YORBEAU RESOURCES INC.

Condensed Interim Financial Statements
(Unaudited and not reviewed by the Company's independent auditors)
For the period ended
September 30, 2013

Yorbeau Resources Inc.
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YORBEAU RESOURCES INC.

Condensed Interim Statements of Financial Position
(Unaudited)

	September 30 2013 $	December 31 2012 $
Assets		
Current assets		
Cash and cash equivalents (Note 4)	**61,606**	60,538
Current tax and other receivables (Note 5)	**131,451**	161,654
Prepaid expenses	**16,025**	50,814
	209,082	273,006
Non-current assets		
Mining properties and exploration and evaluation assets (Note 7)	**18,461,674**	18,262,292
	18,670,756	18,535,298
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities (Note 8)	**336,539**	528,679
Due to a director (Note 15)	**250,000**	-
Short-term loan (Note 9)	**500,000**	-
Gold Fields pre-payment (Note 6)	**297,788**	-
	1,384,327	528,679
Shareholders' Equity		
Share capital and warrants (Note 10)	**42,016,618**	42,016,618
Contributed surplus	**2,335,991**	2,158,866
Deficit	**(27,066,180)**	(26,168,865)
	17,286,429	18,006,619
	18,670,756	18,535,298

Commitments and contingencies (Note 13)

See accompanying notes to financial statements

YORBEAU RESOURCES INC.

Condensed Interim Statements of Comprehensive Loss
(Unaudited)

	For three months ended September 30		For nine months ended September 30	
	2013	2012	**2013**	2012
	$	$	**$**	$
Revenues				
Management fees	**15,989**	-	**15,989**	-
Rental of facilities	**24,000**	-	**24,000**	-
Other revenue related to flow-through shares	**-**	52,728	**-**	193,722
	39,989	52,728	**39,989**	193,722
Expenses				
Administrative charges (Note 14)	**197,622**	227,701	**709,507**	745,634
Share-based payments	**88,139**	81,351	**177,125**	221,637
Property maintenance	**(323)**	1,918	**3,712**	4,798
	285,438	310,970	**890,344**	972,069
Interest income	**-**	(654)	**(10)**	(3,510)
Interest expense	**23,792**	-	**39,885**	-
Net interest expense (income)	**23,792**	(654)	**39,875**	(3,510)
Loss and comprehensive loss for the period	**(269,241)**	(257,588)	**(890,230)**	(774,837)
Net loss per share, basic and diluted	**(0.01)**	(0.01)	**(0.01)**	(0.01)
Weighted average number of shares outstanding	**174,385,206**	174,378,951	**174,385,206**	174,378,951

See accompanying notes to financial statements.

YORBEAU RESOURCES INC.

Condensed Interim Statements of Changes in Cash Flows
(Unaudited)

	For nine months ended September 30 2013 $	For nine months ended September 30 2012 $
Cash flows from operating activities		
Loss and comprehensive loss for the period	**(890,230)**	(774,837)
Adjustments for:		
Share-based payments	**177,125**	221,637
Other revenue related to flow-through shares	**-**	(193,722)
Interest income	**(10)**	(3,510)
Working capital adjustments		
Change in current tax and other receivables	**89,761**	11,123
Change in prepaid expenses	**34,789**	38,988
Change in accounts payable and accrued liabilities	**(192,140)**	(135,377)
Interest received	**10**	3,510
Net cash used in operating activities	**(780,695)**	(832,188)
Cash flows from investing activities		
Additions to mining properties and exploration and evaluation assets	**(308,961)**	(1,409,804)
Credit on mining duties and resource tax credits	**50,021**	954,086
Net cash used in investing activities	**(258,940)**	(455,718)
Cash flows from financing activities		
Proceeds from issuance of shares	**-**	2,667
Share issue expenses	**(7,085)**	(6,903)
Increase in due to directors	**375,000**	-
Decrease in due to directors	**(125,000)**	-
Short-term loan	**500,000**	-
Gold Fields prepayment	**297,788**	-
Net cash from financing activities	**1,040,703**	(4,236)
Net increase (decrease) in cash and cash equivalents	**1,068**	(1,292,142)
Cash and cash equivalents, beginning of year	**60,538**	1,906,781
Cash and cash equivalents, end of period	**61,606**	614,639

See accompanying notes to financial statements.

YORBEAU RESOURCES INC.

Condensed Interim Statements of Changes in Equity
(Unaudited)

	For nine months ended September 30 2013 $	For nine months ended September 30 2012 $
Share Capital		
Balance beginning of year	**42,016,618**	42,012,118
Issue of common shares	**-**	4,500
Balance end of the period	**42,016,618**	42,016,618
Contributed Surplus		
Balance beginning of year	**2,158,866**	1,860,773
Share-based payments to employees	**153,511**	221,637
Share-based payments with respect to investor relations	**23,614**	-
Options exercised	**-**	(1,833)
Balance end of the period	**2,335,991**	2,080,577
Deficit		
Balance beginning of year	**(26,168,865)**	(25,147,314)
Total comprehensive loss for the period	**(890,230)**	(774,837)
Share issue expenses	**(7,085)**	(6,903)
Balance end of the period	**(27,066,180)**	(25,929,054)
Total shareholders' equity end of the period	**17,286,429**	18,168,141

See accompanying notes to financial statements.

1. Reporting Entity and going concern:

Yorbeau Resources Inc. ("Yorbeau" or the "Company") is a company domiciled in Canada and incorporated under the laws of the Province of Québec. The address of the Company's registered office is 110 Crémazie Boulevard, Suite 430, Montréal, Québec.

The Company is involved in the exploration of mineral properties in the Province of Québec. Although the Company has taken steps to verify title to mineral properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

The financial statements have been prepared on a going concern basis, which assumes the Company will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business.

The Company is in the process of exploring and evaluating its mineral properties and projects and has not yet determined whether its properties and projects contain ore reserves that are economically recoverable. Except for accessory revenues earned from management fees and rental of facilities, operating activities have not yet generated any revenue. The ability of the Company to meet its commitments as they become payable, including the acquisition of mineral properties and the development of projects, is dependent on its ability to obtain necessary financing. The recoverability of amounts shown for mining properties and exploration and evaluation assets is dependent upon the ability of the Company to obtain necessary financing to complete the exploration and development thereof, and upon future profitable production or proceeds from the disposal of properties. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The financial statements do not reflect adjustments that would be necessary to the carrying values of assets and liabilities if the going concern basis of accounting was not appropriate.

2. Statement of compliance:

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), including IAS 34, *Interim Financial Reporting.*

3. Basis of preparation and significant accounting policies:

Except for the additional significant accounting policy and the new accounting standards presented below, the basis of preparation, including the use of estimates and judgments, and significant accounting policies are unchanged compared to the ones disclosed in the audited annual financial statements for the year ended December 31, 2012.

Revenue Recognition:

Revenues from management fees and the rental of facilities are recognized when earned and realized.

New accounting standards

The following new standards, and amendments to standards and interpretations have been applied in preparing the condensed interim financial statements as at September 30, 2013. The adoption of these new standards has not had a material impact on the financial statements.

IFRS 11, Joint Arrangements

IFRS 11 replaces the guidance in IAS 31, *Interests in Joint Ventures*.

Under IFRS 11, joint arrangements are now classified as either joint operations or joint ventures, depending upon the rights and obligations of the parties to the arrangement. IFRS 11 essentially carves out of previous jointly controlled entities, those arrangements for which, although structured through a separate vehicle, such separation is ineffective and the parties to the arrangement have direct and primary rights to the assets and obligations for the liabilities. Such arrangements are accounted for as joint operations in a fashion consistent with jointly controlled assets/operations under IAS 31. In addition, under IFRS 11, joint ventures are stripped of the free choice of equity accounting or proportionate consolidation; these entities must now use the equity method.

IFRS 12, Disclosure of Interests in Other Entities

As part of its new suite of consolidation and related standards, the IASB issued IFRS 12, Disclosure of Interests in Other Entities, effective for annual periods beginning on or after January 1, 2013, to replace the existing disclosure requirements for entities that have interests in subsidiaries, joint arrangements (i.e., joint operations or joint ventures), and associates.

IFRS 13, Fair Value Measurement

IFRS 13 replaces the fair value measurement guidance contained in individual IFRS with a single source of fair value measurement guidance. It 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, i.e. an exit price. The standard also establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements to provide information that enables financial statement users to assess the methods and inputs used to develop fair value measurements and, for recurring fair value measurements that use significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income.

3. Basis of preparation and significant accounting policies (continued):

New accounting standards (continued)

IFRS 13, Fair Value Measurement (continued)

IFRS 13 explains "how" to measure fair value when it is required or permitted by other IFRS. IFRS 13 does not introduce new requirements to measure assets or liabilities at fair value, nor does it eliminate the practicability exceptions to fair value measurements that currently exist in certain standards.

4. Cash and cash equivalents:

		September 30 2013		December 31 2012
Bank balances	$	61,606	$	60,538

5. Current tax and other receivables:

		September 30 2013		December 31 2012
Sales taxes	$	6	$	97 696
Tax credits for resources		95,386		50 000
Exploration credits on mining duties		21,172		7,000
Others		14,887		6,958
Current tax and other receivables	$	131,451	$	161,654

6. Option and joint venture agreement with Gold Fields Sudbury Exploration Corp.:

On June 26, 2013, the Company entered into an option and joint venture agreement with Gold Fields Sudbury Exploration Corp., a 100% indirect subsidiary of Gold Fields Limited ("Gold Fields") pursuant to which the Company granted to Gold Fields an option to earn a 51% interest in the Rouyn property. In order to exercise the option, Gold Fields is required to fund $19 million in exploration and development expenditures of which $4 million is a firm commitment to be spent prior to December 31, 2014. Gold Fields is also required to participate in three private placements for securities of the Company ranging from at least $3 million and up to a maximum of $6 million. Gold Fields will subscribe for units of the Company, each unit to consist of one common share and one-half of a purchase warrant, the units to be priced at the greater of $0.30 or a 10% premium to market. Each whole purchase warrant will entitle Gold Fields to acquire an additional common share at an exercise price equal to 110% of the unit cost.

Upon vesting a 51% interest in the Rouyn property, Gold Fields has a further option to increase its interest to 70% by incurring an additional $15 million of exploration and development expenditures over three years.

6. Option and joint venture agreement with Gold Fields Sudbury Exploration Corp. (continued):

In recognition of the value of the mining infrastructure currently existing on the Rouyn property, the option and joint venture agreement also provides the Company with an infrastructure credit in lieu of Yorbeau's future cash contributions to the joint venture. Accordingly, once the option or further option is exercised and the resulting joint venture is formed (either 51%-49% or 70%-30%), Gold Fields will be required to solely fund the joint venture until such time as the total cumulative exploration and development expenditures incurred by Gold Fields shall correspond to an amount of $40 million deemed to have been incurred by Yorbeau. In addition to the foregoing, in the case of a 70%-30% joint venture and where the expenditure by Gold Fields is in respect of development expense, Gold Fields will solely fund an additional amount of $20 million.

As part of the $19 million in exploration and development expenditures required to be spent by Gold Fields in order to earn the 51% interest in the Rouyn property, Yorbeau is entitled to receive cash pre-payments of $1 million in respect of services and equipment to be provided to Gold Fields. $500,000 was received on June 26, 2013 and the balance of $500,000 is due March 2014.

7. Mining properties and exploration and evaluation assets:

Mining properties and exploration and evaluation assets, which relate to the Rouyn property as well as the Beschefer property, are as follows:

	September 30, 2013		December 31, 2012	
	Rouyn	Beschefer	Rouyn	Beschefer
Balance, beginning of year	$ 18,190,550	71,742	$ 16,325,510	71,742
Additions	308,961	-	1,999,619	-
Mining and resource tax credits	(109,579)	-	(134,579)	-
Balance, end of period	$ 18,389,932	71,742	$ 18,190,550	71,742

(a) Rouyn Property:

Yorbeau owns 100% interest in the Rouyn property which is located in the Rouyn and Beauchastel Townships, Quebec. The Rouyn property is composed of one mining lease, one mining concession and a group of 90 mining claims. Twelve of these mining claims are subject to a $50,000 per annum royalty payable to Société Minière Alta Inc., a company controlled by a director of Yorbeau.

7. Mining properties and exploration and evaluation assets (continued):

(b) Beschefer property:

In 2002, Yorbeau entered into an agreement with Explorers Alliance Corporation ("Explorers"), pursuant to which Yorbeau acquired from Explorers an 80% interest in 149 staked mining claims in consideration of the issuance to Explorers of 350,000 Class A common shares of Yorbeau. In 2005, Yorbeau abandoned 12 of these claims. The Company also has the option to acquire, at any time, the remaining 20% interest held by Explorers in the property in consideration of either a cash payment of $500,000 or the issuance to Explorers of 1,800,000 additional Class A common shares of Yorbeau, at the option of Explorers. Yorbeau also owns a 100% interest in 120 staked claims located in the Beschefer Township. The 257 staked claims which form the Beschefer property were converted in July 2012 into an aggregate of 115 map designated claims. Yorbeau owns a 100% interest in 50 of these claims and an 80% interest in the remaining 65 claims.

(c) Ellison property:

In 2002, Yorbeau entered into an agreement with Agnico-Eagle Mines Limited ("Agnico"), pursuant to which Yorbeau transferred to Agnico all of its interests in the Ellison property in consideration of a cash payment of $1,000,000 of which $500,000 was received on closing and $500,000 is receivable upon commencement of commercial production. Yorbeau also retains a 2.5% net smelter return royalty when the current gold price as established by the London Bullion Market Association is over US$425 per ounce.

8. Accounts payable and accrued liabilities:

		September 30 2013		December 31 2012
Accounts payable	$	166,504	$	403,615
Accrued liabilities		169,489		125,064
Sales Tax		546		-
Trade and other payables	$	336,539	$	528,679

9. Short-term loan:

In June 2013, a third party made a loan of $500,000 to the Company. This loan bears interest at a rate of 12% per annum, is unsecured and is repayable on the earlier of: i) December 15, 2013; and ii) 60 days following the receipt of a notice requesting repayment. Interest of $19,069 was charged to interest expense. As at September 30, 2013, $500,000 of the loan is outstanding.

10. Share capital and warrants:

Authorized:

An unlimited number of Class A common shares, without nominal or par value

Shares fluctuated as follows during the period:

	September 30 2013		December 31 2012	
	Number of shares	$	Number of shares	$
Balance, beginning of year	174,385,206	42,016,618	174,368,540	42,012,118
Shares issued:				
Exercised options	-	-	16,666	4,500
Balance, end of period	174,385,206	42,016,618	174,385,206	42,016,618

In February 2012, stock options were exercised that required the Company to issue 16,666 common shares at $0.16 per share for total proceeds of $2,667. Furthermore, once the options were exercised, the original cost of $1,833 that was accounted for in contributed surplus at the grant date was removed and accounted for in share capital.

The number of share purchase outstanding warrants fluctuated as follows during the period:

	September 30 2013	December 31 2012
Balance, beginning of year	200,000	6,909,366
Warrants issued:		
With respect to investor relations	200,000	-
Warrants expired	(200,000)	(6,709,366)
Balance, end period	200,000	200,000

In August 2013, 200,000 share purchase warrants, exercisable at $0.25 per warrant, were issued in relation to consulting agreements with public relations firms. The Company accounted for these compensation warrants by using the Black-Scholes pricing model. At the date of the issuance, the weighted average fair value of warrants issued was $0.118 per warrant for a total value of $23,614 presented in the contributed surplus.

10. Share capital and warrants (continued):

As at September 30, 2013, the following share purchase warrants were outstanding :

- 200,000 warrants at $0.25 per warrant expiring the earlier of i) January 31, 2015 or ii) that date which is the first anniversary of the date upon which the consulting agreements with public relations firms shall be terminated.

All stock options and share purchase warrants outstanding at the end of the period could potentially dilute basic earnings per share in the future.

11. Stock option plan:

As at September 30, 2013 13,983,334 Class A common shares were reserved for future issuances under the stock option plan for the benefit of the directors, employees and service providers of the Company. Options are issued at an exercise price corresponding to the latest closing price of the Class A common shares on the Toronto Stock Exchange prior to the grant of the option. They vest over a period of three years and expire after a period of five years.

The following weighted average assumptions were used in these calculations:

	September 30, 2013	December 31, 2012
Risk-free interest rate	1.89%	1.36%, 1.58%
Expected life	5 years	5 years
Expected volatility	71.99%	77.45%, 96.31%
Expected dividend	0.00%	0.00%

The number of stock options outstanding fluctuated as follows during the period:

	September 30 2013		December 31 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of year	5,333,334	$ 0.23	5,400,000	$ 0.24
Expired	-	-	(2,750,000)	0.30
Granted	3,025,000	0.25	2,700,000	0.27
Exercised	-	-	(16,666)	0.16
Balance, end of period	8,358,334	0.24	5,333,334	0.23
Exercisable options, end of period	3,310,001	$ 0.21	2,310,001	$ 0.18

11. Stock option plan (continued):

As at September 30, 2013 the following options were outstanding:

- 1,713,334 options at $0.16 per share until June 9, 2014
- 250,000 options at $0.28 per share until March 11, 2015
- 620,000 options at $0.25 per share until November 3, 2015
- 50,000 options at $0.24 per share until February 24, 2016
- 2,500,000 options at $0.27 per share until February 2, 2017
- 200,000 options at $0.27 per share until May 1, 2017
- 3,025,000 options at $0.25 per share until August 12, 2018

12. Income tax:

Income tax expense (recovery) differs from the amounts computed by applying the combined federal and provincial income tax rate of 26.9% (2012 – 26.9%) as a result of the following:

	September 30 2013	September 30 2012
Loss and comprehensive loss	$ (890,230)	$ (774,837)
Computed "expected" tax recovery	(239,472)	(208,431)
Increase in income taxes resulting from:		
Non-deductible share-based payments	47,647	59,620
Change in unrecognized deferred income tax assets	-	(148,029)
Current year losses not recognized	191,825	-
Future tax arising from flow-through shares	-	372,223
Non taxable other income related to flow-through shares	-	(52,111)
Other	-	(23,272)
Total income tax recovery	$ -	$ -

Reconciliation of change in applicable tax rate

	2013	2012
Applicable tax rate for the previous period	26.90%	28.40%
Change in the applicable federal tax rate	- %	(1.50)%
Applicable tax rate for the current period	26.90%	26.90%

12. Income tax (continued):

As at September 30, 2013, the Company has exploration expenditures and other costs of approximately $23,239,000 which are being carried forward for income tax purposes indefinitely and which may be deducted from future taxable income. The Company also has $10,436,000 in tax losses available to reduce future years' income. These tax losses, for which the tax effect has not been recorded in the financial statements, expire as follows:

2014	$	480,000
2015		525,000
2026		744,000
2027		977,000
2028		1,354,000
2029		1,591,000
2030		1,324,000
2031		1,326,000
2032		1,243,000
2033		872,000
Total	$	10,436,000

Deferred tax assets have not been recognized in respect of the following items:

		September 30 2013		December 31 2012
Operating losses	$	2,815,000	$	2,580,000
Share issuance costs		62,000		104,000
Equipment		129,000		132,000
Mining properties and exploration and evaluation assets		1,262,000		1,237,000
Unrecognized tax deferred assets	$	4,268,000	$	4,053,000

13. Commitments and contingencies:

The Company has lease commitments for premises, trailers and a surface vehicle. Minimum lease payments are as follows:

		September 30 2013		December 31 2012
One year and less	$	850	$	57,600

The lease contracts are standard industry contracts. The lease for the premises is primarily based on square footage. Lease payments for the surface vehicle and trailers are based primarily on the cost of the units plus related financing costs.

14. Administrative charges:

		September 30 2013		September 30 2012
Professional fees	$	292,658	$	221,679
Salaries		178,943		180,992
Investor relations		81,586		186,478
Taxes, licenses, fees		12,372		(1,000)
Royalty		37,500		37,500
Miscellaneous		38,085		51,875
Rent		36,720		36,360
Insurance		31,643		31,750
Total	$	709,507	$	745,634

15. Related party transactions:

Transactions with key management personnel

The compensation of directors and executive officers of the Company comprises:

		September 30 2013		September 30 2012
Short-term employee benefits	$	76,926	$	76,926
Share-based payments		102,647		138,198
Total	$	179,573	$	215,124

Other related party transactions

During the period, a law firm, in which a director and officer of the Company is a partner, rendered legal and consulting services in the amount of $268,805 (2012 - $204,665), charged to administrative charges as well as with respect to financing in the amount of nil (2012 - $6,360), charged to share issue expenses, totaling an aggregate amount of $268,805 (2012 - $211,025). As at September 30, 2013, the accounts payable include $74,778 (2012 - $66,020) owed to this legal firm.

Administrative charges in the statement of comprehensive loss include an amount of $37,500 (2012 - $37,500) paid as a royalty to Société Minière Alta Inc., of which a director of Yorbeau is the sole shareholder (note 7 (a)).

In addition, consulting services were charged to Yorbeau in the amount of nil (2012 -$24,843) by a company, in which a director of Yorbeau is the president as well as the controlling shareholder. This amount was charged to administrative charges. As at September 30, 2013, the accounts payable include nil (2012 – nil) payable to this company.

15. Related party transactions (continued):

Other related party transactions (continued)

Furthermore, mining properties and exploration and evaluation assets include consulting fees in the amount of $30,000 (2012 - $42,500) charged by a director. Administrative charges in the statement of comprehensive loss include consulting fees in the amount of $15,000 (2012 – nil) charged by the same director. As at September 30, 2013, the accounts payable include $16,498 (2012 – $5,749) payable to this director.

During the period, certain directors made loans totaling $375,000 to the Company. These loans bear interest at a rate of 10% per annum and are repayable on demand. During the period, interest of $18,495 was charged to interest expense and $125,000 has been repaid. As at September 30, 2013, $250,000 of these loans is outstanding.

These transactions, made in the normal course of business, were measured at the exchange amount, which is the amount established and agreed to by the parties.

16. Subsequent Event:

In October 2013, a director of the Company made a loan of $100,000 to the Company. This loan bears interest at a rate of 12% per annum and is repayable on December 15, 2013.