PJX RESOURCES INC.

Condensed Interim Financial Statements
Three Months ended March 31, 2013 and 2012
Expressed in Canadian Dollars
(UNAUDITED)

The accompanying consolidated financial statements of PJX Resources Inc. (the "Company") are the responsibility of the Board of Directors.

These financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the end of the reporting period. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the financial statements and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed)
John Keating
President and Chief Executive Officer

(signed)
Linda Brennan
Chief Financial
Officer

Toronto, Canada
May 29, 2013

Notice of Disclosure of Non-auditor Review of Interim Financial Statements

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company for the interim periods ended March 31, 2013 and 2012 have been prepared in accordance with International Financial Reporting Standards ("IFRS") accounting principles and are the responsibility of the Company's management.

The Company's independent auditors, PriceWaterhouseCoopers LLP, have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

PJX Resources Inc.
CONDENSED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS (UNAUDITED)

Three months ended March 31,	Note		2013		2012
Expenses					
Exploration	11(a)	$	79,625	$	88,713
General and administration	11(b)		131,559		154,816
Share based compensation	8(b(ii))		-		235,668
Loss before income taxes			(211,184)		(479,197)
Deferred tax recoveries			37,570		80,000
Net loss and comprehensive loss for the period		$	(173,614)	$	(399,197)
Basic and diluted loss per share			($0.01)		($0.02)
Weighted average number of shares outstanding			32,025,201		22,335,701

See accompanying notes to the financial statements.

PJX Resources Inc.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	**March 31, 2013**	December 31, 2012
		(Unaudited)	
ASSETS			
Current assets			
Cash		**$ 858,346**	$ 1,119,490
Accounts receivable		**19,916**	45,551
Prepayments	**6(a)**	**9,670**	13,680
Total current assets		**887,932**	1,178,721
Non-current assets			
Deposits	**6(b)**	**77,800**	$ 50,900
Total non-current assets		**77,800**	50,900
Total assets		**965,732**	1,229,621
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**81,221**	133,926
Other liabilities		**-**	37,570
Total current liabilities		**81,221**	171,496
Total liabilities		**81,221**	171,496
SHAREHOLDERS' EQUITY			
Share capital	**8(b)**	**3,513,223**	3,513,223
Warrants	**9**	**835,577**	835,577
Surplus	**10**	**425,610**	425,610
Deficit		**(3,889,899)**	(3,716,285)
Total Equity		**884,511**	1,058,125
Total equity and liabilities		**$ 965,732**	$ 1,229,621

See accompanying notes to the financial statements.

Nature of operations and going concern (Note 1)

Commitments and contingencies (Note 12)

Approved by the Board of Directors:

(Signed) John Keating
John Keating, Director

(Signed) Linda Brennan
Linda Brennan , Director

PJX Resources Inc.

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(UNAUDITED)

Three months ended March 31,	**Note**	**2013**	2012
Share capital			
Balance, beginning of period		**$ 3,513,223**	$ 2,763,127
Balance, end of period		**3,513,223**	2,763,127
Warrants			
Balance, beginning of period		**835,577**	130,029
Balance, end of period		**835,577**	130,029
Surplus			
Balance, beginning of period		**425,610**	189,942
Share based compensation	**Note 8(b)(ii)**	**-**	235,668
Balance, end of period		**425,610**	425,610
Deficit			
Balance, beginning of period		**(3,716,285)**	(2,240,146)
Net loss for the period		**(173,614)**	(399,197)
Balance, end of period		**(3,889,899)**	(2,639,343)
Total equity		**$ 884,511**	$ 679,423

See accompanying notes to the financial statements.

PJX Resources Inc.
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(UNAUDITED)

Three months ended March 31,	**2013**	2012
Cash flows from operating activities		
Net loss for the period	**$ (173,614)**	$ (399,197)
Items not involving cash:		
Share based compensation	**-**	235,668
Changes in non-cash working capital:		
Deposits	**(26,900)**	-
Accounts receivable and prepayments	**29,645**	136,468
Other liabilities	**(37,570)**	(80,000)
Accounts payable and accrued liabilities	**(52,705)**	3,160
Net cash used in operating activities	**(261,144)**	(103,901)
Net change in cash	**(261,144)**	(103,901)
Cash, beginning of period	**1,119,490**	821,353
Cash, end of period	**$ 858,346**	$ 717,452

See accompanying notes to the financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

PJX Resources Inc. (the "Company or PJX") is a Canadian corporation incorporated under the laws of Alberta on April 22, 2010, originally under the name of 1532063 Alberta Inc. On March 7, 2011, the Company obtained a Certificate of Continuance from the Registrar of Corporations for the Province of Alberta changing its jurisdiction to the Province of Ontario. On the same date the Company changed its name to PJX Resources Inc.

The principal activities of the Company are the exploration of mineral projects located near Cranbrook, British Columbia. To date, the Company has not earned mining revenues. The Company is considered to be in the exploration stage. The Company's corporate offices are located at 3400 One First Canadian Place, Toronto, Ontario.

These financial statements have been prepared in Canadian dollars, the Company's functional currency, using generally accepted accounting principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due for the foreseeable future. For the three months ended March 31, 2013, the Company incurred a loss of $173,614 or $0.01 per share, compared to $399,697 or $0.02 per share, for the same comparative period of fiscal 2012 and reported an accumulated deficit of $3,889,899 (December 31, 201 $3,716,285). As at March 31, 2013 the working capital of the Company was $806,711 (December 31, 2012: $1,007,225). Such circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness ultimately of the use of accounting principles applicable to a going concern, given the Company is not yet able to generate revenue from operations.

PJX's financing efforts to date are not sufficient in and of themselves to enable the Company to fully fund all aspects of its operations and commitments and there is no assurance that future financing initiatives will be successful or sufficient.

The Company's ability to continue as a going concern is dependent upon its ability to rise additional financing in order to fund its working capital and exploration requirements and eventually to generate positive cash flows either from operations or the sale of properties. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the going concern assumption were inappropriate, and these adjustments could be material.

These financial statements were approved by the board of directors for issue on May 29, 2013.

2. BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared in accordance with IFRS, as applicable to interim financial reports, including IAS 34, *Interim Financial Reporting*, and 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 International Accounting Board.

Accounting Policies
The accounting policies followed in these condensed consolidated interim financial statements are consistent with those of the previous financial year, except as described below.

Changes in accounting policies:

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. The changes were made in accordance with the applicable transitional provisions.

(i) IFRS 10, *Consolidated Financial Statements*, replaces the guidance on control and consolidation in IAS27, *Consolidated and Separate Financial Statements*, and SIC-12, *Consolidation – Special Purpose Entities*. IFRS 10 requires consolidation of an investee only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. Detailed guidance is provided on applying the definition of control. The accounting requirements for consolidation have remained largely consistent with IAS 27.The Company assessed its consolidation conclusions on January 1, 2013 and determined that the adoption of IFRS 10 did not result in any change in the consolidation status since it does not have any subsidiaries or investees.

(ii) IFRS 11, *Joint Arrangements*, supersedes IAS 31, *Interests in Joint Ventures,* and requires joint arrangements to be classified either as joint operations or joint ventures depending on the contractual rights and obligations of each investor that jointly controls the arrangement. For joint operations, a company recognizes its share of assets, liabilities, revenues and expenses of the joint operation. An investment in a joint venture is accounted for using the equity method as set out in IAS 28, *Investments in Associates and Joint Ventures (amended in 2011).* The other amendments to IAS 28 did not affect the Company. The Company currently has no joint arrangements and concluded that the adoption of IFRS 11 did not result in any changes in the accounting for its joint arrangements.

(iii) IFRS 13, *Fair value measurement,* provides a single framework for measuring fair value. The measurement of the fair value of an asset or liability is based on assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The Company adopted IFRS 13 on January 1, 2013 on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

(iv) The Company has adopted the amendments to IAS 1 effective January 1, 2013. These amendments required the Company to group other comprehensive income items by those that will be reclassified subsequently to profit or loss and those that will not be reclassified. The Company has reclassified comprehensive income items of the comparative period. These changes did not result in any adjustments to other comprehensive income or comprehensive income.

3. CAPITAL MANAGEMENT

When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its exploration properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and attempt to raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended March 31, 2013. The Company is not subject to externally imposed capital requirements.

4. FINANCIAL RISK FACTORS

A summary of the Company’s risk exposures as it relates to financial instruments are reflected below:

<u>Credit risk</u>

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and sales tax receivable. Cash is held with reputable Canadian chartered banks, from which management believes the risk of loss to be minimal. Financial instruments include sales tax receivable. Management believes that the credit risk concentration with respect to financial instruments is minimal.

<u>Liquidity risk</u>

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2013, the Company had a cash balance of $858,346 (December 31, 2012: $1,119,490) to settle current liabilities of $81,221 (December 31, 2021: $171,496). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

<u>Market risk</u>

Interest rate risk
The Company's current policy is to invest excess cash in interest bearing accounts at major Canadian chartered banks. The Company periodically monitors its cash management policy. A 1% change in interest rates would increase (decrease) the Company’s earnings and income by approximately $8,500.

Commodity price risk
The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market affecting PJX’s capacity to obtain future financings. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as it relates to the mineral commodities to determine the appropriate course of action to be taken by the Company.

Sensitivity analysis

As of March 31, 2013, both the carrying and fair value amounts of the Company's financial instruments are the same. Based on Management's knowledge and experience of the financial markets, the Company believes that is “reasonably possible” that commodity price fluctuation could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the world market price of mineral commodities. As of March 31, 2013, the Company was not in the production phase. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options. This may also affect the

Company's liquidity and its ability to meet its ongoing obligations.

Carrying value of financial instruments

The carrying values of the financial assets and liabilities at March 31, 2013 and December 31, 2012 are as follows:

	March 31, 2013	December 31, 2012
Financial Assets		
Loans and receivables		
Cash	**$ 858,346**	$ 1,119,490
Accounts receivable	**19,916**	45,551
Deposits	**77,800**	50,900
Prepaids	**9,670**	13,680
Loans and receivable		
Financial liabilities		
Accounts payables and other liabilities	**$ 81,221**	$ 133,926

5. ACCOUNTS RECEIVABLE

Accounts receivable corresponds to the fair value of sale taxes recoverable paid on taxable purchases of material and services.

6. PREPAYMENTS & DEPOSITS

a) At March 31, 2013, prepaids totaling $9,670 (December 31, 2012: $13,680) represents advanced payments to suppliers.

b) At March 31, 2013, the Company has deposits with the British Columbia Ministry of Finance for $52,000 (December 31, 2012: $47,000) representing remediation cost bonds associated with its properties and advances granted to a drilling operator for $25,800.

7. MINERAL PROPERTIES

I) SG Option Agreement:

On September 14, 2010 the Company entered into an option agreement (“the SG Agreement”) with SG Spirit Gold Inc. (formerly Ruby Red Resources Inc.) to acquire up to 80% interest in four properties: the Dewdney Trail Gold property, the Vine property, the Zinger Gold property and the Eddy Gold property (together “the Properties”), all located in the Cranbrook area of British Columbia, Canada, approximately 1,000 km east of Vancouver B.C.

Under the terms of the SG Agreement the Company has the option to acquire 80% of these Properties over a four year term by making staged cash payments to the optionors totaling $215,000. The first option payment for $20,000 was paid on execution of the SG Agreement, $30,000 was paid on September 14, 2011 and $40,000 on September 4, 2012. Subsequent payments are due as follows:

- $50,000 on or before September 14, 2013; and

- $75,000 on or before September 14, 2014.

In addition, under the terms of the SG Agreement, the Company has the following work commitments:

(a) Complete a cumulative work commitment of $250,000 on or before September 14, 2011, (completed) and maintain all SG Spirit Gold's Rockies claims and Purcell Claims (less the Luv Property claims) in good standing.

(b) Complete a cumulative work commitment of $750,000 to September 14, 2012;(completed)

(c) Complete a cumulative work commitment of $1,250,000 on or before September 14, 2013; and

(d) Complete a cumulative work commitment of $2,500,000 on or before September 14, 2014.

Some of the cash required to fund the work commitments can be paid by in PJXs' shares priced at the previous 10 day volume weighted average trading price and subject to regulatory approval. The amount to be paid on a share basis transaction is to be agreed upon by both parties.

If the Company has paid a cumulative $140,000 to the Optionor and completed a cumulative $1,250,000 in work on the Properties on or before September 14, 2013, the Company shall be deemed to have exercised one part of the Option and will have acquired an undivided 60% right, title and interest in and to the Property.

If the Company has paid a cumulative $215,000 to the Optionor and completed a cumulative $2,500,000 in work on the Properties on or before September 14, 2014, the Company shall be deemed to have exercised the Option and will have acquired an undivided 80% right, title and interest in and to the Property.

As at March 31, 2013, PJX incurred in the Dewdney, Eddy, Vine and Zinger properties, excluding option payments, a total of $1,512,981 in exploration expenses, and made option payments of $90,000. The company would require making additional $50,000 in option payments by September 14, 2013 to earn a 60% interest in the Property.

Upon completion of the Expenditures and Work Commitment by the Company, and exercise of the option at a 60% or 80% interest, as determined by the Company, the parties will negotiate in good faith and enter into a Joint Venture (JV) Agreement substantially in the form of Form 5A of the Rocky Mountain Mineral Law Foundation. The JV Agreement will provide that each party will contribute to the costs of the JV in proportion to its respective interests in the JV and the Agreement will contain other normal and customary terms, covenants, representations and warranties.

During the term of the Option and any subsequent JV, the Company will be the operator for purposes of developing and executing exploration programs.

During the JV period, if either party decides not to participate (Non-participant) in funding the projects then its interest in the JV will be diluted on a pro-rata basis, in accordance with the JV agreement entered into, to a 2% Net Smelter Royalty (NSR), calculated and payable from the Property in accordance with the provisions of the Agreement. The participating company (Participant) will have the right to purchase ½ of the 2% NSR for $1,000,000, leaving the Non-participant with a 1% NSR.

On October 25, 2011, the Company entered into an amendment of the original Cranbrook Properties Agreement, dated September 14, 2010, signed between SG Spirit Gold Inc. and PJX Resources Inc. Under the terms of the Amended Agreement the parties agreed to add to the area of the Property thirty eight (38) new claims, representing approximately 12,800 additional hectares adjacent to the original Cranbrook Properties, for no additional cost to PJX.

II) Vine Extension Option Agreement:

On April 26, 2012, PJX entered into the Vine Extension Option Agreement (the "Agreement") with Klondike Gold Corp. ("KG"). Under the terms of the Agreement, PJX can earn a 50% interest in KG's 6,300 hectares-property by completing $1.5 million in work, with at least $1 million of the $1.5 million spent on drilling, and, subject to certain conditions, make share payments to a maximum total of 200,000 common shares over a 5 year period. Once PJX has exercised the option the companies will form a Joint Venture (JV - 50% PJX and 50% KG) with PJX as operator. If either company decides not to participate in the JV then their interest would be diluted on a pro-rata basis to a 2% NSR with the other company having the right to purchase ½ of the 2% NSR for $2 million.

On March 26, 2013 the Company and Klondike Gold Corp entered into an amended agreement to the one originally entered on April 26, 2012, where certain working commitments and option payments are delayed to 24 and 36 months, respectively, from the date of the signing of the original Agreement.

The revised work commitments are as follows:

- Complete a work commitment of $75,000 on or before the date which is 24 months from the date of the Agreement;
- Complete a work commitment of $150,000 on or before the date which is 36 months from the date of the Agreement;
- Complete a work commitment of $275,000 on or before the date which is 48 months from the date of the Agreement;
- Complete a work commitment of $400,000 on or before the date which is 60 months from the date of the Agreement;
- Complete a work commitment of $600,000 on or before the date which is 72 months from the date of the Agreement.

The revised option payments are as follows:

- Issue 50,000 common shares of PJX to the Optionor on or before the date which is 36 months from the date of the Agreement;
- Issue 50,000 common shares of PJX to the Optionor on or before the date which is 48 months from the date of the Agreement;
- Issue 50,000 common shares of PJX to the Optionor on or before the date which is 60 months from the date of the Agreement;
- Issue 50,000 common shares of PJX to the Optionor on or before the date which is 72 months from the date of the Agreement.

8. SHARE CAPITAL

(a) Authorized capital

As at December 31, 2012 the capital structure of the Company is composed of common shares with the following rights, privileges, restrictions and conditions:

- To vote at any meeting of shareholders of the Company;
- To receive any dividends declared by the Company;
- Participate in the distribution of the Company assets in case of dissolution, liquidation or wind-up.

(b) Issued capital

The following schedule describes the class A share transactions since December 31, 2011:

	# of Shares		Value
Balance, December 31, 2011	**22,335,701**	**$**	**2,763,127**
Shares issued under private placement	7,554,500		1,208,720
Flow-through shares issued under private placement	2,135,000		427,000
Fair value allocated to warrants:			
Non-flow-trhough warrants			(499,168)
Flow-through			(149,622)
Share premium on flow-through shares			(92,900)
Share issue cost:			
- Financing cost			(87,176)
- Fair value of compensation warrants issued			(56,758)
Balance, December 31, 2012 and March 31, 2013	**32,025,201**	**$**	**3,513,223**

(i) Private placements

On September 25, 2012 PJX closed the first tranche of a non-brokered private placement where the Company issued 5,814,500 units for gross proceeds of $985,720 by issuing 1,385,000 flow-through units (“Flow-through Unit”) at a price of $0.20 per flow-through unit, and 4,429,500 non-flow-through units (“Unit”) at a price of $0.16 per non-flow through unit. Each unit, whether acquired as part of a Unit or a Flow-through Unit, consists of one common share and one non-transferable common share purchase warrant. Each warrant will entitle the holder to purchase one common share at an exercise price of $0.25 for 24 months. All securities issued under the offering are subject to a four-month hold period.

On October 9, 2012, PJX closed the second tranche of a financing referred above for gross proceeds of $500,000 by issuing 3,125,000 non-flow-through units at $0.16 per unit. Each unit consists of one common share and one non-transferable common share purchase warrant. Each warrant will entitle the holder to purchase one common share at an exercise price of $0.25 for 24 months. All securities issued under the offering are subject to a four-month hold period.

In conjunction with the above mentioned transaction the Company paid $82,954 in brokerage commissions and issued 507,360 broker warrants on these two tranches to Union Securities Ltd., Canaccord Genuity Corp., PI Financial Corp., and East-West Trade Partners Inc.

On December 28, 2012 the Company closed a non-brokered private placement for gross proceeds of $150,000 by issuing 750,000 flow-through units at a price of $0.20 per unit. Each unit consists of one common share and one non-transferable common share purchase warrant. Each warrant will entitle the holder to purchase one common share at an exercise price of $0.25 for 24 months. No finders' fees or commission were paid in connection with this offering.

(ii) Share based compensation

The Company has a Stock Option Plan (the "Plan") to provide incentive for the directors, officers, employees, consultants and service providers of the Company. The maximum number of shares which may be set aside for issuance under the Plan is 10% of the outstanding common shares.

The Company granted an aggregate of 2,233,500 incentive stock options to employees, officers, directors and consultants of the Company, pursuant to the Company's Stock Option Plan, at an exercise price of $0.30 per share. The options are fully vested and exercisable until November 7, 2016. The estimated fair value of the options granted was $425,610. No options were issued, expired or forfeited during the three months ended March 31, 2013 or the year ended December 31, 2012.

9. WARRANTS

(i) Warrants issued under private placements:

As described under Note 9(b)(ii) the Company issued 8,939,500 warrants as part of the private placement closed, during September and October of fiscal 2012.The warrants exercisable at $0.25 will expire after 24 month of issuance. In addition 507,360 broker warrants were issued as part of the same transaction.

As described under Note 9(b)(ii) the Company issued 750,000 warrants as part of the private placement closed, during December of fiscal 2012. The warrants exercisable at $0.25 will expire after 24 month of issuance.

The fair values of the warrants issued during fiscal 2012 were calculated using the Black-Scholes options pricing model using the following assumptions:

			Assumptions				
Expiry date	**Type**	**Number of Warrants**	**Dividend yield**	**Volatility**	**Risk free interest rate**	**Expected average life (years)**	**Fair value**
September 25, 2014	Flow-through	1,385,000	Nil	164%	1.10%	2	$ 99,379
September 25, 2014	Non-flow-through	4,429,500	Nil	164%	1.10%	2	291,673
September 25, 2014	Broker	507,360	Nil	164%	1.10%	2	56,758
October 3, 2014	Non-flow-through	3,125,000	Nil	167%	1.10%	2	207,495
December 27, 2014	Flow-through	750,000	Nil	159%	1.10%	2	50,243

Volatility rates were determined based on historical share pricing volatility for the Company's common shares.

The following schedules describe the warrants transactions since December 31, 2011 and the balance outstanding at March 31, 2013 and December 31, 2012:

	Number of Warrants	Exercise price CAD$	Fair value
Balance at December 31, 2011	-	$ -	$ -
Issued during fiscal 2012:			
On private placement Flow-through units	2,135,000	0.25	149,622
On private placement Non-flow-through units	7,554,500	0.25	499,168
Balance at December 31, 2012 and March 31, 2013	9,689,500	$ 0.25	$ 648,790

Expiry Date	Type	Number of Warrants	Exercise price CAD$	Fair Value
September 25, 2014	FT	1,385,000	$ 0.25	99,379
September 25, 2014	NFT	4,429,500	0.25	291,673
October 3, 2014	NFT	3,125,000	0.25	207,495
December 27, 2014	FT	750,000	0.25	50,243
Balance at December 31, 2012 and March 31, 2013		9,689,500	$ 0.25	$ 648,790

FT: Issued with flow-through units

NFT: Issued with Non-flow-through units

The following schedules describe the broker warrants transactions since December 31, 2011 and the balance outstanding at December 31, 2012 and March 31, 2013:

	Number of Warrants	Exercise price CAD$	Fair value
Balance at December 31, 2011	1,210,000	0.20	130,029
Issued on private placement	507,360	0.25	56,758
Balance at December 31, 2012 and March 31, 2013	1,717,360	$ 0.21	$ 186,787

Expiry Date	Number of Warrants	Exercise price	Fair Value
September 9, 2014	1,210,000	$ 0.20	$ 130,029
October 3, 2014	507,360	0.25	56,758
Balance at December 31, 2012 and March 31, 2013	1,717,360	$ 0.21	$ 186,787

10. CONTRUBUTED SURPLUS

The following schedule describes PJX contributed surplus movements from December 31, 2011:

Balance December 31, 2011	$	189,942
Share based compensation		235,668
Balance December 31, 2012 and March 31, 2013	**$**	**425,610**

11. EXPLORATION AND GENERAL AND ADMINISTRATION EXPENSES

a) Exploration Expenses:

The following schedules describe explorations expenses by nature for the three months ended March 31, 2013, 2012 and since inception:

Three months ended March 31,	**2013**	2012	Balance Since inception
Geology, geophysics and geochemistry	**$ 26,950**	$ 78,332	$ 892,496
Exploration-Other Accomodations	**-**	2,440	2,440
Permitting	**1,100**	3,175	36,104
Land rights & claim management	**11,434**	-	39,548
Drilling	**31,909**	-	335,505
Laboratory	**3,649**	1,224	134,719
Roads and surface preparation	**-**	-	69,967
Camp cost and exploration supplies	**214**	-	7,277
Exploration - Travel & transportation	**434**	815	26,941
Exploration- Meals	**-**	-	3,625
Rent - field office	**1,800**	-	9,115
Surface sampling and mapping	**-**	2,727	50,505
Legal expenses	**2,135**	-	2,135
Option payments	**-**	-	102,000
	79,625	88,713	1,712,377
Write-offs	**(80)**	-	(15,577)
	$ 79,545	$ 88,713	$1,696,800

The following schedules describe the exploration expenses incurred by PJX for each of its projects, during the three months ended March 31, 2013, 2012 and since inception.

Three months ended March 31,	**2013**	2012	Balance since inception
Dewdney Trail Gold Property	**$ 15,108**	$ 33,131	$ 770,189
Eddy Gold Property	**3,822**	13,080	437,200
Zinger Gold Property	**18,744**	15,300	305,592
Vine Property	**37,677**	27,202	169,750
Vine Extension	**4,194**	-	14,069
Total exploration expenses	**$ 79,545**	$ 88,713	$ 1,696,800

b) General and administration:

The following is a breakdown of the Company's general and administration expenses incurred during the three months periods ended March 31, 2013 and 2012:

Three months ended March 31,		**2013**		2012
Insurance	**$**	**3,510**	$	3,250
Interest, Bank Charges and Penalties		**-**		220
Investor Relations		**33,489**		48,316
Listing and regulatory fees		**10,861**		11,244
Office Expenses		**6,993**		5,397
Professional fees		**5,471**		7,931
Rent		**357**		363
Salaries and benefits		**70,484**		71,651
Travel & transportation		**394**		6,444
	$	**131,559**	$	154,816

12. COMMITMENTS AND CONTINGENCIES

The Company's contractual obligations to maintain its mineral property interests and other commitments over the next five years and thereafter are as follows:

	2013	**2014**	**2015**	**2016**	**2017 and thereafter**	**Total**
Option payments	50,000	75,000	-	-	-	125,000
Work commitments	-	978,075	150,000	275,000	1,000,000	2,403,075
	$ 50,000	$1,053,075	$ 150,000	$ 275,000	$ 1,000,000	$ 2,528,075

Although there are approximately $2.5 million in existing commitments, the payment of these commitments is dependent on the Company retaining the properties. If the Company decides to discontinue its interest in these properties the related commitment would cease to exist.

The Company is required to incur qualified exploration expenditures of approximately $55,000 not later than December 31, 2013 as the result of the flow-through common shares issued in December 2012. See Note 8(b)(ii).

In addition to the work commitments and option payments underlined in the above table, the Company should issue to the optionor of the Vine Extension property (see Note 7(II)) 200,000 common shares of the Company, on 5 instalments starting April 2015.

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments up to $396,000 to be made upon the occurrence of certain events such as change of control. As the likelihood of these events taking place is not determinable, the contingent payments have not been provided for in these consolidated financial statements

13. RELATED PARTY TRANSACTION

The following transactions were carried out with related parties:

a) Purchase of services:

During the years ended December 31, 2013 and 2012 the Company contracted legal services from a firm where a partner is also a director of PJX.

The following schedule shows payments made during the three months ended March 31, 2013 and 2012 to these companies.

Three months ended March 31,		**2013**		2012
Management fees	**$**	**-**	$	-
Fees paid to legal firm where a director of PJX is a partner		**845**		4,109
	$	**845**	$	4,109

b) Key management compensation:

Key management includes directors (executive and non-executive), and senior officers (Chief Executive Officer and Chief Financial Officer). The compensation paid or payable to key management for employee services is shown below:

Three months ended March 31,		**2013**		2012
Salaries	**$**	**66,000**	$	66,000
Stock-based compensation		**-**		226,858
	$	**66,000**	$	292,858

b) Period-end balances arising from purchases of services:

March 31,		**2013**		2012
Salaries payable to key management	**$**	**-**	$	-
Payable to a firm where a director of the Company is a partner		**845**		3,334
	$	**845**		3,334

Payables to related parties are due on thirty days after reception and bear no interest.

All transactions with related parties are on an arm's length basis and recorded at exchange amounts.

14. SEGMENTED REPORTING

The Company operates in one business segment, the business of acquiring and exploring mineral properties in Canada.