

STRATABOUND MINERALS CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
March 31, 2012

In accordance with National Instrument 51-102 of the Canadian Securities Administrators, Stratabound Minerals Corp. discloses that its auditors have not reviewed the unaudited condensed interim financial statements for the three months ended March 31, 2012.

STRATABOUND MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at	March 31, 2012	Dec 31, 2011
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	\$ 223,184	\$ 6,432
Available-for-sale investments	22,106	53,146
Accounts receivable	11,821	26,142
	257,111	85,720
NON-CURRENT ASSETS		
Property, plant and equipment (Note 4)	3,979	4,248
Mineral exploration and evaluation assets (Note 5)	9,075,024	9,011,203
	\$ 9,336,114	\$ 9,101,171
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 88,310	\$ 94,740
Other liabilities (Note 7)	-	80,000
	88,310	174,740
DEFERRED TAXES	710,041	674,609
	798,351	849,349
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 9)	15,416,849	15,416,849
CONTRIBUTED SURPLUS	1,430,373	1,147,873
ACCUMULATED OTHER COMPREHENSIVE INCOME	21,646	46,286
DEFICIT	(8,331,105)	(8,359,186)
	8,537,763	8,251,822
	\$ 9,336,114	\$ 9,101,171

Approved on behalf of the Board

Director "Stan Stricker"

Director "Duncan McCowan"

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

STRATABOUND MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the three month period ended March 31	2012	2011
REVENUE		
Interest income	\$ 50	\$ 3,765
EXPENSES		
General and administrative (Note 11)	40,218	88,027
Pre-exploration costs	-	4,906
Amortization	269	366
	40,487	93,299
LOSS FROM OPERATIONS	(40,437)	(89,534)
OTHER INCOME		
Other income (Note 7)	80,000	-
Realized gain on disposal of available-for-sale investments	24,350	22,624
	104,350	22,624
INCOME (LOSS) BEFORE INCOME TAXES	63,913	(66,910)
CURRENT INCOME TAX EXPENSE	-	13,915
DEFERRED INCOME TAX EXPENSE	35,832	24,955
	35,832	38,870
INCOME (LOSS) FOR THE PERIOD	28,081	(105,780)
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		
Unrealized gain (loss) on available-for-sale investments, net of tax	(1,651)	19,334
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	\$ 26,430	\$ (86,446)
BASIC AND DILUTED INCOME (LOSS) PER SHARE		
	\$ 0.001	\$ (0.001)
Weighted average number of shares:		
Basic	65,195,111	63,767,333
Diluted	65,195,111	67,634,555

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

STRATABOUND MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the Three Month Period Ended March 31, 2012

	Number of issued and outstanding shares	Share Capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Shareholders' Equity
	#	\$	\$	\$	\$	\$
Balance at December 31, 2011	65,195,111	15,416,849	1,147,873	46,286	(8,359,186)	8,251,822
Subscription deposit (Note 6)	-	-	282,500	-	-	282,500
Fair value adjustment for available-for-sale investments sold during the period	-	-	-	(22,989)	-	(22,989)
Comprehensive income (loss) for the period	-	-	-	(1,651)	28,081	26,430
Balance at March 31, 2012	65,195,111	15,416,849	1,430,373	21,646	(8,331,105)	8,537,763

	Number of issued and outstanding shares	Share Capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Shareholders' Equity
	#	\$	\$	\$	\$	\$
Balance at December 31, 2010	62,795,111	14,947,664	1,090,770	59,399	(7,553,485)	8,544,348
Issued for mineral properties (Note 9)	125,000	16,250	-	-	-	16,250
Private placement – flow through shares	2,000,000	420,000	-	-	-	420,000
Share issue costs	-	(3,249)	-	-	-	(3,249)
Exercise of options (Note 9)	125,000	12,500	-	-	-	12,500
Comprehensive loss for the period	-	-	-	19,334	(105,780)	(86,446)
Balance at March 31, 2011	65,045,111	15,393,165	1,090,770	78,733	(7,659,265)	8,903,403

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

STRATABOUND MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS

For the three month period ended March 31	2012	2011
OPERATING ACTIVITIES		
Comprehensive income (loss)	\$ 26,430	\$ (86,446)
Items not affecting cash:		
Amortization	269	366
Deferred income taxes	35,832	24,955
Other income (Note 7)	(80,000)	
Unrealized loss (gain) on available-for-sale investments	1,651	(19,334)
Realized gain on sale of available-for-sale investments	(24,350)	(22,624)
	(40,168)	(103,083)
Change in non-cash working capital items (Note 3)	7,891	86,762
Net cash used in operating activities	(32,277)	(16,321)
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(63,821)	(230,358)
Government incentives received	-	54,000
Proceeds from sale of available-for-sale investments	30,350	28,064
	(33,471)	(148,294)
Net cash used in investing activities	(33,471)	(148,294)
FINANCING ACTIVITIES		
Proceeds from share issuance	-	500,000
Proceeds from subscription deposit (Note 6)	282,500	-
Proceeds from exercise of stock options and warrants	-	12,500
Share issue costs	-	(3,249)
	282,500	509,251
Net cash provided by financing activities	282,500	509,251
CHANGE IN CASH AND CASH EQUIVALENTS	216,752	344,636
CASH AND CASH EQUIVALENTS, beginning of period	6,432	493,964
CASH AND CASH EQUIVALENTS, end of period (Note 3)	\$ 223,184	\$ 838,600

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

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2012 AND 2011

1. CORPORATE INFORMATION

Stratabound Minerals Corp.'s business activity is the exploration and evaluation of mineral properties in Canada. Stratabound Minerals Corp. (the "Company") was incorporated under the Canada Business Corporations Act on March 5, 1986, and has continued as a company under the Business Corporations Act of Alberta. The Company is listed on the TSX Venture Exchange, having the symbol TSX.V: SB, as a Tier 1 mining issuer and is in the process of exploring its mineral properties in the provinces of New Brunswick and Quebec.

The business of exploring for mineral resources involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable operations. The Company's ability to meet its obligations arising from exploration activity and normal business operations is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain financing, and future profitable production or proceeds from the disposition of its properties. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

The address of the Company's registered office is 3700, 400 Third Avenue SW, Calgary, Alberta T2P 4H2.

These condensed interim financial statements were authorized for issue by the Board of Directors on May XX, 2012.

2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*. These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2011, which have been prepared in accordance with IFRS as issued by the IASB.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2012 AND 2011

3. SUPPLEMENTAL CASH FLOW INFORMATION

For the three month period ended March 31	2012	2011
Changes in non-cash working capital items		
Accounts receivable	\$ 14,321	\$ (11,322)
Accounts payable and accrued liabilities	(6,430)	98,084
	\$ 7,891	\$ 86,762

Cash and cash equivalents consist of:

As at	March 31, 2012	March 31, 2011
Cash	\$ 223,184	\$ 338,600
Cashable GIC	-	500,000
Total cash and cash equivalents	\$ 223,184	\$ 838,600

4. PROPERTY, PLANT AND EQUIPMENT

	Office equipment	Furniture and fixtures	Computer equipment	Total
Cost				
Balance at January 1, 2011, December 31, 2011, and March 31, 2012	\$ 7,339	\$ 15,740	\$ 24,703	\$ 47,782
Accumulated amortization				
Balance at January 1, 2011	\$ 5,377	\$ 15,204	\$ 21,490	\$ 42,071
Amortization for the year	392	107	964	1,463
Balance at December 31, 2011	\$ 5,769	\$ 15,311	\$ 22,454	\$ 43,534
Amortization for the period	79	21	169	269
Balance at March 31, 2012	\$ 5,848	\$ 15,332	\$ 22,623	\$ 43,803
Carrying amounts				
At January 1, 2011	\$ 1,962	\$ 536	\$ 3,213	\$ 5,711
At December 31, 2011	\$ 1,570	\$ 429	\$ 2,249	\$ 4,248
At March 31, 2012	\$ 1,491	\$ 408	\$ 2,080	\$ 3,979

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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5. MINERAL EXPLORATION AND EVALUATION ASSETS

Balance at January 1, 2011	\$ 8,925,761
Acquisition and renewal costs	47,336
Exploration expenditures	817,482
Options issued to exploration consultants	12,952
Total additions	\$ 877,770
Property option payment	(50,000)
Provincial government incentives	(116,000)
Impairment	(626,328)
Balance at December 31, 2011	\$ 9,011,203
Acquisition and renewal costs	6,854
Exploration expenditures	56,967
Total additions	\$ 63,821
Balance at March 31, 2012	\$ 9,075,024

a) Bathurst, New Brunswick

The Company holds a 100% interest in 6,405 hectares in the Bathurst base metal mining camp in New Brunswick, Canada. The properties include the CNE/Captain Group, CNE Mining Lease, Nepisiguit Brook, and Taylor Brook claim groups. All are subject to a 1% net smelter return on production, other than Nepisiguit Brook and the portion of the CNE/Captain Group formerly known as Captain East which are royalty free.

b) Elmtree, New Brunswick

The Company has a 40% interest in 83 claims (1,811 hectares), hosting gold and polymetallic prospects in Gloucester County, New Brunswick. Of the 83 claims, 69 are subject to a 2% net smelter return royalty. In June 2009, the Company entered into an option agreement with Castle Resources Inc. ("Castle") whereby Castle has earned a 60% interest in the Elmtree claims by issuing 200,000 common shares of Castle to the Company on signing, making payments to the Company of \$200,000 and spending \$2,500,000 on exploration. At March 31, 2012, Castle had fulfilled all its commitments and earned a 60% interest in the property.

c) Ramsay Brook, New Brunswick

The Company holds a 100% interest in 69 claims (1,110 hectares) covering gold prospects in Restigouche County, New Brunswick.

d) Enja, Quebec

The Company has a 100% interest, subject to a 2% net smelter return royalty, in this 69 claim (3,700 hectares) gold and base metal prospect.

STRATABOUND MINERALS CORP.
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5. MINERAL EXPLORATION AND EVALUATION ASSETS (CONTINUED)

e) Commander Option, New Brunswick

On July 27, 2010, the Company entered into an agreement with Commander Resources Ltd. (Commander) whereby the Company has the option to acquire up to a 65% interest in a 1,049 hectare (2,592 acre) claim group adjoining the Company's CNE/Captain claim group in New Brunswick. Under the terms of the agreement, the Company issued to Commander 50,000 common shares on signing at a deemed price of \$0.10 per share and incurred more than \$150,000 in exploration expenditures within the first year. The Company issued 100,000 shares to Commander on the first anniversary at a deemed price of \$0.10 per share and can earn an initial 60% interest by making additional staged share payments of 250,000 shares and spending an additional \$1,350,000 on exploration for an aggregate expenditure of \$1,500,000 by July 26, 2015. The Company can then earn a further 5% interest by issuing another 100,000 shares and expending an additional \$1,000,000 on the property. At March 31, 2012, the Company has completed its first year commitment.

f) Gemini Hills, Quebec

The Company has a 100% interest in a gold prospect in the South Gemini Hills area of Berry Township, Quebec, subject to a 1.5% net smelter return on production. The Company can purchase half the royalty at any time for \$1,000,000.

g) Lamoreaux Corner, Western New Brunswick

The Company has a 100% interest in 93 claims (2,060 hectares) covering gold prospects along a new section of the Trans-Canada Highway near Lamoreaux Corner.

h) Green Point, New Brunswick

The Company has a 100% interest, subject to a 2% net smelter return royalty in 118 claims (2,561 hectares) located 2.5 kilometres northeast of the Company's Elmtree claims.

i) Loch Lomond Area, Southern New Brunswick

The Company acquired by staking a 100% interest in the Shanklin Road and Grassy Lake claim groups (39 claims, 813 hectares) near the former Cape Spencer gold mine.

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6. SUBSCRIPTION DEPOSIT

During the period, the Company received \$282,500 from investors with respect to a private placement share issuance. The private placement closed on April 17, 2012, at which time the subscription deposit was recorded as share capital. Please see Note 12 – Subsequent Events, for more detail of the private placement.

7. OTHER LIABILITIES

Other liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuances.

Flow-through shares

Balance at January 1, 2011	\$ 353,887
Liability incurred on flow-through shares issued	80,000
Settlement of flow-through share liability on renouncement	<u>(353,887)</u>
Balance at December 31, 2011	<u>\$ 80,000</u>
Liability incurred on flow-through shares issued	-
Settlement of flow-through share liability on renouncement	<u>(80,000)</u>
Balance at March 31, 2012	<u>\$ -</u>

On February 24, 2011, the Company completed a non-brokered private placement of 2,000,000 flow-through shares at a price of \$0.25 per flow-through share for aggregate gross proceeds of \$500,000. A premium of \$80,000 was recognized as a liability related to the issuance of the flow-through shares. These flow-through shares were renounced for tax purposes on March 28, 2012, and as a result, \$80,000 has been recognized in profit and loss during the period as “other income.”

There were no flow-through share issuances completed during the three month period ended March 31, 2012, and as a result, there were no additions to other liabilities.

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8. RELATED PARTY TRANSACTIONS

During the period, the Company paid rent of \$1,800 (2011 - \$1,050) for office space owned by officers of the Company.

During the period, the Company paid project management and administrative fees of \$16,000 (2011 - \$nil) to a corporation owned by officers of the Company. Of these fees paid, \$7,000 (2011 - \$nil) was capitalized as mineral exploration and evaluation assets during the period.

Key Management Compensation

Key Management personnel compensation comprised:

For the three month period ended March 31	2012	2011
Salaries and benefits	\$ 8,000	\$ 25,699

Of the total salaries and benefits paid to key management \$2,000 (2011 - \$8,000) was capitalized as mineral exploration and evaluation assets during the period.

9. SHARE CAPITAL

a) Authorized

Unlimited number of common shares, without nominal or par value

b) Issuance of securities

- i) In January 2011, 125,000 shares were issued as partial payment for an option on the Noel-Mallet (Lorenzo) lease acquisition. The fair value of this transaction was \$16,250;
- ii) In February 2011, 2,000,000 common flow-through shares were issued for total proceeds of \$500,000;
- iii) In February 2011, 125,000 options were exercised for total proceeds of \$12,500;
- iv) There were no share issuances during the three month period ended March 31, 2012.

c) Stock options

The Company has a share-based compensation plan for its key officers, directors, employees and consultants. Up to 10% of the issued and outstanding shares may be reserved for issuance under the plan. The fair value of each option granted estimated using the Black-Scholes option pricing model for the last issuance of options was \$0.117 using the following assumptions: weighted average life of 5 years; risk-free rate of 2.15%; expected volatility of 198%; and a dividend yield of 0%. All options granted vest immediately, and therefore a forfeiture rate of 0% was used. There were no options granted during the three month period ended March 31, 2012.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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9. SHARE CAPITAL (CONTINUED)

The following table summarizes the stock option transactions:

	Number	Weighted average exercise price
Outstanding January 1, 2011	6,495,555	\$ 0.18
Issued during the year	485,000	0.13
Exercised during the year	(125,000)	0.10
Expired and cancelled during the year	(1,520,000)	0.20
Outstanding at December 31, 2011 and March 31, 2012	5,335,555	\$ 0.17

The share price was \$0.18 on the date that the 125,000 stock options were exercised.

The following table summarizes the options outstanding and exercisable as at March 31, 2012:

Options outstanding	Exercise price	Expiry date
740,000	\$ 0.27	August 30, 2012
50,000	0.42	October 2, 2012
550,000	0.40	January 9, 2013
100,000	0.18	November 1, 2013
2,125,000	0.10	August 17, 2014
50,000	0.12	August 17, 2014
355,555	0.23	August 17, 2014
950,000	0.10	September 2, 2015
415,000	0.13	July 12, 2016
5,335,555	\$ 0.17	

d) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's statement of financial position include 'Contributed Surplus', 'Accumulated Other Comprehensive Income' and 'Deficit'.

Contributed Surplus is used to recognize the value of stock option grants and share warrants prior to exercise. Any proceeds received prior to the issuance of shares will be recorded as contributed surplus until the shares are issued, at which time the amount will be recognized as share capital.

Accumulated Other Comprehensive Income includes an available-for-sale reserve. This reserve is used to recognize fair value changes on available-for-sale investments.

Deficit is used to record the Company's change in deficit from its losses from period to period.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2012 AND 2011

9. SHARE CAPITAL (CONTINUED)

e) Warrants

The following table summarizes the warrants outstanding:

	Number	Exercise price	Expiry date
Outstanding January 1, 2011, December 31, 2011 and March 31, 2012	3,405,970	\$ 0.40	April 22, 2012
	3,405,970	\$ 0.40	April 22, 2012

No warrants were issued or exercised during the three month period ended March 31, 2012.

10. COMMITMENTS AND CONTINGENCIES

At March 31, 2012, the Company has an outstanding lease commitment for the rental of a core shack/office/storage facility. The remaining obligation is \$10,800 and the lease expires on July 31, 2012.

The Company is committed to incur qualifying exploration expenditures of \$500,000 before December 31, 2012. At March 31, 2012, the remaining expenditure obligation is \$86,362. This obligation relates to the flow-through share offering closed on February 24, 2011.

11. GENERAL AND ADMINISTRATIVE EXPENSES

Three month period ended	March 31, 2012	March 31, 2011
	\$	\$
Professional fees	12,000	43,708
Office and other	11,898	8,579
Filing fees and investor communications	8,370	16,991
Salaries and benefits	6,150	17,699
Rent	1,800	1,050
	40,218	88,027

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2012 AND 2011

12. SUBSEQUENT EVENTS

Subsequent to the period-end, the Company closed a private placement of 4,200,000 common shares at \$0.05 per share and 2,682,500 flow-through common shares at \$0.08 per share for total proceeds of \$424,600.

Subsequent to the period-end, the Company transferred a 60% interest in the Elmtree property to Castle Resources Inc. ("CRI") upon CRI having fulfilled the terms of their 2009 option agreement with the Company.

Subsequent to the period-end, the Company signed a Letter of Intent to sell its remaining 40% interest in the Elmtree property to CNRP Mining Inc. ("CNRP") for \$300,000 and 10 million shares of a new junior resource company subject to completion of a reverse takeover of the new company by CNRP and obtaining all required regulatory approvals.

Subsequent to the period-end, the Company issued 2,225,000 stock options to directors, officers, and employees. Each option entitles the holder to acquire one common share of the Company for a period of five years at a price of \$0.10 per share.