**
Gold and Base Metal Properties, USA				
Exploration costs	992,014	2,346	-	**994,360**
Acquisition costs	832,166	51	(71,609)	**760,608**
Geological and assays	152,172	-	-	**152,172**
Office and salaries	754,756	17,964	-	**772,720**
	2,731,108	20,361	(71,609)	**2,679,860**
TOTAL	$ 3,345,945	$ 24,381	$ (71,609)	**$ 3,298,717**

During the three months ended April 30, 2013, the Company wrote-off $71,609 (April 30, 2012 - $2,019) relating to certain properties and recorded the receipt of a cash option payment of $Nil (April 30, 2012 - $25,000).

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing.

Gold and Base Metal Properties, British Columbia

The Company maintains interests in various gold and base metal properties in B.C. in addition to the properties described below.

Shovelnose Property

The Company acquired, by staking, a 100% interest in certain mineral claims comprising the Shovelnose property in October 2005. The Company expanded the Shovelnose property by staking additional mineral claims in November 2008.

In January 2011, the Company signed an option agreement with Westhaven Ventures Inc. (“Westhaven”), whereby Westhaven can earn up to a 70% interest in the Shovelnose property. A director of the Company is also a director of Westhaven. Under the terms of the option agreement, Westhaven can earn an initial 51% interest in the Shovelnose property by i) incurring $1.5 million in exploration expenditures over a three year period, including a firm commitment to spend $250,000 in the first year of the agreement (completed), and ii) issuing a total of 300,000 common shares to Strongbow (100,000 common shares with a fair value of $9,500 received in July 2012 and 100,000 common shares with a fair value of $35,000 received in July 2011 and 100,000 common shares received subsequent to the period ended April 30, 2013). Within twelve months of having earned its 51% interest in the property, Westhaven will have the option to earn an additional 19% interest (bringing its total property interest to 70%) by i) issuing an additional 500,000 shares to the Company and ii) incurring an additional $1.5 million in exploration expenditures.

7. EXPLORATION AND EVALUATION ASSETS – *Continued*

Gold and Base Metal Properties, Northwest Territories and Nunavut

The Company maintains interests in various gold and base metal properties in the Northwest Territories and Nunavut in addition to the properties described below.

Opescal Lake, NWT

The Company acquired, by staking, a 100% interest in certain mineral claims forming part of the Company's Snowbird nickel project, in December 2006. The Company wrote off accumulated expenditures of $358,211 during the year-ended January 31, 2013 due to limited exploration activities over the preceding three fiscal years. The Company retains its interest in the underlying mineral claims for the Opescal Lake, NWT property.

Nickel King Project, NWT

The Company holds a 100% interest in a number of mineral claims and mining leases in the southern Northwest Territories. Certain of these mining leases are subject to a 3% NSR on base and precious metals production and an additional 2% gross overriding royalty ("GOR"). The Company may purchase the entire NSR at any time for $1,500,000 and the Company may purchase one-half (1%) of the GOR at any time for $2,500,000. The Company wrote off accumulated expenditures of $8,611,542 during the year-ended January 31, 2013 due to limited exploration activities over the preceding three fiscal years. The Company is retaining its interest in the underlying mineral claims and mining leases for the Nickel King Project.

Other Exploration and Generative Exploration, Canada

Other Properties

The Company maintains a number of mineral claims and permits in British Columbia, Saskatchewan, and the Northwest Territories, as part of the Company's ongoing generative exploration programs.

Gold Properties, USA

Midway Gold Project, South Carolina, USA

Between July 2010 and September 2011, the Company entered into thirty-one property option agreements with private land owners in South Carolina (the "Midway Gold project"). The terms of the option agreements include certain annual cash payments to the landowners. If the option agreement is exercised by the Company, the Company will either purchase each property or enter into a long term mining lease with the property owner. The properties will be subject to a gross overriding royalty to the current land owners. During the year-ended January 31, 2013, the Company allowed ten of the property option agreements to lapse, and as a result wrote off accumulated expenditures of $221,003. Included in this amount are acquisition costs related to an additional property option agreement was relinquished during the period ended April 30, 2013.

To maintain the property option agreements in good standing, the Company must make the following payments to landowners over the next four years (all amounts in US Dollars):

Fiscal 2015 - $308,208
Fiscal 2016 - $322,097
Fiscal 2017 - $211,178
Fiscal 2018 - $167,260

7. EXPLORATION AND EVALUATION ASSETS – *Continued*

Ridgeway, South Carolina, USA

Between June 2011 and June 2012, the Company entered into ten property option agreements with private landowners to explore eighteen properties in South Carolina, USA. The terms of the option agreements include certain annual cash payments and, upon exercising an option, the Company may purchase each property or enter into a long-term mining lease. The properties are subject to a gross overriding royalty to the current landowners. During the period ended April 30, 2013, the Company allowed nine of the property option agreements to lapse, and as a result wrote off accumulated expenditures of $71,609. Included in this amount are acquisition costs related to an additional property option agreement was relinquished subsequent to April 30, 2013.

To maintain the property option agreements in good standing, the Company must make the following payments to landowners over the next two years (all amounts in US Dollars):

Fiscal 2015 - $90,125
Fiscal 2016 - $90,125

8. CAPITAL AND RESERVES

Authorized Share Capital

At April 30, 2013, the authorized share capital is an unlimited number of common shares without par value. All issued shares are fully paid.

Share issuances

There were no share issuances for the period ended April 30, 2013.

Stock options and warrants

In June 2013, the Company's shareholders approved the Company's Stock Option Plan (the "Plan"), which establishes a rolling number of shares issuable under the plan in the amount of 10% of the Company's issued shares at the date of grant.

Under the terms of the Plan, the exercise price of each stock option granted cannot be less than the market price at the date of grant, less a discount up to 25% in accordance with the policies of the TSX-V. Options granted can have a term up to five years with vesting provisions determined by the directors in accordance with TSX-V policies for Tier 2 Issuers. Typically, the Company has granted stock options at or above the market price on the grant date, with a vesting period of 25% at the date of grant and 25% every six months thereafter.

As at April 30, 2013 the following stock options and warrants were outstanding:

	Number of Shares		Exercise Price	Number Vested	Expiry Date
Options	1,525,000	$	0.17	1,525,000	July 26, 2014
	1,735,000		0.20	1,735,000	September 23, 2015
	70,000		0.42	70,000	December 22, 2015
	1,670,000		0.55	1,670,000	April 29, 2016
Warrants	8,900,000	$	0.20	8,900,000	September 9, 2013
	181,200		0.20	181,200	September 9, 2013

(Expressed in Canadian dollars)

8. CAPITAL AND RESERVES – *Continued*

Stock options and warrants – *Continued*

Stock option transactions are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, January 31, 2013	5,115,000	$	0.31
Cancelled/Expired	(115,000)		0.12
Balance, April 30, 2013	5,000,000		0.31
Number of options currently exercisable as at April 30, 2013	5,115,000	$	0.31

Warrant transactions are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, January 31, 2013 and April 30, 2013	9,081,200	$	0.20

Share-based compensation

During the period ended April 30, 2013 and April 30, 2012, the Company granted no stock options. Total share-based compensation recognized during the three months ended April 30, 2013 was $Nil (April 30, 2012 - $58,924).

(Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties not disclosed elsewhere in these financial statements:

a) Charged rent and technical services of $8,188 (April 30, 2012 - $10,383) to North Arrow, a company with two common directors.

b) Charged administrative and technical services of $15,144 (April 30, 2012 - $5,338) to Stornoway Diamond Corporation ("Stornoway"), a company with a common officer and former director.

c) Paid or accrued administrative and accounting services of $2,870 (April 30, 2012 - $11,915) to Stornoway.

Included in receivables are amounts due from North Arrow totaling $41,010 (January 31, 2013 - $35,241) for reimbursement of exploration expenditures and shared administrative expenses paid by the Company on North Arrow's behalf.

Included in receivables are amounts due from Stornoway totaling $5,884 (January 31, 2013 - $5,001) for reimbursement of exploration and administrative costs paid by the Company on Stornoway's behalf.

Key management includes the Company's directors and officers. Compensation awarded to key management during the three months ended April 30, 2013 and 2012 were as follows:

	Three Months Ended April 30, 2013	Three Months Ended April 30, 2012
Salaries and benefits[1]	**$ 54,569**	$ 74,338
Total	**$ 54,569**	$ 74,338

1 – When key management is working specifically on exploration and evaluation assets their time is capitalized against the exploration and evaluation asset.

10. ASSET RETIREMENT OBLIGATION

	Three Months Ended April 30, 2013	Year Ended January 31, 2013
Balance – beginning of the year	**$ 81,170**	$ -
Asset retirement obligation	**-**	81,170
Accretion	**225**	-
Change in estimate	**1,976**	-
Balance – end of the period	**$ 83,371**	$ 81,170

The Company has recorded an asset retirement obligation, which reflects the present value of the estimated amount of undiscounted cash flow required to satisfy the asset retirement obligation in respect of the Nickel King property in Northwest Territories. The primary component of this obligation is the removal of fuel drums and camp materials. The pre-tax market based discount rate at which the estimated cash flows have been discounted to arrive at the obligation is 1.11%. The undiscounted amount of inflation-adjusted estimated future cash flows is $86,815.

(Expressed in Canadian dollars)

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The Company did not have any significant non-cash transactions for the three months ended April 30, 2013.

The significant non-cash transactions for the three months ended April 30, 2012 were:

a) The Company incurring mineral property expenditures of $20,572 that are included in accounts payable and accrued liabilities.

b) The Company has included mineral property recoveries of $8,007 in receivables.

12. COMMITMENTS

The Company is committed to minimum future lease payments for office premises and leased office equipment through to May 31, 2017 as follows:

Fiscal year ending January 31, 2015	$ 4,250
Fiscal year ending January 31, 2016	$ 4,250
Fiscal year ending January 31, 2017	$ 3,899
Fiscal year ending January 31, 2018	$ 975

The Company's lease costs may be reduced due to recoveries through sub-leases.

13. SEGMENTED INFORMATION

The Company operates in one business segment being the exploration of exploration and evaluation assets in Canada and the United States as follows:

	April 30, 2013			January 31, 2013		
	Canada	**United States**	**Total**	Canada	United States	Total
Exploration and evaluation assets	**$ 618,857**	**$ 2,679,860**	**$ 3,298,717**	$ 614,837	$ 2,731,108	$ 3,345,945
Equipment	**18,024**	**-**	**18,024**	19,486	-	19,486
	$ 636,881	**$ 2,679,860**	**$ 3,316,741**	$ 634,323	$ 2,731,108	$ 3,365,431