

STRATABOUND MINERALS CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)
JUNE 30, 2013

In accordance with National Instrument 51-102 of the Canadian Securities Administrators, Stratabound Minerals Corp. discloses that its auditors have not reviewed the unaudited financial statements for the six months ended June 30, 2013.

STRATABOUND MINERALS CORP.
(Unaudited)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	June 30, 2013	Dec 31, 2012
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 231,611	\$ 119,579
Investments	5,527	13,730
Trade and other receivables (Note 4)	2,281,590	99,746
Prepaid expenses and deposits (Note 5)	874,053	3,331
Loan commitment fee	-	83,829
	3,392,781	320,215
NON-CURRENT ASSETS		
Property, plant and equipment (Note 6)	1,017,148	3,173
Mineral exploration and evaluation assets (Note 7)	5,923,202	7,138,081
	\$ 10,333,131	\$ 7,461,469
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 8)	\$ 2,140,776	\$ 120,765
Short-term loans payable (Note 9)	850,000	188,610
Decommissioning liability (Note 10)	205,744	-
Flow-through share premium (Note 11)	-	192,975
	3,196,520	502,350
DEFERRED TAXES PAYABLE	511,642	733,635
	3,708,162	1,235,985
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 13)	15,951,208	15,951,208
CONTRIBUTED SURPLUS	1,656,395	1,463,104
ACCUMULATED OTHER COMPREHENSIVE INCOME	-	3,750
DEFICIT	(10,982,634)	(11,192,578)
	6,624,969	6,225,484
	\$ 10,333,131	\$ 7,461,469

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.
(Unaudited)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (LOSS)

	2013	2012	2013	2012
	Three months	Three months	Six months	Six months
	ended June 30	ended June 30	ended June 30	ended June 30
REVENUE				
Mining operations	\$ 5,343,145	\$ -	\$ 10,443,145	\$ -
Interest income	1,117	294	6,322	343
	5,344,262	294	10,449,467	343
COST OF SALES (Note 15)	6,673,665	-	10,399,791	-
EARNINGS (LOSS) FROM OPERATIONS	(1,329,403)	294	49,676	343
EXPENSES				
Stock-based compensation (Note 13)	138,476	180,786	138,476	180,786
General and administrative (Note 16)	56,313	49,959	106,776	90,176
Pre-exploration costs	4,598	2,516	4,598	2,516
Amortization	198	269	396	537
	199,585	233,530	250,246	274,015
LOSS FROM OPERATIONS	(1,528,988)	(233,236)	(200,570)	(273,672)
Realized gain on disposal of available-for-sale investments	-	-	-	24,350
Other income (Note 11)	-	-	192,975	80,000
Realized gain on disposal of mineral exploration properties	-	392,903	-	392,903
INCOME (LOSS) BEFORE INCOME TAXES	(1,528,988)	159,667	(7,595)	223,581
DEFERRED TAX RECOVERY (EXPENSE)	110,196	(53,326)	220,392	(89,159)
INCOME (LOSS) FOR THE PERIOD	(1,418,792)	106,341	212,797	134,422
OTHER COMPREHENSIVE INCOME, NET OF TAX				
Fair value loss on available-for-sale investments, net of tax	(3,605)	(10,360)	(6,603)	(12,011)
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(1,422,397)	95,981	206,194	122,411
BASIC AND DILUTED INCOME (LOSS) PER SHARE	\$ (0.019)	\$ 0.001	\$ 0.003	\$ 0.002
Weighted average number of shares:				
Basic and diluted	75,887,611	70,716,237	75,887,611	67,955,674

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

STRATABOUND MINERALS CORP.
(Unaudited)
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Number of issued and outstanding shares	Share capital	Contributed surplus	Accumulated other comprehensive income	Deficit	Shareholders' Equity
	#	\$	\$	\$	\$	\$
Balance at December 31, 2012	75,887,611	15,951,208	1,463,104	3,750	(11,192,578)	6,225,484
Warrants issued as a commitment fee	-	-	54,815	-	-	54,815
Stock-based compensation (Note 13)	-	-	138,476	-	-	138,476
Comprehensive income (loss) for the period	-	-	-	(3,750)	209,944	206,194
Balance at June 30, 2013	75,887,611	15,951,208	1,656,395	-	(10,982,634)	6,624,969
Balance at January 1, 2012	65,195,111	15,416,849	1,147,873	46,286	(8,359,186)	8,251,822
Private placement- common shares	4,200,000	210,000	-	-	-	210,000
Private placement – flow-through shares	6,432,500	321,625	-	-	-	321,625
Issued for mineral exploration and evaluation assets	60,000	4,200	-	-	-	4,200
Share issuance costs	-	(1,466)	-	-	-	(1,466)
Stock-based compensation	-	-	217,431	-	-	217,431
Warrants issued as a commitment fee	-	-	97,800	-	-	97,800
Reclassification of accumulated other comprehensive income *	-	-	-	(22,989)	-	(22,989)
Dividends declared	-	-	-	-	(2,195,464)	(2,195,464)
Comprehensive loss	-	-	-	(19,547)	(637,928)	(657,475)
Balance at December 31, 2012	75,887,611	15,951,208	1,463,104	3,750	(11,192,578)	6,225,484

*Reclassified upon disposal of available for sale investment

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

STRATABOUND MINERALS CORP.
(Unaudited)
CONDENSED INTERIM STATEMENT OF CASH FLOWS

	2013 Three months ended June 30	2012 Three months ended June 30	2013 Six months ended June 30	2012 Six months ended June 30
OPERATING ACTIVITIES				
Net and comprehensive income (loss)	\$ (1,422,397)	\$ 95,981	\$ 206,194	\$ 122,411
Items not affecting cash:				
Amortization, depletion, and impairment	1,004,531	269	2,009,062	537
Accretion of loan payable	77,120	-	150,034	-
Deferred income taxes	(110,196)	53,327	(220,392)	89,159
Share-based compensation	138,476	180,786	138,476	180,786
Other income	-	-	(192,975)	(80,000)
Unrealized loss on available-for-sale investments	3,605	10,360	6,603	12,011
Realized gain on sale of mineral properties	-	(392,903)	-	(392,903)
Realized gain on sale of available-for-sale investments	-	-	-	(24,350)
	(308,861)	(52,180)	2,097,002	(92,349)
Change in non-cash items (Note 3)	2,308,318	(44,044)	(182,555)	(36,154)
Net cash from operating activities	1,999,457	(96,224)	1,914,447	(128,503)
INVESTING ACTIVITIES				
Exploration and development expenditures	(43,722)	(111,117)	(958,159)	(174,936)
Reclamation deposit	-	-	(850,000)	-
Reclamation expenditures	(644,256)	-	(644,256)	-
Government incentives received	-	1,123	-	1,123
Proceeds from sale of mineral properties	-	100,000	-	100,000
Proceeds from sale of available-for-sale investments	-	-	-	30,350
Net cash from investing activities	(687,978)	(9,994)	(2,452,415)	(43,463)
FINANCING ACTIVITIES				
Proceeds from short-term loan	200,000	-	2,050,000	-
Repayment of short-term loan	(1,400,000)	-	(1,400,000)	-
Proceeds from share issuance	-	142,100	-	424,600
Share issue costs	-	(4,123)	-	(4,123)
Net cash from financing activities	(1,200,000)	137,977	650,000	420,477
CHANGE IN CASH AND CASH EQUIVALENTS POSITION	111,479	31,759	112,032	248,511
CASH AND CASH EQUIVALENTS, beginning of period	120,132	223,184	119,579	6,432
CASH AND CASH EQUIVALENTS, end of period	\$ 231,611	\$ 254,943	\$ 231,611	\$ 254,943

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 SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

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 August 29, 2013.

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, 2012, 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 SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

3. SUPPLEMENTAL CASH FLOW INFORMATION

For the three month period ended June 30	2013	2012
Changes in non-cash working capital items		
Accounts receivable	\$ 3,547,927	\$ (265,814)
Prepaid expenses	(22,419)	(16,583)
Receivables related to mineral properties	-	266,517
Accounts payable and accrued liabilities	(1,217,190)	(28,164)
	\$ 2,308,318	\$ (44,044)

For the six month period ended June 30	2013	2012
Changes in non-cash working capital items		
Accounts receivable	\$ (2,181,844)	\$ (251,493)
Prepaid expenses	(20,722)	(16,583)
Receivables related to mineral properties	-	266,517
Accounts payable and accrued liabilities	2,020,011	(34,595)
	\$ (182,555)	\$ (36,154)

Cash and cash equivalents consist of:

As at	June 30, 2013	June 30, 2012
Cash	\$ 231,611	\$ 254,943
Total cash and cash equivalents	\$ 231,611	\$ 254,943

4. TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of:

As at	June 30, 2013	June 30, 2012
Accrued receivable from mining operations, net of expenses*	\$ 751,144	\$ -
GST receivable	1,431,097	
Mining tax incentive receivable	66,517	66,517
Receivable related to mineral property	-	200,000
Trade payable – vendor credits	32,832	-
Total trade and other receivables	\$ 2,281,590	\$ 277,635

*This line item shows the total amount receivable, net of milling, smelting, refining, freight, marketing, and sundry other expenses, incurred for processing the delivered ore.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

5. PREPAID EXPENSES AND DEPOSITS

Prepaid expenses and deposits consist of:

As at	June 30, 2013	June 30, 2012
Reclamation deposit	\$ 850,000	\$ -
Prepaid insurance	24,053	16,583
Total prepaid expenses and deposits	\$ 874,053	\$ 16,583

During the period, \$850,000 was posted with the New Brunswick Department of Energy and Mines for reclamation and environmental security. It is expected that this deposit will be repaid to the Company during fiscal 2013 as soon as the reclamation work on the mine has been completed.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

6. PROPERTY, PLANT AND EQUIPMENT

	Office equipment	Computer equipment	Mineral properties	Total
Cost				
Balance at January 1, 2012 and December 31, 2012	\$ 23,079	\$ 24,703	\$ -	\$ 47,782
Transfer from Mineral Exploration and Evaluation (Note 7)	-	-	1,322,346	1,322,346
Additions	-	-	1,700,691	1,700,691
Balance at June 30, 2013	\$ 23,079	\$ 24,703	\$ 3,023,037	\$ 3,070,819
Accumulated amortization and depletion				
Balance at January 1, 2012	\$ 21,080	\$ 22,454	\$ -	\$ 43,534
Amortization for the year	400	675	-	1,075
Balance at December 31, 2012	\$ 21,480	\$ 23,129	\$ -	\$ 44,609
Amortization and depletion*	160	236	2,008,666	2,009,062
Balance at June 30, 2013	\$ 21,640	\$ 23,365	\$ 2,008,666	\$ 2,053,671
Carrying amounts				
At January 1, 2012	\$ 1,999	\$ 2,249	\$ -	\$ 4,248
At December 31, 2012	\$ 1,599	\$ 1,574	\$ -	\$ 3,173
At June 30, 2013	\$ 1,439	\$ 1,338	\$ 1,014,371	\$ 1,017,148

*The depletion is related to the CNE Open Pit Mining project undertaken by the Company during the period.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

7. MINERAL EXPLORATION AND EVALUATION ASSETS

Balance at January 1, 2012	\$ 9,011,203
Acquisition and renewal costs	24,592
Exploration expenditures	684,843
Options issued to exploration consultants	36,645
Mineral property disposals	(2,001,997)
Provincial government incentives	(67,640)
Impairment	(549,565)
	\$ 7,138,081
Balance at December 31, 2012	\$ 7,138,081
Acquisitions and renewals	10,766
Exploration expenditures	96,701
Transferred to Property, Plant and Equipment (Note 6)	(1,322,346)
Balance at June 30, 2013	\$ 5,923,202

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.

During the first quarter of 2013, the Company constructed an open pit mine on the CNE property, and commenced mining on March 5, 2013. The costs related to this property, previously capitalized as exploration and evaluation expenditures, have been transferred to Property, Plant and Equipment upon development of the mine. These costs were subject to depletion during the period, beginning at the time mining commenced.

b) Enja, Quebec

The Company has a 100% interest, subject to a 2% net smelter return royalty, in this 47 claim (2,520 hectare) gold and base metal prospect.

c) Commander Option, New Brunswick

In 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 claim group adjoining the Company's CNE/Captain claim group in New Brunswick.

Under the terms of the agreement, the Company can acquire a 60% interest by issuing to Commander 50,000 common shares on signing at a deemed price of \$0.10 per share and spending a minimum of \$150,000 on exploration expenditures in year one; issuing 100,000 common shares to Commander on the first anniversary of the agreement at a deemed price of \$0.10 per share and spending a minimum of \$200,000 on exploration in year two; issuing 50,000 common shares to Commander on the second anniversary of the agreement at a deemed price of \$0.07 per share and spending a minimum of \$300,000 on exploration in year three; issuing 100,000 common shares to Commander on the third anniversary of the agreement and spending a minimum of \$400,000 on exploration in year four; and, issuing 100,000 common

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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7. MINERAL EXPLORATION AND EVALUATION ASSETS (CONTINUED)

shares to Commander on the fourth anniversary of the agreement and spending \$450,000 on exploration in year five. The Company has met the year one and two requirements and incurred \$157,355 of the year three commitment. The five year option term ends on September 30, 2015. The Company can earn a further 5% interest by issuing an additional 100,000 shares and spending an additional \$1 million on the property.

d) Gemini Hills, Quebec

The Company has a 75% 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 \$750,000.

e) 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 near Bathurst, NB.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of:

As at	June 30, 2013	June 30, 2012
Trade payables	\$ 576,673	\$ 60,145
GST payable	1,518,560	
Interest payable	45,543	-
Total accounts payable and accrued liabilities	\$ 2,140,776	\$ 60,145

9. SHORT-TERM LOANS PAYABLE

In the prior year, the Company entered into an unsecured loan facility with a private company controlled by its largest shareholder in the amount of \$1.4 million. At June 30, 2013, the Company has received, and repaid, \$1.4 million from this facility.

During the period, the Company entered into a second unsecured loan facility with the same lender as above, in the amount of \$850,000. In consideration for this facility, the Company issued 1 million warrants to the lender, with an exercise price of \$0.20 and expiring on June 5, 2014. The fair value of these warrants of \$54,815, was netted against the carrying value of the loan as transaction costs.

Both facilities bear interest at 6% per annum and were repayable on June 30, 2013. At June 30, 2013, the Company owes \$850,000 on the above facilities. The lender has granted an extension to the Company until reclamation has been completed on the CNE Open Pit mine.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

10. DECOMMISSIONING LIABILITIES

Upon commencement of mining operations during the first quarter of fiscal 2013, the Company accrued an estimated liability related to reclamation and closure costs based on the total expected future remediation cost in the amount of \$850,000.

During the period, the Company spent \$644,256 in relation to site reclamation costs. At June 30, 2013, the remaining decommissioning liability is \$205,744. The remaining reclamation and closure costs are expected to be incurred within the current fiscal year, and thus this estimate of future costs approximates its fair value at June 30, 2013.

The liability is subject to revision based on future mine resource realization and other factors which could affect the costs incurred at future dates.

11. FLOW-THROUGH SHARE PREMIUM

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, 2012	\$ 80,000
Liability incurred on flow-through shares issued	192,975
Settlement of flow-through share liability on renouncement	(80,000)
Balance at December 31, 2012	<u>\$ 192,975</u>
Liability incurred on flow-through shares issued	-
Settlement of flow-through share liability on renouncement	<u>(192,975)</u>
Balance at June 30, 2013	<u>\$ -</u>

During 2012, the Company completed two non-brokered private placements, issuing 6,432,500 flow-through shares for gross proceeds of \$514,600. Total premiums of \$192,975 were recognized as liabilities related to the issuance of the flow-through shares. These flow-through shares were renounced for tax purposes during the period, and as a result, \$192,975 has been recognized in profit and loss during the period as “other income.”

There were no flow-through share issuances completed during the six month period ended June 30, 2013, and as a result, there were no additions to flow-through share premiums.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

12. RELATED PARTY TRANSACTIONS

During the period, the Company paid rent of \$3,600 (2012 - \$3,600) for office space owned by officers of the Company.

Key Management Compensation

Key Management personnel compensation comprised:

For the six month period ended June 30	2013	2012
Salaries and benefits	\$ 48,000	\$ 32,000
Stock-based compensation	58,511	77,309
	\$ 106,511	\$ 109,309

Of the total salaries and benefits paid to key management \$8,000 (2012 - \$11,000) was capitalized as mineral exploration and evaluation assets during the period, and \$8,000 (2012 - \$nil) was classified as cost of sales.

13. SHARE CAPITAL

a) Authorized

Unlimited number of common shares, without nominal or par value

b) Issuance of securities

- i) In April, 2012, 4,200,000 common shares were issued for total proceeds of \$210,000;
- ii) In April, 2012, 2,682,500 common flow-through shares were issued for total proceeds of \$214,600, \$134,125 of which was allocated to share capital and \$80,475 of which was allocated to the flow-through share premium;
- iii) In September, 2012, 3,750,000 common flow-through shares were issued for total proceeds of \$300,000, of which \$187,500 was allocated to share capital and \$112,500 was allocated to the flow-through share premium;
- iv) During 2012, 60,000 common shares were issued for mineral properties. The fair value of these transactions was \$4,200.
- v) There were no share issuances during the six month period ended June 30, 2013.

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 \$0.078 using the following assumptions: weighted average life of 5 years; risk-free rate of 4.00%; expected volatility of 201%; and a dividend yield of 0%. All options granted vest immediately, and therefore a forfeiture rate of 0% was used. During the period, the Company granted stock options with a fair value of \$138,476.

STRATABOUND MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

13. SHARE CAPITAL (CONTINUED)

The following table summarizes the stock option transactions:

	Number	Weighted average exercise price
Outstanding January 1, 2012	5,335,555	\$ 0.18
Issued during the year	2,225,000	0.10
Expired and cancelled during the year	(1,245,555)	0.26
Outstanding at December 31, 2012	6,315,000	\$ 0.13
Expired and cancelled during the period	(550,000)	0.40
Issued during the period	1,775,000	0.10
Outstanding at June 30, 2013	7,540,000	\$ 0.10

The following table summarizes the options outstanding and exercisable as at June 30, 2013:

Options outstanding	Exercise price	Expiry date
2,125,000	0.10	August 17, 2014
50,000	0.12	August 17, 2014
950,000	0.10	September 2, 2015
415,000	0.13	July 12, 2016
2,225,000	0.10	May 17, 2017
1,775,000	0.10	April 8, 2018
7,540,000	\$ 0.10	

d) Nature and Purpose of Equity and Reserves

The reserves recorded in equity on the Company's Interim 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
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13. SHARE CAPITAL (CONTINUED)

e) Warrants

The following table summarizes the warrant transactions:

	Number	Weighted average exercise price
Outstanding January 1, 2012	3,405,970	\$ 0.40
Issued during the year	2,000,000	\$ 0.20
Expired during the year	(3,405,970)	\$ 0.40
Outstanding at December 31, 2012	2,000,000	\$ 0.20
Issued during the period	1,000,000	\$ 0.20
Outstanding at June 30, 2013	3,000,000	\$ 0.20

The following table summarizes the warrants outstanding and exercisable as at March 31, 2013:

Warrants outstanding	Exercise price	Expiry date
2,000,000	\$ 0.20	June 5, 2014
1,000,000	\$ 0.20	June 5, 2014

The warrants were issued in connection with the short-term loans payable (Note 9).

14. COMMITMENTS

At June 30, 2013, the Company has an outstanding lease commitment for the rental of a core shack/office/storage facility. The remaining obligation is \$2,700 and the lease expires on July 31, 2013.

At June 30, 2013, the Company has committed to spending \$300,000 on exploration to complete the year three requirements under the option agreement with Commander Resources (Note 7 (c)). To date, the Company has incurred \$157,355 of this obligation; therefore, only \$142,645 is remaining to be spent this year.

STRATABOUND MINERALS CORP.
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FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2013 AND 2012

15. COST OF SALES

Three month period ended	June 30, 2013	June 30, 2012
	\$	\$
Smelting	2,397,185	-
Blasting, mining and delivery	1,910,457	-
Milling	994,902	-
Finance charges	124,627	-
Refining	103,387	-
Water treatment	89,434	-
Exchange loss	48,738	-
Insurance	602	-
Depletion and amortization	1,004,333	-
	6,673,665	-
<hr/>		
Six month period ended	June 30, 2013	June 30, 2012
	\$	\$
Blasting, mining and delivery	3,193,228	-
Smelting	2,397,185	-
Milling	2,226,984	-
Finance charges	215,590	-
Water treatment	203,213	-
Refining	103,387	-
Exchange loss	48,738	-
Insurance	2,800	-
Depletion and amortization (Note 6)	2,008,666	-
	10,399,791	-

16. GENERAL AND ADMINISTRATIVE EXPENSES

Three month period ended	June 30, 2013	June 30, 2012
	\$	\$
Professional fees	20,726	18,381
Salaries and benefits	17,917	16,716
Office and other	8,402	5,650
Filing fees and investor communications	7,468	7,412
Rent	1,800	1,800
	56,313	49,959

STRATABOUND MINERALS CORP.
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16. GENERAL AND ADMINISTRATIVE EXPENSES (CONTINUED)

Six month period ended	June 30, 2013	June 30, 2012
	\$	\$
Salaries and benefits	35,746	22,866
Professional fees	32,670	30,381
Filing fees and investor communications	17,706	15,782
Office and other	17,054	17,547
Rent	3,600	3,600
	106,776	90,176

17. SUBSEQUENT EVENTS

On July 30, 2013, Commander Resources granted the Company an extension from September 30, 2013 to December 31, 2013 of its 3rd year work commitment on the Nepisquit property (Note 7(c), 14). In consideration for this extension, the Company has agreed to issue Commander Resources 25,000 shares of the Company.