

VANTEX RESOURCES LTD

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

AS AT JULY 31, 2012

Table of contents

Condensed statement of income and comprehensive income	2
Condensed statement of changes in equity	3
Condensed statement of financial position	4
Condensed statement of cash flows	5
Notes to condensed interim financial statements	6-29

The accompanying notes form an integral part of these financial statements.

VANTEX RESOURCES LTD.

Condensed Statement of Income and Comprehensive Income (unaudited)

	Three months ended July 31		Nine months ended July 31	
	2012	2011	2012	2011
	\$	\$	\$	\$
EXPENSES				
Salaries and employee benefits	14,415	-	69,513	-
Insurance	3,250	3,447	10,063	10,171
Communications and marketing	8,182	8,205	30,757	36,719
Consulting fees and professional fees	64,784	60,631	218,915	232,140
Travelling expenses and entertainment	32,287	12,749	62,067	38,137
Management fees	81,000	45,498	224,541	115,831
Listing fees, rights and Part XII.6 tax	4,581	5,177	40,460	16,870
Rent and office supplies	36,768	6,421	60,376	18,989
Registration and information to shareholders	18,883	11,992	31,993	40,407
Stock-based compensation (Note 16)	98,300	153,370	106,700	701,470
Amortization of fixed assets	3,867	2,709	10,017	3,905
Amortization of intangible assets	1,190	596	3,571	1,786
OPERATING INCOME	<u>367,507</u>	<u>310,795</u>	<u>868,973</u>	<u>1,216,425</u>
OTHER INCOME AND EXPENSES				
Interest from cash	(3,488)	(3,545)	(12,183)	(8,193)
Changes in fair value of quoted shares held for trading	240,030	(27,050)	94,895	243,300
Loss (gain) from disposal of shares in public companies	6,845	-	6,845	(52,184)
Premium on the issuance of flow-through shares	(120,500)	-	(120,500)	-
	<u>122,887</u>	<u>(30,595)</u>	<u>(30,943)</u>	<u>182,923</u>
NET INCOME AND COMPREHENSIVE INCOME	<u>(490,394)</u>	<u>(280,200)</u>	<u>(838,030)</u>	<u>(1,399,348)</u>
NET EARNINGS PER SHARE				
Basic and diluted net earnings per share	<u>(0.008)</u>	<u>(0.006)</u>	<u>(0.013)</u>	<u>(0.028)</u>

The accompanying notes form an integral part of these financial statements.

VANTEX RESOURCES LTD.

Condensed Statement of Changes in Equity (unaudited)

	Capital stock	Warrants	Contributed surplus	Deficit	Total equity
	\$	\$	\$	\$	\$
BALANCE AS AT NOVEMBER 1, 2010	13,669,227	479,975	3,385,202	(9,996,255)	7,538,149
Net loss	-	-	-	(2,508,537)	(2,508,537)
Stock-based compensation	-	-	701,470	-	701,470
Share issuance expenses	(408,173)	-	-	-	(408,173)
Stocks options exercised	278,050	-	-	-	278,050
Warrants exercised	2,219,632	-	-	-	2,219,632
Private financing	1,815,284	-	-	-	1,815,284
Deferred income taxes related to flow-through shares issuance	-	-	-	(194,026)	(194,026)
Fair value of warrants issued	-	477,338	-	-	477,338
Fair value of warrants exercised	-	(543,120)	-	-	(543,120)
Fair value of warrants expired	-	(101,497)	101,497	-	-
Shares issued for the acquisition of exploration assets	219,500	-	-	-	219,500
BALANCE AS AT OCTOBER 31, 2011	<u>17,793,520</u>	<u>312,696</u>	<u>4,188,169</u>	<u>(12,698,818)</u>	<u>9,595,567</u>
BALANCE AS AT NOVEMBER 1, 2010	13,669,227	479,975	3,385,202	(9,996,255)	7,538,149
Net loss	-	-	-	(1,399,348)	(1,399,348)
Stock-based compensation	-	-	701,470	-	701,470
Share issuance expenses	(403,598)	-	-	-	(403,598)
Stocks options exercised	278,050	-	-	-	278,050
Warrants exercised	2,219,632	-	-	-	2,219,632
Private financing	1,815,284	-	-	-	1,815,284
Deferred income taxes related to flow-through shares issuance	-	-	-	(296,608)	(296,608)
Fair value of warrants issued	-	477,338	-	-	477,338
Fair value of warrants exercised	-	(543,120)	-	-	(543,120)
Fair value of warrants expired	-	(53,897)	53,897	-	-
Shares issued for the acquisition of exploration assets	219,500	-	-	-	219,500
BALANCE AS AT JULY 31, 2011	<u>17,798,095</u>	<u>360,296</u>	<u>4,140,569</u>	<u>(11,692,211)</u>	<u>10,606,749</u>
BALANCE AS AT NOVEMBER 1, 2011	17,793,520	312,696	4,188,169	(12,698,818)	9,595,567
Net loss	-	-	-	(838,030)	(838,030)
Stock-based compensation	-	-	106,700	-	106,700
Share issuance expenses	(79,506)	-	-	-	(79,506)
Private financing	324,145	-	-	-	324,145
Deferred income taxes related to flow-through shares issuance	-	-	-	(144,118)	(144,118)
Fair value of warrants issued	-	37,355	-	-	37,355
Fair value of warrants expired	-	(225,596)	225,596	-	-
Fair value of options issued to brokers	-	-	7,519	-	7,519
BALANCE AS AT JULY 31, 2012	<u>18,038,159</u>	<u>124,455</u>	<u>4,527,984</u>	<u>(13,680,966)</u>	<u>9,009,632</u>

The accompanying notes form an integral part of these financial statements.

VANTEX RESOURCES LTD.

Condensed Statement of Financial Position (unaudited)

	As at July 31, 2012	As at October 31, 2011	As at November 1, 2010
	\$	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents (Note 6)	1,208,574	2,426,963	367,672
Cash reserved for exploration	-	59,120	474,066
Short term investment (Note 7)	10,000	10,000	-
Taxes on products and services receivable	125,406	183,773	158,555
Income tax credit receivable	410,181	-	-
Prepaid expenses and deposits	40,879	45,593	15,525
Investments (Note 8)	444,500	328,050	813,675
	<u>2,239,540</u>	<u>3,053,499</u>	<u>1,829,493</u>
Non-current assets			
FIXED ASSETS	24,540	19,000	4,689
INTANGIBLE ASSETS	8,333	11,904	-
EXPLORATION AND EVALUATION ASSETS (Note 9)	<u>8,594,559</u>	<u>8,428,305</u>	<u>7,613,772</u>
Total assets	<u>10,866,972</u>	<u>11,512,708</u>	<u>9,447,954</u>
LIABILITIES			
Current liabilities			
Accounts payable and other liabilities (Note 10)	57,846	261,765	281,510
Non-current liabilities			
Deferred tax liability	<u>1,799,494</u>	<u>1,655,376</u>	<u>1,628,295</u>
Total liabilities	<u>1,857,340</u>	<u>1,917,141</u>	<u>1,909,805</u>
SHAREHOLDERS' EQUITY			
Capital stock (Note 11)	18,038,159	17,793,520	13,669,227
Warrants (Note 12)	124,455	312,696	479,975
Contributed surplus	4,527,984	4,188,169	3,385,202
Deficit	<u>(13,680,966)</u>	<u>(12,698,818)</u>	<u>(9,996,255)</u>
Total shareholders' equity	<u>9,009,632</u>	<u>9,595,567</u>	<u>7,538,149</u>
Total liabilities and shareholders' equity	<u>10,866,972</u>	<u>11,512,708</u>	<u>9,447,954</u>

Guy Morissette (s)
Director

Denis Bélisle (s)
Administrateur

The accompanying notes form an integral part of these financial statements.

VANTEX RESOURCES LTD.

Condensed Statements of Cash Flows (unaudited)

	Three months ended July 31		Nine months ended July 31	
	2012	2011	2012	2011
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss and comprehensive income	(490,394)	(280,200)	(838,030)	(1,399,348)
Adjustments for:				
Stock-based compensation	98,300	153,370	106,700	701,470
Depreciation of fixed assets	3,867	2,709	10,017	3,905
Amortization of intangible assets	1,190	596	3,571	1,786
Changes in market value of quoted shares held for trading	240,030	(27,050)	94,895	243,300
Loss (gain) from disposal of shares in public companies	6,845	-	6,845	(52,184)
Net change in non-cash working capital items:				
Cash reserved for exploration	141,742	286,324	59,120	138,654
Sales taxes receivable	(22,699)	(10,327)	58,367	6,119
Income tax credit receivable	(410,181)	-	(410,181)	-
Prepaid expenses and deposits	15,236	(43,280)	4,714	(48,835)
Advance on exploration work	-	60,000	-	-
Accounts payable and other liabilities	(216,338)	(153,803)	(203,919)	(151,661)
Cash flows from operating activities	<u>(632,402)</u>	<u>(11,661)</u>	<u>(1,107,901)</u>	<u>(556,794)</u>
INVESTING ACTIVITIES				
Acquisition of held for trading investments	-		(3,195)	-
Acquisition of fixed assets	(6,932)	(14,067)	(15,557)	(20,925)
Acquisition of intangible assets	-	-	-	(14,285)
Proceeds from disposal of shares in public companies	10,005	-	10,005	140,559
Proceeds from disposal of mining properties	30,000	-	70,000	-
Acquisition of exploration and evaluation assets	(466,853)	(552,857)	(879,592)	(1,266,547)
Income tax credits	411,181	-	418,338	-
Cash flows from investing activities	<u>(22,599)</u>	<u>(566,924)</u>	<u>(400,001)</u>	<u>(1,161,198)</u>
FINANCING ACTIVITIES				
Common shares issued	-	1,630,912	361,500	4,047,962
Share issuance expenses	-	(7,496)	(71,987)	(204,376)
Cash flows from financing activities	<u>-</u>	<u>1,623,416</u>	<u>289,513</u>	<u>3,843,586</u>
Net change in cash and cash equivalents	(655,001)	1,044,831	(1,218,389)	2,125,594
Cash and cash equivalents at beginning	<u>1,863,575</u>	<u>1,448,435</u>	<u>2,426,963</u>	<u>367,672</u>
Cash and cash equivalents at end	<u>1,208,574</u>	<u>2,493,266</u>	<u>1,208,574</u>	<u>2,493,266</u>

The accompanying notes form an integral part of these financial statements.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

1. INCORPORATION AND NATURE OF OPERATIONS

The Company was incorporated under the Company Act of British Columbia, and obtained a certificate of continuance under the Canada Business Corporations Act. On February 23, 2004, a modification certificate was issued, modifying the name Vantex Oil, Gas and Minerals Ltd. to Vantex Resources Ltd. The Company's activities include the acquisition, exploration and development of mining properties. The Company has not yet determined whether these properties contain ore reserves that are economically recoverable.

The address of the Company's headquarters and registered office is 822 Taschereau Boulevard, La Prairie, Quebec, Canada. Its shares are traded on the TSX Venture Exchange under the symbol VAX.

2. GOING CONCERN

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and 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.

Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, it has yet to generate income and cash flows from its operations. As at January 31, 2012, the Company has a deficit of \$13,680,966 (\$12,698,818 as at October 31, 2011). These conditions raise doubt regarding the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern depends upon raising additional funds. Although the Company has been successful in doing so in the past, there is no assurance that it will manage to obtain additional financing in the future.

These financial statements do not reflect adjustments in the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used that would be necessary if the going concern assumption was not appropriate.

3. BASIS OF PRESENTATION AND ADOPTION OF IFRS

The interim financial statements for the nine-month period ended July 31, 2012 (including comparatives) were approved and authorized for publication by the Board of Directors on September 25, 2012, and were not reviewed by the Company's external auditor. These condensed interim financial statements are presented in Canadian dollars.

These financial statements were prepared in accordance with IFRS. They were prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* and IFRS 1, *First-time Adoption of International Financial Reporting Standards*. The accounting policies followed are the same as those applied in the financial statements for the period ended January 31, 2012, which, for the first time, presented the Company's operating results and financial position according to IFRS.

Before the adoption of IFRS, the Company's financial statements were prepared in accordance with Canadian generally accepted accounting principles (GAAP). GAAP differ from IFRS in some areas. In preparing the condensed interim financial statements as at July 31, 2012, in accordance with IFRS, Management has amended certain accounting and valuation methods previously applied in the Canadian GAAP financial statements to comply with IFRS. Comparative information for 2011 has been restated to reflect these changes. Information in the notes relevant to an understanding of the amended interim financial statements of the Company, which would otherwise have been included in the annual financial statements prepared under IFRS, is provided in Note 18. This note also presents the reconciliation of shareholders' equity, earnings and comprehensive income under Canadian GAAP and IFRS, as well as a description of the effect of the transition from Canadian GAAP to IFRS on these items.

The interim financial statements as at July 31, 2012, have been prepared on a historical cost basis, except for certain financial instruments measured at fair value.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES**4.1 General information and first application of IFRS**

These financial statements were prepared using the accounting policies the Company expects to adopt in its October 31, 2012, annual financial statements.

The significant accounting policies used in preparing these financial statements are summarized below.

4.2 Standards, amendments and interpretations issued that are not yet effective and have not been adopted early by the Company

At the approval date of these condensed interim financial statements, new standards, amendments and interpretations have been issued but are not yet effective and have not been adopted early by the Company

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's financial statements.

IFRS 9, Financial instruments

In November 2009, the IASB issued and subsequently revised, in October 2010, IFRS 9, *Financial Instruments*, as part of the first phase of its ongoing project to replace IAS 39, *Financial Instruments – Recognition and Measurement*. IFRS 9, which is to be applied retrospectively, is effective for annual periods beginning on or after January 1, 2015. It contains new requirements on how an entity should classify and evaluate financial assets and liabilities that are part of the scope of IAS 39. According to the standard, all financial assets should be classified, on the basis of the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial asset, in one of the following three categories: measured at amortized cost, at fair value through net income or at fair value through shareholders' equity. Financial liabilities will be classified in the same categories defined by IAS 39; however, the measurement of financial liabilities under the fair value option has changed to address the issue of own credit risk.

IFRS 13, Fair Value Measurement

In May 2011, the IASB issued IFRS 13, *Fair Value Measurement*, which will be effective for annual periods beginning on or after January 1, 2013, which is to be applied prospectively. IFRS 13 provides a single source of guidance on how to measure fair value where its use is already required or permitted by other IFRS and enhances the disclosure requirements for information about fair value measurements.

IAS 32, Financial instruments: Presentation and IFRS 7, Financial instruments: Disclosure

In December 2011, the IASB issued amendments to IAS 32 to clarify the criteria for offsetting financial instruments. These amendments, which address inconsistencies in current practice when applying the offsetting criteria in IAS 32, will be effective for annual periods beginning on or after January 1, 2014, and are to be applied retrospectively. In addition, in December 2011, the IASB issued amendments related to IFRS 7 to include new disclosure requirements for disclosures that are intended to help investors and other users to better assess the effect or potential effect of offsetting arrangements on an entity's financial position. These amendments will be effective for annual periods beginning on or after January 1, 2013, and are to be applied retrospectively.

4.3 Presentation of financial statements in accordance with IAS 1

The financial statements are presented in accordance with IAS 1, *Presentation of Financial Statements*.

In accordance with IFRS 1, *First-time Adoption of International Financial Reporting Standards*, the Company has three statements of financial position in its first IFRS financial statements. For subsequent annual periods, the Company will present comparative figures for two periods in the statement of financial position when it: i) applies an accounting policy retrospectively, ii) makes a retrospective restatement of items in its financial statements or iii) reclassifies items in the financial statements.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**4.4 Financial instruments**

Financial assets and liabilities are only recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognized when it is settled, terminated, cancelled or expires.

Financial assets and liabilities are initially measured at fair value plus transaction costs, with the exception of financial assets and liabilities measured at fair value through profit or loss, which are initially measured at fair value. Financial assets and liabilities are subsequently measured as indicated below.

Financial assets

For the purpose of subsequent measurement, financial assets other than those designated as effective hedging instruments are classified in the following categories when they are initially recognized:

- Loans and receivables
- Financial assets at fair value through profit or loss

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income. All income and expenses relating to financial assets that are recognized in profit or loss are presented in financial income or financial costs.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed payments or determinable payments that are not quoted on an active market. After their initial recognition, they are accounted for at amortized cost using the effective interest method less a provision for impairment loss. Discounting is omitted if it does not have a significant impact. Cash and cash equivalents are part of this category of financial instruments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets which are classified as being held for trading and are designated at fair value through profit or loss upon initial recognition. Quoted shares and other investments from financial institutions are classified in this category of financial instruments.

Assets in this category are measured at fair value and gains or losses are recognized in earnings.

Impairment of financial assets

All financial assets, except those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group of financial assets is impaired.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it is becoming probable that the borrower will enter bankruptcy or financial re-organization.

Financial liabilities

The Company's financial liabilities include accounts payable and accrued liabilities. They are subsequently measured at amortized cost using the effective interest method.

Interest charges are presented in financial costs.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**4.5 Basic and diluted earnings per share**

Basic earnings per share is calculated by dividing the earnings attributable to holders of common shares of the Company by the weighted average number of common shares outstanding during the financial period. Diluted earnings per share is calculated by adjusting the profit or loss attributable to ordinary equity holders of the company, and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. Dilutive potential ordinary shares shall be deemed to have been converted into ordinary shares at the beginning of the period or, if later, at the date of issue of the potential ordinary shares.

To calculate diluted earnings per share, an entity must assume that the dilutive warrants and options were exercised. The assumed proceeds from these instruments must be regarded as having been received from the issue of common shares at the average market price of common shares during the period. The diluted earnings per share are equivalent to the basic earnings per share considering the anti-dilutive effect of outstanding warrants and options.

4.6 Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits, as well as other highly liquid short-term investments having a term of three months or less from the acquisition date. They are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Funds reserved for exploration in accordance with the financial restrictions imposed on flow-through shares are excluded from cash and cash equivalents.

4.7 Income tax credit and credit on duties

The Company is entitled to a refundable credit under the Mining Duties Act. This refundable credit on duties for losses is applicable to eligible exploration costs incurred in the province of Quebec.

Furthermore, the Company is also entitled to a refundable income tax credit for exploration companies on qualified exploration expenditures incurred. These credits are applied against costs incurred in accordance with IAS 20.

4.8 Exploration and evaluation assets

Exploration and evaluation assets include acquisition costs of mining rights and expenditures related to the exploration and evaluation of mining properties. These assets are presented at cost less impairment, income tax credits and refundable credit on duties.

Mining rights and the expenditures related to exploration and evaluation are incorporated into the cost of each property until the technical feasibility and commercial viability of the extraction of a mineral resource are demonstrated. The accessory income earned during the period of exploration and evaluation is recognized in net income. No amortization is attributed during the exploration and evaluation phase. Capitalized costs especially include topographic, geological, geochemical and geophysical surveys, exploration drilling programs, trenching, sampling and activities related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts and the difference is then immediately recognized in profit or loss.

When the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, mining rights and exploration and evaluation costs related to the mining property are then transferred to mining assets under construction.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**4.8 Exploration and evaluation assets (continued)**

Following the transfer of exploration and evaluation assets into the mining assets under construction category, all subsequent construction, installation and completion of equipment and infrastructure expenditures are capitalized in mining assets under construction. Once the development stage is completed, all assets included in mining assets under construction are then transferred into mining assets and amortized over their useful life.

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.

4.9 Impairment of non-financial assets

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Consequently, some assets are tested individually for impairment and some are tested at the cash-generating-unit level. Assessment of the impairment of exploration and evaluation assets is carried out property by property, each one representing a potential cash-generating unit.

All individual assets or cash-generating units are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use. To determine the value in use, Management estimates expected future cash flows from each asset or cash-generating unit, and then determines an appropriate interest rate for the calculation of the expected present value of the cash flows.

An impairment loss is recognized immediately in the statement of comprehensive income and is used to reduce the individual asset, or is charged pro-rata on the basis of the carrying amount of each asset in the cash-generating unit. All assets are subsequently reassessed for indications that a previously recognized impairment loss may no longer exist. An impairment loss may be reversed if the recoverable amount of an asset or cash-generating unit exceeds its carrying amount.

4.10 Provisions, contingent liabilities and contingent assets

Provisions are recognized when present obligations resulting from a past event will likely result in an outflow of resources embodying economic benefits for the Company and the amounts can be estimated reliably. The maturity or amount of the outflow may be uncertain. A present obligation results from legal or constructive obligations from past events, such as litigation, decommissioning, restoration and similar liabilities, or onerous contracts.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Whenever there are many similar obligations, the probability that an outflow of resources will be necessary to settle these obligations is determined by considering the category of obligations as a whole. Provisions are discounted when the time value of money is significant.

A reimbursement that the Company is virtually certain to receive from a third party with regard to the obligation is recognized as a separate asset. However, this asset must not be greater than the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the best estimates at that date.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**4.10 Provisions, contingent liabilities and contingent assets (continued)**

In those cases where the possible outflow of resources embodying economic benefits resulting from a present obligation is considered improbable or remote, no liability is recognized unless it was assumed in the course of a business combination. In a business combination, contingent liabilities arising from present obligations are recognized in the course of the allocation of the purchase price to the assets and liabilities acquired in the business combination. They are subsequently measured at the higher amount of a comparable provision, as described above, and the amount initially recognized, less any amortization.

Possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amount, timetable and impact. The Company's operations are in compliance with current laws and regulations. Any provisions resulting from the restoration of mining properties, where applicable, would be charged to the cost of the mining properties when it is possible to reasonably estimate the amount.

4.11 Deferred income taxes

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. See Note 5 for Management's assessment of the probability of future taxable income to utilize against deferred tax assets.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax in profit or loss, except where they relate to items that are recognized in other comprehensive loss or directly in equity, in which case the corresponding deferred income tax is also recognized in other comprehensive loss or directly in equity, respectively.

Under the provisions of tax legislation relating to flow-through shares, the Company is required to renounce tax deductions for expenses related to exploration activities to the benefit of the investors. Deferred income taxes relating to temporary differences are recorded when the Company has incurred eligible expenditures related to exploration activities.

4.12 Shareholders' equity**Capital stock and warrants**

Capital stock and warrants are classified as equity. Issuance expenses directly attributable to shares and warrants are recorded in equity as a deduction from proceeds during the period when these transactions occurred.

Issuance of units

Proceeds from issuance of units are divided between shares and warrants issued using the residual value method. The proceeds are allocated to shares based on the quoted price at the time of issue and the remaining amount is allocated to warrants.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)**4.12 Shareholders' equity (continued)****Flow-through shares**

Under IFRS, issuance of flow-through shares is accounted for similarly to the issuance of a compound financial instrument. The liability component represents the obligation to revert the tax benefit to the investors. Proceeds from the issuance of shares by flow-through private placements are allocated between shares issued and a liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and any residual in the proceeds is allocated to the liability as a deferred gain which is reversed into earnings when eligible expenditures have been made.

Contributed surplus

The contributed surplus includes the charges related to stock options until such options are exercised.

4.13 Share-based payments

The Company operates equity-settled share-based remuneration plans for its eligible directors, officers, employees and advisors. None of the Company's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of the services rendered by the employees is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date.

All equity-settled share-based payments are ultimately recognized as an expense in the profit or loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus in equity. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting year, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior periods if stock options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs, as well as the related compensation cost previously recorded as contributed surplus, are credited to share capital.

4.14 Segment reporting

In accordance with IFRS 8, *Operating Segments*, it is mandatory for the Company to present and disclose segmental information based on the internal reports that are regularly reviewed by the Board of Directors in order to assess each segment's performance.

The Company has determined that there was only one operating segment: exploration and evaluation of mineral resources. Furthermore, the Company's operations and assets are all in Canada.

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the financial statements, Management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

The actual results are likely to differ from the judgments, estimates and assumptions made by Management, and will seldom equal the estimated results. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

5.1 Exploration and evaluation assets*Indications of impairment and of reversal of impairment*

The assessment of indications of impairment loss and the reversal of an impairment loss and the measuring of the recoverable amount when impairment tests have been performed involve judgment. If there is an indication of impairment or reversal of an impairment loss, an estimate of the recoverable amount of the asset or the cash-generating unit is made and an impairment loss or reversal of impairment loss is recognized to the extent that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is determined as being the higher of its fair value less costs to sell and its value in use.

Management determines for each property if there are any facts and circumstances indicating impairment loss or reversal of impairment losses. Facts and circumstances indicating impairment include but are not limited to the following:

- (a) The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
- (b) Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- (c) Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area
- (d) Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, Management estimates the recoverable amount of the asset or the cash-generating unit, and this requires Management to make several assumptions as to future events or circumstances. The assumptions are based on the Company's exploration and evaluation program which considers whether results from exploration work justify further investments, confirmation of the Company's interest in the mining claims, the ability of the Company to obtain the necessary financing to complete the future development or if the proceeds from disposal of the properties exceeds their carrying value.

Actual results are likely to differ and significant adjustments to the Company's assets may occur during the next period. No impairment loss of the exploration and evaluation assets was recognized during the period.

5.2 Deferred taxes

The assessment of availability of future taxable profits involves judgment. A deferred tax asset is recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (continued)

5.3 Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Further information regarding going concern is outlined in Note 2.

Share- based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own share, the probable life of stock options and warrants granted and the time of exercise of those options and warrants. The model used by the Company is the Black-Scholes valuation model.

Provisions and contingent liabilities

Judgements are made as to whether a past event has led to a liability that should be recognized in the financial statements or disclosed as a contingent liability. Quantifying any such liability often involves judgments and estimations. These judgments are based on a number of factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received, previous experience and the probability of a loss being realized. Several of these factors are source of estimation uncertainty.

6. CASH AND CASH EQUIVALENTS

	<u>As at July 31, 2012</u>	<u>As at October 31, 2011</u>
	\$	\$
Cash	1,107,460	2,326,829
Money market fund, effective interest rate of 1.3%	<u>101,114</u>	<u>100,134</u>
	<u>1,208,574</u>	<u>2,426,963</u>

A portion of cash in hand is deposited in a savings account bearing interest at variable rates based on the base rate.

7. SHORT-TERM INVESTMENT

	<u>July 31, 2012</u>	<u>October 31, 2011</u>
	\$	\$
Guaranteed investment certificate, effective interest rate of 1.15%, maturing April 18, 2013, used as a guarantee for the authorized credit on the Company's credit cards.	<u>10,000</u>	<u>10,000</u>

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

8. INVESTMENTS

	Cost July 31 2012	Fair value July 31 2012	Fair value October 31 2011
	\$	\$	\$
5,000 common shares of Arianne Resources Inc., a public company, pursuant to the sale of mining properties.	875	4 400	10 200
2,668,000 (2,635,000 in 2011) common shares of Vanstar Mining Resources Inc., a public company, pursuant to the sale of mining properties. As at July 31, 2012, Vantex Resources Ltd. holds 14,3% of the issued shares of Vanstar Mining Resources Inc.	266,695	346,840	289,850
400,000 common shares of Amseco Exploration Ltd., a public company, pursuant to the sale of mining properties.	28,000	10 000	28 000
4 163,000 (4 500,000 as at October 31, 2011) common shares of Exploration Aurtois Inc., a public company, received as a part of the option agreement related to the Guillet and Ortona properties.	208,150	83 260	-
	<u>503,720</u>	<u>444,500</u>	<u>328,050</u>

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

9. EXPLORATION AND EVALUATION ASSETS

Impairments at the date of transition

The Company applied IAS 36, *Impairment of Assets*, in determining whether any impairment losses arose at the date of transition to IFRS. No impairment losses (or reversals) were identified.

Mining properties

	Mining titles 2012	Royalties %	Interest %	Cost	Acquisition	Disposal	Cost
				October 31, 2011			July 31, 2012
				\$	\$	\$	\$
Guillet	40	2 to 3	100	318,933	1,081	21,666	298,348
Ana	17	1	100	16,835	-	-	16,835
Ortona	17	1	100	28,848	459	1,984	27,323
Hurd	9	2	90	395,669	6,317	-	401,986
Ogima Nord	31	2	90	139,468	133	-	139,601
Sandborn	6	2	100	46,309	-	-	46,309
Perron	22	*	100	51,678	-	-	51,678
Francoeur	16	2	100	22,098	54	-	22,152
Cadillac Rang III	10	2	100	22,300	-	-	22,300
Renault Bay	10	2	100	28,167	160	-	28,327
Cookie Monster	28	-	50	771	-	-	771
	<u>206</u>			<u>1,071,076</u>	<u>8,204</u>	<u>23,650</u>	<u>1,055,630</u>

* Royalty of \$1 per ounce of gold

In January 2012, an option agreement was signed with Aurtois Exploration Inc. under the terms of which it can acquire a 75% interest in the Guillet and Ortona properties in return for paying \$120,000 in monthly instalments of \$10,000, issuing 4,500,000 common shares, and delivering a pre-feasibility study within five years of signing the agreement. The value of the shares received by the Company has been recognized as a reduction of the cost of exploration and evaluation assets.

Exploration expenses

	Cost October 31, 2011	Exploration expenses	Disposal	Income tax credits	Cost July 31, 2012
	\$	\$			\$
Guillet	3,975,200	170	271,142	-	3,704,228
Ana	63,640	-	-	-	63,640
Ortona	32,604	-	2,208	-	30,396
Hurd	3,211,926	872,618	-	418,338	3,666,206
Ogima Nord	69,937	-	-	-	69,937
Renault Bay	3,922	-	-	-	3,922
Cookie Monster	-	600	-	-	600
	<u>7,357,229</u>	<u>873,388</u>	<u>273,350</u>	<u>418,338</u>	<u>7,538,929</u>

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

10. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	As at July 31, 2012	As at October 31, 2011	As at November 1, 2010
	\$	\$	\$
Accounts payable and Part XII.6 Tax	51,787	199,626	97,234
Related parties (note 16)	6,059	62,139	184,276
	<u>57,846</u>	<u>261,765</u>	<u>281,510</u>

11. CAPITAL STOCK

Authorized: unlimited number of voting and participating common shares, without par value.

Issued:	As at July 31, 2012		As at October 31, 2011	
	Number of shares	Amount	Number of shares	Amount
Balance, beginning of period	60,552,579	\$ 17,793,520	37,331,385	\$ 13,669,227
Shares issued:				
Acquisition of properties	-	-	511,900	219,500
Private financing	-	-	4,909,544	502,211 *
Private flow-through financing	2,410,000	244,639 **	4,228,000	904,900
Warrants exercised	-	-	11,176,750	2,219,632
Stock options exercised	-	-	2,395,000	278,050
Balance, end of period	<u>62,962,579</u>	<u>18,038,159</u>	<u>60,552,579</u>	<u>17,793,520</u>

* Private financing is presented net of the fair value of warrants amounting to \$191,016 and share issuance expenses totaling \$408,173.

** Private flow-through financing is presented net of the fair value of warrants amounting to \$37,355, the premium included in the issue price amounting to \$120,500 and share issuance expenses totaling \$79,506.

12. WARRANTS

	Number	Amount	Weighted average exercise price
		\$	\$
Outstanding as at October 31, 2011	3,815,044	285,466	0.27
Issued	1,205,000	37,355	0.25
Expired	<u>(2,515,044)</u>	<u>(198,366)</u>	<u>0.29</u>
Outstanding as at July 31, 2012	<u>2,505,000</u>	<u>124,455</u>	<u>0.25</u>

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

12. WARRANTS (continued)

The fair value of warrants issued was estimated using the Black-Scholes model with the following assumptions:

Risk-free interest rate	0.95%
Expected volatility	92%
Dividend yield	Nil
Weighted average expected life	12 months

The warrants were issued in connection with private financing. They have been recorded at fair value, in reduction of capital stock.

Exercise price \$	Number of warrants outstanding	Expiry date	Weighted average exercise price \$
0.25	1,300,000	July 2013	0.25
0.25	1,205,000	December 2012	0.25
	<u>2,505,000</u>		<u>0.25</u>

WARRANTS ISSUED TO BROKERS

	Number	Amount \$	Weighted average exercise price \$
Outstanding as at October 31, 2011	292,800	27,230	0.25
Expired	<u>(292,800)</u>	<u>(27,230)</u>	<u>(0.25)</u>
Outstanding as at July 31, 2012	<u>-</u>	<u>-</u>	<u>-</u>

13. SHARE-BASED PAYMENTS

The shareholders have approved a stock option plan (the "Plan") whereby the Board of Directors may grant to employees, officers, directors and consultants of the Company, stock options to acquire common shares in such numbers, for such terms and at such exercise prices as may be determined by the Board of Directors. The maximum number of shares that can be issued under the Plan is 6,290,000.

	July 31, 2012			October 31, 2011		
	Number	Weighted average exercise price \$	Amount \$	Number	Weighted average exercise price \$	Amount \$
Outstanding, beginning of period	6,998,333	0.22	819,956	3,588,333	0.14	251,506
Exercised	-	-	-	(1,255,000)	0.13	(85,420)
Cancelled	(3,458,333)	0.20	(380,586)	(400,000)	0.25	(47,600)
Granted	<u>1,800,000</u>	<u>0.10</u>	<u>106,700</u>	<u>5,065,000</u>	<u>0.25</u>	<u>701,470</u>
Outstanding, end of period	<u>5,340,000</u>	<u>0.19</u>	<u>546,070</u>	<u>6,998,333</u>	<u>0.22</u>	<u>819,956</u>

Weighted average fair value of options granted: \$0.10

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

13. SHARE-BASED PAYMENTS (continued)

The fair value of options granted was estimated using the Black-Scholes model with the following assumptions:

Risk-free interest rate	1.00% to 1.25%
Expected volatility	92% to 99%
Dividend yield	Nil
Weighted average expected life	1 to 3 years

The stock-based compensation recorded as expenses for the 1,800,000 stock options granted during the period ended July 31, 2012, is \$106,700, and this amount has been recorded under contributed surplus.

The following table summarizes information on stock options outstanding as at July 31, 2012:

Exercise price	Number	Expiry date	Weighted average exercise price
\$			\$
0.11	200,000	March 2015	0.11
0.11	975,000	April 2015	0.11
0.13	200,000	July 2015	0.13
0.17	375,000	September 2015	0.17
0.15	100,000	August 2012	0.15
0.25	1,650,000	November 2015	0.25
0.30	250,000	May 2016	0.30
0.23	100,000	June 2016	0.23
0.50	90,000	June 2013	0.50
0.22	600,000	June 2016	0.22
0.13	150,000	November 2013	0.13
0.10	550,000	May 2017	0.10
0.10	100,000	June 2013	0.10
	<u>5,340,000</u>		<u>0.19</u>

The weighted average remaining term of the options is 38 months.

STOCK OPTIONS ISSUED TO BROKERS

	July 31, 2012			October 31, 2011		
	Number	Weighted average exercise price	Amount	Number	Weighted average exercise price	Amount
		\$	\$		\$	\$
Outstanding, beginning of period	905,000	0.10	64,255	2,045,000	0.10	145,195
Exercised	-	-	-	(1,140,000)	0.10	(80,940)
Expired	(905,000)	0.10	(64,255)	-	-	-
Granted	144,600	0.20	7,519	-	-	-
Outstanding, end of period	<u>144,600</u>	<u>0.20</u>	<u>7,519</u>	<u>905,000</u>	<u>0.10</u>	<u>64,255</u>

Weighted average fair value of options issued: \$0.05

The fair value of options granted was estimated using the Black-Scholes model with the following assumptions:

Risk-free interest rate	0.95%
Expected volatility	92%
Dividend yield	Nil
Weighted average expected life	18 months

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

13. SHARE-BASED PAYMENTS (continued)

The following table summarizes information on outstanding stock options to brokers as at July 31, 2012:

Exercise price \$	Number	Expiry date	Weighted average exercise price \$
0.20	144,600	June 2013	0.20

The weighted average remaining term of the options is 11 months.

14. FINANCIAL ASSETS AND LIABILITIES

Financial instruments measured at fair value

The following presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liabilities that are not based on observable market data

Category of assets and liabilities:

The carrying amount and fair value of financial instruments presented in the statement of financial position are as follows:

	July 31, 2012		October 31, 2011		November 1, 2010	
	Acquisition cost \$	Fair value \$	Acquisition cost \$	Fair value \$	Acquisition cost \$	Fair value \$
Financial assets						
Loans and receivables						
Cash and cash equivalents	1,208,574	1,208,574	2,426,963	2,426,963	367,672	367,672
Cash reserved for exploration	-	-	59,120	59,120	474,066	474,066
Financial assets at fair value through profit or loss						
Short-term investment	10,000	10,000	10,000	10,000	-	-
Quoted shares	503,720	444,500	292,375	328,050	317,750	813,675
Financial liabilities						
<i>Financial liabilities measured at amortized cost</i>						
Accounts payable	57,846	57,846	261,765	261,765	281,510	281,510

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

14. FINANCIAL ASSETS AND LIABILITIES (continued)

Financial instruments measured at fair value

The carrying amount of cash and cash equivalents and accounts payable is considered a reasonable approximation of fair value because of the short maturities of these instruments.

Quoted shares, at fair value in the statement of financial position as at July 31, 2012, are classified as level 1. The fair value of quoted shares is the market price on the reporting date.

There have been no significant transfers between levels in the reporting periods.

The method and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods. Note 4.4 describes the accounting policies used for each category of financial instruments.

15. ADDITIONAL CASH FLOW INFORMATION

	Nine-month period ended July 31	
	2012	2011
	\$	\$
Items not affecting cash and cash equivalents:		
Acquisition of mining properties by issuance of capital stock	-	219,500
Disposal of mining properties in counterpart of investment	225,000	-
Share issuance expenses for broker warrants	7,519	199,222
Deferred income taxes related to flow-through shares issuance	144,118	296,608

16. RELATED PARTY TRANSACTIONS

During the nine-month periods ended July 31, 2012 and 2011, the Company carried out the following transactions with officers and directors:

	2012	2011
	\$	\$
<u>As deferred exploration expenses</u>		
Fees, salary and rent paid to an officer	65,694	91,946
<u>As administrative expenses:</u>		
Salary - officer	52,500	-
Management and consulting fees - officers	253,091	164,839
Stock-based compensation - officers and directors	85,560	517,900
Accounts payable – related:		
Companies controlled by officers	6,059	10,687

Management is of the opinion that these transactions were made on terms equivalent to those that prevail in arm's length transactions. These costs were incurred in the ordinary course of business and measured at the exchange amount, which is the amount established and agreed to by the related parties.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

17. CAPITAL DISCLOSURES

The Company defines its capital as shareholders' equity, including the stock option plan. Capital is \$9,009,632 as at July 31, 2012, and \$9,595,567 as at October 31, 2011, a decrease of \$585,935 during the period.

Principal variations are due to net loss of the period, issuance of capital stock and deferred income taxes related to flow-through shares issued.

The Company's objectives, policies and processes for managing capital have not changed since November 1, 2010.

18. FIRST-TIME ADOPTION OF IFRS

The financial statements as at January 31, 2012 were the Company's first financial statements prepared in accordance with International Financial Reporting Standards (IFRS). The date of transition to IFRS is November 1, 2010.

The Company has applied IFRS 1, *First-time adoption of International Financial Reporting Standards*. The effects of the transition to IFRS on equity, total comprehensive loss and reported cash flows already established are described in this note and explained in more detail in the notes accompanying the tables.

The Company's IFRS accounting policies set out in Note 4 have been applied in preparing the financial statements for the nine-month period ended July 31, 2012, and for the comparative information and the opening statement of financial position at the date of transition.

18.1 First-time adoption – exemptions and exception

Upon transition, IFRS 1 dictates certain mandatory exceptions and certain optional exemptions from full retrospective application. The Company did not adopt any optional exemptions. The following exception was adopted by the Company:

Mandatory Exception

Estimates

The estimates established in accordance with IFRS by the Company at the date of transition to IFRS are consistent with estimates made for the same date in accordance with Canadian GAAP, after adjustments to reflect any differences in accounting principles, if applicable.

18.2 Presentation differences

Certain presentation differences between pre-changeover accounting standards and IFRS have no impact on reported earnings or total equity, especially with regard to interest from cash, share issuance expenses and cash reserved for exploration.

As shown in the following tables, some items are described differently (renamed) in IFRS. These presentation differences have no impact on reported earnings or total equity:

a) Cash reserved for exploration

Under GAAP, cash reserved for exploration was presented as a long-term asset. Under IFRS, this item is now included in current assets if the funds are to be used during the relevant financial period.

b) Exploration and evaluation assets

The items "Mining properties" and "Deferred exploration expenses" have been grouped together and are now presented under "Exploration and evaluation Assets".

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)**18.2 Presentation differences (continued)****Notes to reconciliations:**

The following narratives explain the significant differences between the Company's previous accounting policies under Canadian GAAP and current policies under IFRS:

a) Share issuance expenses

Under GAAP, share issuance expenses were recognized as an increase in the deficit in the financial period in which they were incurred. Under IFRS, issuance expenses are applied against issued capital stock. Applying this new method, the deficit and the capital stock have been reduced by \$384,633 as at November 1, 2010, by \$788,231 as at July 31, 2011, and by \$792,806 as at October 31, 2011.

b) Flow-through shares

Under GAAP, the issue of flow-through shares was recognized in the capital stock at issue price and a deferred tax liability was recorded at the effective date of the renunciation of tax deductions. Under current accounting policies, the difference between the value of the shares on the stock market and the issue price is recognized as a deferred gain. When the qualifying expenses have been incurred, the deferred gain is reversed into earnings and a deferred tax expense is recognized.

Effects of this new measure:

The premium of \$120,500 on the price of the flow-through shares issued in December 2011 has reduced the capital stock as at July 31, 2012, and a corresponding income was recognized, the qualifying expenses having been incurred.

Statement of cash-flows

No adjustment has been made to the cash-flows statement, except for the reclassification to current assets of cash reserved for exploration. The components of cash and cash equivalents under GAAP are similar to those presented under IFRS.

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)

18.3 Reconciliations between IFRS and Canadian GAAP

The following table details the impact of the transition on the statement of financial position as at October 31, 2011:

CANADIAN GAAP DESCRIPTION	October 31, 2011			IFRS DESCRIPTION
	Canadian GAAP	Effect of transition to IFRS	IFRS	
	\$	\$	\$	
ASSETS				ASSETS
Current assets				Current assets
Cash	2,426,963	-	2,426,963	Cash and cash equivalents
	-	59,120	59,120	Cash reserved for exploration
Short term investment	10,000	-	10,000	Short-term investment
	-	328,050	328,050	Investments
				Taxes on products and services receivable
Taxes receivable	183,773	-	183,773	
Prepaid expenses and deposits	45,593	-	45,593	Prepaid expenses and deposits
	<u>2,666,329</u>	<u>387,170</u>	<u>3,053,499</u>	
				Non-current assets
Cash reserved for exploration	59,120	(59,120)	-	
Investments held for trading	328,050	(328,050)	-	
Fixed assets	19,000	-	19,000	Fixed assets
Intangible assets	11,904	-	11,904	Intangible assets
Mining properties	1,071,076	(1,071,076)	-	
Deferred exploration expenses	7,357,229	(7,357,229)	-	Exploration and evaluation assets
	<u>8,428,305</u>	<u>8,428,305</u>	<u>8,428,305</u>	
	<u>11,512,708</u>	<u>-</u>	<u>11,512,708</u>	
LIABILITIES				LIABILITIES
Current liabilities				Current liabilities
Accounts payable and accrued liabilities	261,765	-	261,765	Accounts payable and other liabilities
				Non-current liabilities
Future income tax	1,655,376	-	1,655,376	Deferred tax liability
	<u>1,917,141</u>	<u>-</u>	<u>1,917,141</u>	
SHAREHOLDERS' EQUITY				SHAREHOLDERS' EQUITY
Capital stock	18,586,326	(792,806)	17,793,520	Capital stock
Warrants	312,696	-	312,696	Warrants
Contributed surplus	4,188,169	-	4,188,169	Contributed surplus
Deficit	(13,491,624)	792,806	(12,698,818)	Deficit
	<u>9,595,567</u>	<u>-</u>	<u>9,595,567</u>	
	<u>11,512,708</u>	<u>-</u>	<u>11,512,708</u>	

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)

18.3 Reconciliations between IFRS and Canadian GAAP (continued)

The following table details the impact of the transition on the statement of financial position as at July 31, 2011:

CANADIAN GAAP DESCRIPTION	July 31, 2011			IFRS DESCRIPTION
	Canadian GAAP	Effect of transition to IFRS	IFRS	
	\$	\$		
ASSETS				ASSETS
Current assets				Current assets
Cash	2,493,266	-	2,493,266	Cash and cash equivalents
	-	335,412	335,412	Cash reserved for exploration
	-	482,000	482,000	Investments
				Taxes on products and
Taxes receivable	152,436	-	152,436	services receivable
Prepaid expenses	59,360	-	59,360	Prepaid expenses
Deposit	5,000	-	5,000	Deposits
	<u>2,710,062</u>	<u>817,412</u>	<u>3,527,474</u>	
				Non-current assets
Cash reserved for exploration	335,412	(335,412)	-	Cash reserved for exploration
Investments held for trading	482,000	(482,000)	-	
Fixed assets	21,709	-	21,709	Fixed assets
Intangible assets	12,499	-	12,499	Intangible assets
Mining properties	1,231,131	(1,231,131)	-	
Deferred exploration expenses	7,868,688	(7,868,688)	-	Exploration and evaluation assets
	<u>9,099,819</u>	<u>9,099,819</u>	<u>9,099,819</u>	
	<u>12,661,501</u>	<u>-</u>	<u>12,661,501</u>	
LIABILITIES				LIABILITIES
Current liabilities				Current liabilities
Accounts payable and accrued liabilities	129,849	-	129,849	Accounts payable and other liabilities
				Non-current liabilities
Future income tax	1,924,903	-	1,924,903	Deferred tax liability
	<u>2,054,752</u>	<u>-</u>	<u>2,054,752</u>	
SHAREHOLDERS' EQUITY				SHAREHOLDERS' EQUITY
Capital stock	18,586,326	(788,231)	17,798,095	Capital stock
Warrants	360,296	-	360,296	Warrants
Contributed surplus	4,140,569	-	4,140,569	Contributed surplus
Deficit	(12,480,442)	788,231	(11,692,211)	Deficit
	<u>10,606,749</u>	<u>-</u>	<u>10,606,749</u>	
	<u>12,661,501</u>	<u>-</u>	<u>12,661,501</u>	

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)

18.3 Reconciliations between IFRS and Canadian GAAP (continued)

The following table details the impact of the transition on the statement of financial position as at November 1, 2010:

CANADIAN GAAP DESCRIPTION	November 1, 2010			IFRS DESCRIPTION
	Canadian GAAP	Effect of transition to IFRS	IFRS	
	\$	\$	\$	
ASSETS				ASSETS
Current assets				Current assets
Cash	367,672	-	367,672	Cash and cash equivalents
	-	474,066	474,066	Cash reserved for exploration
	-	813,675	813,675	Investments
Taxes receivable	158,555	-	158,555	Taxes on products and services receivable
Prepaid expenses	10,525	-	10,525	Prepaid expenses
Deposit	5,000	-	5,000	Deposits
	<u>541,752</u>	<u>1,287,741</u>	<u>1,829,493</u>	
				Non-current assets
Cash reserved for exploration	474,066	(474,066)	-	Cash reserved for exploration
Investments held for trading	813,675	(813,675)	-	
Fixed assets	4,689	-	4,689	Fixed assets
Mining properties	887,493	(887,493)	-	
Deferred exploration expenses	6,726,279	(6,726,279)	-	Exploration and evaluation assets
	<u>7,613,772</u>	<u>7,613,772</u>	<u>7,613,772</u>	
	<u>9,447,954</u>	<u>-</u>	<u>9,447,954</u>	
LIABILITIES				LIABILITIES
Current liabilities				Current liabilities
Accounts payable and accrued liabilities	281,510	-	281,510	Accounts payable and other liabilities
Future income tax	1,628,295	-	1,628,295	Non-current liabilities
	<u>1,909,805</u>	<u>-</u>	<u>1,909,805</u>	Deferred tax liability
SHAREHOLDERS' EQUITY				SHAREHOLDERS' EQUITY
Capital stock	14,053,860	(384,633)	13,669,227	Capital stock
Warrants	479,975	-	479,975	Warrants
Contributed surplus	3,385,202	-	3,385,202	Contributed surplus
Deficit	(10,380,888)	384,633	(9,996,255)	Deficit
	<u>7,538,149</u>	<u>-</u>	<u>7,538,149</u>	
	<u>9,447,954</u>	<u>-</u>	<u>9,447,954</u>	

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)

18.4 Reconciliations between IFRS and Canadian GAAP (continued)

The following table details the impact of the transition on the statement of income for the year ended October 31, 2011:

CANADIAN GAAP DESCRIPTION	Year ended October 31, 2011			IFRS DESCRIPTION
	Canadian GAAP	Effect of transition to IFRS	IFRS	
	\$	\$	\$	
REVENUES				
Interest on temporary cash surplus	12,920	(12,920)	-	
ADMINISTRATIVE EXPENSES				EXPENSES
Insurance	13,166	-	13,166	Insurance
Communications and advertising	49,454	-	49,454	Communications and marketing
Consulting fees and professional fees	273,331	-	273,331	Consulting fees and professional fees
Travelling expenses and entertainment	56,140	-	56,140	Travelling expenses and entertainment
Management fees	204,880	-	204,880	Management fees
Listing fees, rights and Part XII.6 tax	30,226	-	30,226	Listing fees, rights and Part XII.6 tax
Rent and office supplies	28,338	-	28,338	Rent and office expenses
Registration and information to shareholders	44,662	-	44,662	Registration and information to shareholders
Stock-based compensation	701,470	-	701,470	Stock-based compensation
Depreciation - fixed assets	6,614	-	6,614	Amortization of fixed assets
Amortization of intangible assets	2,381	-	2,381	Amortization of intangible assets
	-	(32,229)	(32,229)	Gain on disposal of exploration and evaluation assets
	1,410,662	(32,229)	1,378,433	
	(1,397,742)	19,309	(1,378,433)	OPERATING INCOME
OTHER				OTHER INCOME AND EXPENSES
Change in market value of investments sold	(87,184)	-	(87,184)	Realized gain on sale of investments
Unrealized loss on investments held for trading	460,250	-	460,250	Changes in fair value of quoted shares held for trading
Gain on disposal of mining properties	(32,229)	32,229	-	
Write-off/expiration of mining and gas properties	160,908	-	160,908	Write-off of exploration and evaluation assets
Write-off of deferred exploration expenses	775,995	-	775,995	Write-off of exploration and evaluation assets
	-	(12,920)	(12,920)	Interest on cash
	1,277,740	19,309	1,297,049	
LOSS BEFORE INCOME TAXES	(2,675,482)	-	(2,675,482)	LOSS BEFORE INCOME TAXES
Future income tax	166,945	-	166,945	Deferred income tax
NET LOSS AND COMPREHENSIVE INCOME	(2,508,537)	-	(2,508,537)	NET LOSS AND COMPREHENSIVE INCOME
BASIC AND DILUTED LOSS PER SHARE	(0.048)		(0.048)	BASIC AND DILUTED LOSS PER SHARE

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)

18.4 Reconciliations between IFRS and Canadian GAAP (continued)

The following table details the impact of the transition on the statement of income for the nine-month period ended July 31, 2011:

CANADIAN GAAP DESCRIPTION	Nine-month period ended July 31, 2011			IFRS DESCRIPTION
	Canadian GAAP	Effect of transition to IFRS	IFRS	
	\$	\$	\$	
REVENUES				
Interest on temporary cash surplus	8,193	(8,193)	-	
ADMINISTRATIVE EXPENSES				EXPENSES
Insurance	10,171	-	10,171	Insurance
Communications and advertising	36,719	-	36,719	Communications and marketing
Consulting fees and professional fees	232,140	-	232,140	Consulting fees and professional fees
Travelling expenses and entertainment	38,137	-	38,137	Travelling expenses and entertainment
Management fees	115,831	-	115,831	Management fees
Listing fees, rights and Part XII.6 tax	16,870	-	16,870	Listing fees, rights and Part XII.6 tax
Rent and office expenses	18,989	-	18,989	Rent and office expenses
Registration and information to shareholders	40,407	-	40,407	Registration and information to shareholders
Stock-based compensation	701,470	-	701,470	Stock-based compensation
Depreciation-fixed assets	3,905	-	3,905	Amortization of fixed assets
Amortization of intangible assets	1,786	-	1,786	Amortization of intangible assets
	<u>1,216,425</u>	<u>-</u>	<u>1,216,425</u>	
	(1,208,232)	(8,193)	(1,216,425)	OPERATING INCOME
OTHER				OTHER INCOME AND EXPENSES
Realized gain on disposal of investments	(52,184)	-	(52,184)	Realized gain on disposal of investments
Unrealized loss on investments held for trading	243,300	-	243,300	Change in fair value of quoted shares held for trading
	<u>-</u>	<u>(8,193)</u>	<u>(8,193)</u>	Interest on cash
NET LOSS AND COMPREHENSIVE INCOME	<u>(1,399,348)</u>	<u>-</u>	<u>(1,399,348)</u>	NET LOSS AND COMPREHENSIVE INCOME
BASIC AND DILUTED LOSS PER SHARE	<u>(0.028)</u>		<u>(0.028)</u>	BASIC AND DILUTED LOSS PER SHARE

VANTEX RESOURCES LTD.

Notes to financial statements for the nine months ended July 31, 2012 (unaudited)

18. FIRST-TIME ADOPTION OF IFRS (continued)

18.4 Reconciliations between IFRS and Canadian GAAP (continued)

The following table details the impact of the transition on the statement of income for the three-month period ended July 31, 2011:

CANADIAN GAAP DESCRIPTION	Three-month period ended July 31, 2011			IFRS DESCRIPTION
	Canadian GAAP	Effect of transition to IFRS	IFRS	
	\$	\$	\$	
REVENUES				
Interest on temporary cash surplus	3,545	(3,545)	-	
ADMINISTRATIVE EXPENSES				EXPENSES
Insurance	3,447	-	3,447	Insurance
Communications and advertising	8,205	-	8,205	Communications and marketing
Consulting fees and professional fees	60,631	-	60,631	Consulting fees and professional fees
Travelling expenses and entertainment	12,749	-	12,749	Travelling expenses and entertainment
Management fees	45,498	-	45,498	Management fees
Listing fees, rights and Part XII.6 tax	5,177	-	5,177	Listing fees, rights and Part XII.6 tax
Rent and office expenses	6,421	-	6,421	Rent and office expenses
Registration and information to shareholders	11,992	-	11,992	Registration and information to shareholders
Stock-based compensation	153,370	-	153,370	Stock-based compensation
Depreciation - fixed assets	2,709	-	2,709	Amortization of fixed assets
Amortization of intangible assets	596	-	596	Amortization of intangible assets
	<u>310,795</u>	<u>-</u>	<u>310,795</u>	
	(307,250)	(3,545)	(310,795)	OPERATING INCOME
OTHER				OTHER INCOME AND EXPENSES
Unrealized gain on investments held for trading	(27,050)	-	(27,050)	Changes in fair value of quoted shares held for trading
	<u>-</u>	<u>(3,545)</u>	<u>(3,545)</u>	Interest on cash
NET LOSS AND COMPREHENSIVE INCOME	<u>(280,200)</u>	<u>-</u>	<u>(280,200)</u>	NET LOSS AND COMPREHENSIVE INCOME
BASIC AND DILUTED LOSS PER SHARE	<u>(0.006)</u>		<u>(0.006)</u>	BASIC AND DILUTED LOSS PER SHARE