UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For fiscal year ended March 31, 2014

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____ to _____

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report:

Commission file number: 000-13248

LEVON RESOURCES LTD.

(Exact name of Registrant as specified in its charter)

Province of British Columbia, Canada

(Jurisdiction of incorporation or organization)

570 Granville Street, Suite 900
Vancouver, British Columbia V6C 3P1, Canada

(Address of principal executive offices)

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Tel: 604-682-3701
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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **Common Shares, no par value**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the Registrant's classes of capital or common stock as of the close of the period covered by the annual report: **199,854,423 common shares as at March 31, 2014**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes ☐ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow:

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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Introduction

In this annual report on Form 20-F, which we refer to as the "Annual Report", except as otherwise indicated or as the context otherwise requires, the "Company", "we", “our” or "us" or “Levon” refers to Levon Resources Ltd.

Currency

Unless we otherwise indicate in this Annual Report, all references to "Canadian Dollars", "CDN$" or "$" are to the lawful currency of Canada and all references to "U.S. Dollars" or "US $" are to the lawful currency of the United States.

Cautionary Note Regarding Forward-Looking Statements

This Annual Report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and within the meaning of applicable Canadian securities regulations. Such forward-looking statements concern the Company’s anticipated results and developments in our operations in future periods, planned exploration and, if warranted, development of its properties, plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” or “intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to the uncertainty regarding our ability to continue as a going concern;
- risks related to our history of losses and our need to raise additional capital to continue our operations and to mine our properties;
- risks related to our lack of history of producing metals from our mineral properties;
- risks related to increased costs affecting our financial condition;
- risks related to shortages of equipment and supplies;
- risks related to mining and resource exploration being an inherently dangerous activity;
- risks related to resource estimates;
- risks related to material changes in resource estimates;
- risks related to the mining industry being highly speculative and involving substantial risks;

- risks related to our properties being in the exploration stage;
- risks related to fluctuations in the market prices of commodities, including gold;
- risks related obtaining necessary permits and licenses;
- risks related to our activities being subject to governmental, environmental and other regulations;
- risks related to pending and potential future regulations regarding climate change;
- risks related to land reclamation costs;
- risks related to our activities being subject to potential political and economic instability and unexpected regulatory change;
- risks related to uncertainty regarding claims of title and right of aboriginal people;
- risks related to our lack of ownership or interest to a mining claim in the central area of our Cordero project;
- risks related to our lack of insurance coverage for certain activities;
- risks related to potential litigation;
- risks related to our acquisition activities;
- risks related to competition in the mining industry;
- risks related to potential conflicts of interest of our management;
- risks related to our dependence on our management;
- risks related to managing growth;
- risks related to foreign currency fluctuations;
- risks related to differences in US and Canadian reporting practices for mineral reserve and resource estimates;
- risks related to potential joint ventures and partnerships;
- risks related to evolving corporate governance and public disclosure standards;
- risks related to our not having paid dividends to date;
- risks related to our stock price and volume being volatile; and
- risks related to our being a foreign private issuer.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section heading "Item 3. Key Information – D. Risk Factors" below. If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements. Investors should consult the Company's quarterly and annual filings with Canadian securities commissions and the

United States Securities and Exchange Commission (the "SEC") for additional information on risks and uncertainties relating to forward-looking statements. We do not assume responsibility for the accuracy and completeness of these statements.

Forward-looking statements are based on our beliefs, opinions and expectations at the time they are made, and the Company does not assume any obligation to update forward-looking statements if those beliefs, opinions, or expectations, or other circumstances, should change, except as required by applicable law. **The Company qualifies all the forward-looking statements contained in this Annual Report by the foregoing cautionary statements.**

Cautionary Note to United States Investors Concerning Reserve and Resource Estimates

As used in this Annual Report, the terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with Canadian National Instrument 43-101—Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM")—*CIM Definition Standards on Mineral Resources and Mineral Reserves*, adopted by the CIM Council, as amended. These definitions differ from the definitions in the SEC's Industry Guide 7 ("SEC Industry Guide 7") under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"). Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC Guide 7 standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this Annual Report and the documents incorporated by reference herein contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Explanatory Note Regarding Presentation of Financial Information

The annual audited consolidated financial statements contained in this Annual Report on Form 20-F are reported in Canadian dollars. For all periods up to and including the years ended March 31, 2014, 2013 and 2012, we prepared our consolidated financial statements in accordance with International Financial Reporting Standards (‘‘IFRS’’) as issued by the International Accounting Standards Board (“IASB”). For the years ended March 31, 2011 and 2010, we prepared our financial statements in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”) and included a reconciliation from Canadian GAAP to U.S. generally accepted accounting principles (“US GAAP”), describing the effects on the Company’s consolidated financial statements. Financial statements prepared in accordance with IFRS are not comparable in all respects with financial statements that are prepared in accordance with either Canadian GAAP or with US GAAP.

Glossary of Mining Terms

Au	The elemental symbol for gold.
Anomalous	A value, or values, in which the amplitude is statistically between that of a low contrast anomaly and a high contrast anomaly in a given data set.
Anomaly	Any concentration of metal noticeably above or below the average background concentration.
Assay	An analysis to determine the presence, absence or quantity of one or more components.
Breccia	A rock in which angular fragments are surrounded by a mass of finer-grained material.
Chert	A rock resembling flint and consisting essentially of crypto-crystalline quartrz or fibrous chalcedony.
Cretaceous	The geologic period extending from 135 million to 65 million years ago.
Cubic meters or m^3	A metric measurement of volume, being a cube one meter in length on each side.
Diamond drill	A rotary type of rock drill that cuts a core of rock that is recovered in long cylindrical sections, two centimeters or more in diameter.
Fault	A fracture in a rock where there has been displacement of the two sides.
Grade	The concentration of each ore metal in a rock sample, usually given as weight percent. Where extremely low concentrations are involved, the concentration may be given in grams per tonne (g/t or gpt) or ounces per ton (oz/t). The grade of an ore deposit is calculated, often using sophisticated statistical procedures, as an average of the grades of a very large number of samples collected from throughout the deposit.
Hectare or ha	An area totaling 10,000 square meters.
Highly anomalous	An anomaly which is 50 to 100 times average background, i.e. it is statistically much greater in amplitude.
Indicated Mineral Resource	An “Indicated Mineral Resource‟ is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and

grade continuity to be reasonably assumed.

Mineralization may be classified as an Indicated Mineral Resource by the Qualified Person when the nature, quality, quantity and distribution of data are such as to allow confident interpretation of the geological framework and to reasonably assume the continuity of mineralization. The Qualified Person must recognize the importance of the Indicated Mineral Resource category to the advancement of the feasibility of the project. An Indicated Mineral Resource estimate is of sufficient quality to support a Preliminary Feasibility Study which can serve as the basis for major development decisions.

Inferred Mineral Resource — An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Inferred Mineral Resources must be excluded from estimates forming the basis of feasibility or other economic studies.

Intrusive — A rock mass formed below earth's surface from magna which has intruded into a preexisting rock mass.

Laterite — A residual product of rock decay that is red in color and has a high content in the oxides of iron and hydroxide of aluminum.

Lode claim — A mining claim on an area containing a known vein or lode.

Measured Mineral Resource — A "Measured Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

Mineralization or other natural material of economic interest may be classified as a Measured Mineral Resource by the Qualified

Person when the nature, quality, quantity and distribution of data are such that the tonnage and grade of the mineralization can be estimated to within close limits and that variation from the estimate would not significantly affect potential economic viability. This category requires a high level of confidence in, and understanding of, the geology and controls of the mineral deposit.

Mineral Reserve

A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

Mineral Reserves are those parts of Mineral Resources which, after the application of all mining factors, result in an estimated tonnage and grade which, in the opinion of the Qualified Person(s) making the estimates, is the basis of an economically viable project after taking account of all relevant processing, metallurgical, economic, marketing, legal, environment, socio-economic and government factors. Mineral Reserves are inclusive of diluting material that will be mined in conjunction with the Mineral Reserves and delivered to the treatment plant or equivalent facility. The term "Mineral Reserve" need not necessarily signify that extraction facilities are in place or operative or that all governmental approvals have been received. It does signify that there are reasonable expectations of such approvals.

Cautionary Note to U.S. Investors: Please review the "Cautionary Note to U.S. Investors Regarding Reserve and Resource Estimates" above.

Mineral Resource

A Mineral Resource is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

The term Mineral Resource covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined by the consideration and application of technical, economic, legal, environmental, socio-economic and governmental factors. The phrase "reasonable prospects for economic extraction" implies a

	judgment by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. A Mineral Resource is an inventory of mineralization that under realistically assumed and justifiable technical and economic conditions might become economically extractable. These assumptions must be presented explicitly in both public and technical reports. **Cautionary Note to U.S. Investors:** Please review the "Cautionary Note to U.S. Investors Regarding Reserve and Resource Estimates" above.
Mineralization	Usually implies minerals of value occurring in rocks.
Net Smelter Royalty	Payment of a percentage of net mining profits after deducting applicable smelter charges.
Ore	A natural aggregate of one or more minerals which may be mined and sold at a profit, or from which some part may be profitably separated.
Outcrop	An exposure of rock at the earth's surface.
Porphyry	Rock type with mixed crystal sizes, i.e. containing larger crystals of one or more minerals.
Possible or inferred ore	Term used to describe ore where the mineralization is believed to exist on the basis of some geological information, but the size, shape, grade, and tonnage are a matter of speculation.
Prefeasibility study and preliminary feasibility study	Each means a comprehensive study of the viability of a mineral project that has advanced to a stage where mining method, in the case of underground mining, or the pit configuration, in the case of open pit mining, has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating and economic factors, and the evaluation of other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve.
Probable mineral reserve	A "Probable Mineral Reserve" is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. **Cautionary Note to U.S. Investors:** Please review the "Cautionary Note to U.S. Investors Regarding Reserve and Resource Estimates" above.

Proven mineral	A „Proven Mineral Reserve‟ is the economically mineable part of a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified. Application of the Proven Mineral Reserve category implies that the Qualified Person has the highest degree of confidence in the estimate with the consequent expectation in the minds of the readers of the report. The term should be restricted to that part of the deposit where production planning is taking place and for which any variation in the estimate would not significantly affect potential economic viability. **Cautionary Note to U.S. Investors:** Please review the "Cautionary Note to U.S. Investors Regarding Reserve and Resource Estimates" above.
Pyrite	Iron sulphide mineral.
Quartz	Silica or SiO_2, a common constituent of veins, especially those containing gold and silver mineralization.
Silification	A process of fossilization whereby the original organic components of an organism are replaced by silica, as quartz chalcedony, or opal.
Sulfidation	In conditioning a flotation pulp, addition of soluble alkaline sulfides in aqueous solution to produce a sulfide-metal layer on an oxidized ore surface.
Ton	Imperial measurement of weight equivalent to 2,000 pounds.
Tonne	Metric measurement of weight equivalent to 1,000 kilograms (or 2,204.6 pounds).
Trench	A long, narrow excavation dug through overburden, or blasted out of rock, to expose a vein or ore structure.
Veins	The mineral deposits that are found filling openings in rocks created by faults or replacing rocks on either side of faults.

Part I

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. Selected Financial Data

The selected historical consolidated financial information set forth below has been derived from our annual audited consolidated financial statements.

For the years ended March 31, 2014, 2013 and 2012 we have prepared our consolidated financial statements in accordance with IFRS, as issued by the IASB. Our March 31, 2011 consolidated financial statements were initially prepared in accordance with Canadian GAAP, consistent with the prior years ended March 31, 2010. We have adjusted our consolidated financial information as at and for the year ended March 31, 2011, in accordance with IFRS 1, and adopted IFRS with a transition date of April 1, 2010.

The selected historical consolidated financial information presented below is condensed and may not contain all of the information that you should consider. This selected financial data should be read in conjunction with our annual audited consolidated financial statements, the notes thereto and the sections entitled “Item 3. Key Information – D. Risk Factors” and ‘‘Item 5 — Operating and Financial Review and Prospects.’’

The table below sets forth selected consolidated financial data under IFRS as issued by the IASB, which differ in certain respects from the principles the Company would have followed had its consolidated financial statements been prepared in accordance with US GAAP. The information has been derived from our annual audited consolidated financial statements, including as set forth in ‘‘Item 18 — Financial Statements.’’

The tables below set forth selected consolidated financial data under IFRS for the years ended March 31, 2014, 2013, 2012 and 2011.

In this Annual Report all dollars are expressed in Canadian dollars unless otherwise stated.

	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Total Revenues	$ -	$ -	$ -	$ -
Loss before other items	(5,690,053)	(7,243,033)	(13,735,479)	(24,684,097)
Net Loss for the Year	(5,078,398)	(6,769,507)	(13,124,833)	(24,642,655)
Net Comprehensive Loss for the Year	(5,079,421)	(6,773,240)	(13,140,449)	(24,642,655)
Loss per Share, Basic and Diluted	(0.03)	(0.03)	(0.07)	(0.31)
Total Assets	173,736,186	178,681,496	184,859,967	145,255,935
Total Liabilities	275,031	244,226	708,372	861,595
Working Capital	41,506,961	49,169,844	58,048,017	19,608,972
Share Capital	230,664,826	230,664,826	230,608,666	169,689,837
Total Equity	173,461,155	178,437,270	184,151,595	184,151,595
Weighted Average Number of Common Shares Outstanding	199,854,423	199,810,861	194,269,099	78,689,400

Exchange Rates

The following table sets forth information as to the period end, average, the high and the low exchange rate for Canadian Dollars and U.S. Dollars for the periods indicated based on the noon buying rate in New York City for cable transfers in Canadian Dollars as certified for customs purposes by the Federal Reserve Bank of New York (Canadian dollar = US$1).

Year Ended March 31,	Average	Period End	High	Low
2010	$1.0904	$1.0156	$1.2643	$1.0113
2011	$1.0163	$0.9718	$1.0778	$0.9686
2012	$1.0172	$0.9991	$1.0604	$0.9449
2013	$1.0013	$1.0156	$1.0418	$0.9710
2014	$1.0538	$1.1053	$1.1251	$1.0023

The following table sets forth the high and low exchange rate for the past six months based on the noon buying rate. As of June 20, 2014, the exchange rate was CDN$1.07 for each US$1.

Month	High	Low
Dec 2013	$1.0697	$1.0577
Jan 2014	$1.1171	$1.0614
Feb 2014	$1.1140	$1.0953
Mar 2014	$1.1251	$1.0966
Apr 2014	$1.1042	$1.0903
May 2014	$1.0973	$1.0837

B. Capitalization and Indebtedness

Not Applicable.

C. Reasons for the Offer and Use of Proceeds

Not Applicable.

D. Risk Factors

In addition to the other information presented in this Annual Report, the following should be considered carefully in evaluating us and our business. This Annual Report contains forward-looking statements that involve risk and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed below and elsewhere in this Annual Report.

Risk Related to Our Operations

There is uncertainty regarding our ability to continue as a going concern.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing.

The Company is currently in the exploration stage of its properties. If the Company determines based on its most recent information that it is feasible to begin operations on its properties, the Company will be required to raise additional capital in order to develop and bring the properties into production. Our ability to raise funds will depend on several factors, including, but not limited to, current economic conditions, our properties, our prospects, metal prices, businesses competing for financing and our financial condition. There can be no assurance that we will be able to raise funds, or to raise funds on commercially reasonable terms.

We have a history of losses and we will be required to raise additional capital to continue our operations and to mine our properties.

We have not been profitable since our inception. For the fiscal year ended March 31, 2014, we had a net loss of $5,078,398 and an accumulated deficit on March 31, 2014 of $72,675,558. We have not generated revenues from operations and do not expect to generate revenues from operations until one or more of our properties are placed in production. All of our properties are in the exploration stage, which means that we have no known mineral reserves on our properties. We currently do not have sufficient funds to fully complete exploration and development work on any of our properties, which means that we will be required to raise additional capital, enter into joint venture relationships or find alternative means to finance placing one or more of our properties into commercial production, if warranted. If the Company fails to raise additional funds it will curtail its activities and may risk being able to maintain its interests in its mineral properties.

Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, and, development or production on one or more of our properties and any properties we may acquire in the future or even a loss of property interests. This includes our leases over claims covering the principal deposits on our properties, which may expire unless we expend minimum levels of expenditures over the terms of such leases. We cannot be certain that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable or acceptable to us. Future financings may cause dilution to our shareholders.

We have no history of producing metals from our mineral properties.

We have no history of producing metals from any of our properties. Our properties are all exploration stage properties in various stages of exploration. Advancing properties from exploration into the development stage requires significant capital and time and

successful commercial production from a property, if any, will be subject to completing feasibility studies, permitting and construction of the mine, processing plants, roads, and other related works and infrastructure. As a result, we are subject to all of the risks associated with developing and establishing new mining operations and business enterprises including:

- completion of feasibility studies to identify reserves and commercial viability, including the ability to find sufficient silver reserves to support a commercial mining operation;

- the timing and cost, which can be considerable, of further exploration, preparing feasibility studies, permitting and construction of infrastructure, mining and processing facilities;

- the availability and costs of drill equipment, exploration personnel, skilled labor and mining and processing equipment, if required;

- the availability and cost of appropriate smelting and/or refining arrangements, if required;

- compliance with environmental and other governmental approval and permit requirements;

- the availability of funds to finance exploration, development and construction activities, as warranted;

- potential opposition from non-governmental organizations, environmental groups, local groups or local inhabitants which may delay or prevent development activities; and

- potential increases in exploration, construction and operating costs due to changes in the cost of fuel, power, materials and supplies.

The costs, timing and complexities of exploration, development and construction activities may be increased by the location of our properties and demand by other mineral exploration and mining companies. It is common in exploration programs to experience unexpected problems and delays during drill programs and, if warranted, development, construction and mine start-up. Accordingly, our activities may not result in profitable mining operations and we may not succeed in establish mining operations or profitably producing metals at any of our properties.

Increased costs could affect our financial condition.

We anticipate that costs at our projects that we may explore or develop, will frequently be subject to variation from one year to the next due to a number of factors, such as changing ore grade, metallurgy and revisions to mine plans, if any, in response to the physical shape and location of the ore body. In addition, costs are affected by the price of commodities such as fuel, rubber and electricity. Such commodities are at times subject to volatile price movements, including increases that could make production at certain

operations less profitable. A material increase in costs at any significant location could have a significant effect on our profitability.

A shortage of equipment and supplies could adversely affect our ability to operate our business.

We are dependent on various supplies and equipment to carry out our mining exploration and, if warranted, development operations. The shortage of such supplies, equipment and parts could have a material adverse effect on our ability to carry out our operations and therefore limit or increase the cost of production.

Mining and resource exploration is inherently dangerous and subject to conditions or events beyond our control, which could have a material adverse effect on our business and plans.

Mining and mineral exploration involves various types of risks and hazards, including:

- environmental hazards;
- power outages;
- metallurgical and other processing problems;
- unusual or unexpected geological formations;
- personal injury, flooding, fire, explosions, cave-ins, landslides and rock-bursts;
- inability to obtain suitable or adequate machinery, equipment, or labor;
- metals losses;
- fluctuations in exploration, development and production costs;
- labor disputes;
- unanticipated variations in grade;
- mechanical equipment failure; and
- periodic interruptions due to inclement or hazardous weather conditions.

These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums. Insurance against certain environmental risks, including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from production, is not generally available to us or to other companies within the mining industry. We may suffer a material adverse effect on our business if we incur losses related to any significant events that are not covered by our insurance policies.

Any material changes in mineral resource estimates and grades of mineralization will affect the economic viability of placing a property into production and a property's return on capital.

As we have not completed feasibility studies on any of our properties and have not commenced actual production, mineralization resource estimates may require adjustments or downward revisions. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by our feasibility studies and drill results. Minerals recovered in small

scale tests may not be duplicated in large scale tests under on-site conditions or in production scale.

The resource estimates contained in this Annual Report have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for gold, silver or other commodities may render portions of our mineralization and resource estimates uneconomic and result in reduced reported mineralization or adversely affect the commercial viability determinations we reach. Any material reductions in estimates of mineralization, or of our ability to extract this mineralization, could have a material adverse effect on our share price and the value of our properties.

The mining industry is highly speculative and involves substantial risks.

The mining industry, from exploration, development and production is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits, which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by us may be affected by numerous factors which are beyond our control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in us not receiving an adequate return on investment capital.

Our properties are all at the exploration stage and have no proven reserves. Our exploration activities on our properties may not be commercially successful, which could lead us to abandon our plans to develop the property and our investments in exploration.

Our long-term success depends on our ability to identify mineral deposits on our existing properties and other properties we may acquire, if any, that we can then develop into commercially viable mining operations. Despite exploration work on our mineral claims, no known bodies of commercial ore or economic deposits have been established on any of our properties. In addition, we are at the exploration stage on all of our properties and substantial additional work will be required in order to determine if any economic deposits occur on our properties. Mineral exploration is highly speculative in nature, involves many risks and is frequently non-productive. These risks include unusual or unexpected geologic formations, and the inability to obtain suitable or adequate machinery, equipment or labor. The success of gold, silver and other commodity exploration is determined in part by the following factors:

- the identification of potential mineralization based on surficial analysis;
- availability of government-granted exploration permits;
- the quality of our management and our geological and technical expertise; and
- the capital available for exploration and development work.

Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to develop metallurgical processes to extract metal, and to

develop the mining and processing facilities and infrastructure at any site chosen for mining.

Even in the event commercial quantities of minerals are discovered, the exploration properties might not be brought into a state of commercial production. Finding mineral deposits is dependent on a number of factors, including the technical skill of exploration personnel involved. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. We may invest significant capital and resources in exploration activities and abandon such investments if we are unable to identify commercially exploitable mineral reserves. The decision to abandon a project may have an adverse effect on the market value of our securities and the ability to raise future financing.

Changes in the market price of gold, silver and other metals, which in the past has fluctuated widely, will affect the profitability of our operations and financial condition.

Our long-term viability and future profitability depend, in large part, upon the market price of gold and other metals and minerals produced from our mineral properties. The market price of gold and other metals is volatile and is impacted by numerous factors beyond our control, including:

- expectations with respect to the rate of inflation;
- the relative strength of the U.S. dollar and certain other currencies;
- interest rates;
- global or regional political or economic conditions;
- supply and demand for jewelry and industrial products containing metals;
- sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors; and
- any executive order curtailing the production or sale of gold.

The volatility in gold and silver prices is illustrated by the following table, which sets forth, for the periods indicated (calendar year), the average annual market prices in U.S. dollars per ounce of gold and silver, based on the daily London P.M. fix, as shown in the table below:

Mineral	***2013***	***2012***	***2011***	***2010***	***2009***
Gold	*$ 1,411.23*	*$ 1,668.98*	*$ 1,571.52*	*$ 1,224.53*	*$ 972.35*
Silver	*$ 23.79*	*$ 31.15*	*$ 35.12*	*$ 20.19*	*$ 14.67*

The volatility of mineral prices represents a substantial risk which no amount of planning or technical expertise can fully eliminate. In the event gold prices decline or remain low for prolonged periods of time, we might be unable to develop our properties, which may adversely affect our results of operations, financial performance and cash flows.

A decrease in the market price of gold and other metals could affect the commercial viability of our properties and our anticipated development of such properties in the future. Lower gold prices could also adversely affect our ability to finance exploration and development of our properties.

We may not be able to obtain all required permits and licenses to place any of our properties into production.

Our operations require licenses and permits from various governmental authorities. We believe that we hold all necessary licenses and permits under applicable laws and regulations and believe that we are presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that we will be able to obtain or maintain all necessary licenses and permits as are required to explore and develop our properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

Our exploration activities are subject to various federal, provincial, state and local laws and regulations.

Laws and regulations govern the exploration, development, mining, production, importing and exporting of minerals; taxes; labor standards; occupational health; waste disposal; protection of the environment; mine safety; toxic substances; and other matters. In many cases, licenses and permits are required to conduct mining operations. Amendments to current laws and regulations governing operations and activities of mining companies or more stringent implementation thereof could have a substantial adverse impact on us. Applicable laws and regulations will require us to make certain capital and operating expenditures to initiate new operations. Under certain circumstances, we may be required to stop our exploration activities once we are started until a particular problem is remedied or to undertake other remedial actions.

Our activities are subject to environmental laws and regulations that may increase our costs of doing business and restrict our operations.

All phases of our operations are subject to environmental regulation in the jurisdictions in which we operate. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Compliance with environmental laws and regulations and future changes in these laws and regulations may require significant capital outlays and may cause material changes or delays in our operations and future activities. It is possible that future changes in these laws or regulations could have a significant adverse impact on our properties or some portion of our business, causing us to re-evaluate those activities at that time.

Regulations and pending legislation governing issues involving climate change could result in increased operating costs, which could have a material adverse effect on our business.

A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to various climate change interest groups and the potential impact of climate change. Legislation and increased regulation regarding climate change could impose significant costs on us, our venture partners and our suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Any adopted future climate change regulations could also negatively impact our ability to compete with companies situated in areas not subject to such limitations. Given the emotion, political significance and uncertainty around the impact of climate change and how it should be dealt with, we cannot predict how legislation and regulation will affect our financial condition, operating performance and ability to compete. Furthermore, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change by us or other companies in our industry could harm our reputation. The potential physical impacts of climate change on our operations are highly uncertain, and would be particular to the geographic circumstances in areas in which we operate. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. These impacts may adversely impact the cost, production and financial performance of our operations.

Land reclamation requirements for our properties may be burdensome and expensive.

Although variable depending on location and the governing authority, land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance.

Reclamation may include requirements to:

- control dispersion of potentially deleterious effluents;
- treat ground and surface water to drinking water standards; and
- reasonably re-establish pre-disturbance land forms and vegetation.

In order to carry out reclamation obligations imposed on us in connection with our potential development activities, we must allocate financial resources that might otherwise be spent on further exploration and development programs. We plan to set up a provision for our reclamation obligations on our properties, as appropriate, but this provision may not be adequate. If we are required to carry out unanticipated reclamation work, our financial position could be adversely affected.

Our operations are subject to potential political or economic instability and unexpected regulatory change.

Certain of our properties are located in countries, provinces and states more likely to be subject to political and economic instability, or unexpected legislative change, than is

usually the case in certain other countries, provinces and states. Our mineral exploration activities could be adversely effected by:

- political instability and violence;
- war and civil disturbances;
- expropriation or nationalization;
- changing fiscal regimes;
- fluctuations in currency exchange rates;
- high rates of inflation;
- underdeveloped industrial and economic infrastructure;
- changes in the regulatory environment governing mineral properties; and
- unenforceability of contractual rights,

any of which may adversely affect our business in that country.

Title to some of our mineral properties may be challenged or defective. Aboriginal groups may raise title disputes in relation to land claims. Any impairment or defect in title could have a negative impact on our results of operations and financial condition.

The acquisition of title to mineral properties is a very detailed and time-consuming process. There is no guarantee that title to any of our properties will not be challenged or impaired. Third parties may have valid claims underlying portions of our interests, including prior unregistered liens; agreements; transfers or claims, including aboriginal land claims; and title may be affected by, among other things, undetected defects. As a result, we may be constrained in our ability to operate our properties or unable to enforce our rights with respect to our properties. An impairment to, or defect in, title to our properties could have a material adverse effect on our business, financial condition or results of operations.

We do not have an interest or agreement with the owners of a mining claim within the central portion of our Cordero Project.

A mining claim with uncharacterized mineral potential is present in the central portion of the estimated resource at the Cordero Project. As the mining claim is currently uncharacterized, it is not clear the impact this claim could have on our mineral potential at the Cordero Project or our ability to explore and, if warranted, exploit the Cordero Project. We may not be able to obtain this mineral claim at a reasonable cost or at all. If the mining claim were to be determined critical to our mineral resource or to unduly inhibit our exploration and, if warranted, development of the Cordero Project, it could alter to economic value of the Cordero Project and negatively affect future production decisions and profits from potential future production. As of the date of this report, the Company is in the process of completing the acquisition of a mining claim within the central portion of the Cordero Project.

We do not maintain insurance with respect to certain high-risk activities, which exposes us to significant risk of loss.

Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations or other conditions are often encountered. We may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it cannot maintain insurance at commercially reasonable premiums. Any significant claim would have a material adverse effect on our financial position and prospects. We are not currently covered by any form of environmental liability insurance, or political risk insurance, since insurance against such risks (including liability for pollution) may be prohibitively expensive. We may have to suspend operations or take cost interim compliance measures if we are unable to fully fund the cost of remedying an environmental problem, if it occurs.

We may be subject to costly litigation.

Although we are not currently subject to litigation, we may become involved in disputes with other parties in the future, which may result in litigation. Any litigation could be costly and time consuming and could divert our management from our business operations. In addition, if we are unable to resolve any litigation favorably, it may have a material adverse impact on our financial performance, cash flow and results of operations.

Our acquisition activities may expose us to additional risks in the future.

We undertake evaluations of opportunities to acquire additional mining properties. Any resulting acquisitions may be significant in size, may change the scale of our business, and may expose us to new geographic, political, operating, financial and geological risks. Success in our acquisition activities depends on our ability to identify suitable acquisition candidates, acquire them on acceptable terms, and integrate their operations successfully. Any acquisitions would be accompanied by risks, such as a significant decline in the price of gold or silver, the ore body proving to be below expectations, the difficulty of assimilating the operations and personnel of any acquired companies, the potential disruption of our ongoing business, the inability of management to maximize the financial and our strategic position through the successful integration of acquired assets and businesses, the maintenance of uniform standards, controls, procedures and policies, the impairment of relationships with customers and contractors as a result of any integration of new management personnel and the potential unknown liabilities associated with acquired mining properties. In addition, we may need additional capital to finance an acquisition. Historically, we have raised funds through equity financing and the exercise of options and warrants. However, the market prices for natural resources are highly speculative and volatile. Accordingly, instability in prices may affect interest in resource properties and the development of and production from such properties that may adversely affect our ability to raise capital to acquire and explore resource properties. There can be no assurance that we would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

We operate in a highly competitive industry.

We compete with other developmental resource companies, which have similar operations, and many competitors have operations, financial resources, and industry experience greater than us. We may encounter increasing competition from other mining companies in our efforts to acquire mineral properties and hire experienced resource industry professionals. Increased competition in our business could adversely affect our ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

There is a limited supply of desirable mineral lands available for acquisition, claim staking or leasing in the areas where we contemplate expanding our operations and conducting exploration activities. Many participants are engaged in the mining business, including large, established mining companies. Accordingly, there can be no assurance that we will be able to compete successfully for new mining properties.

***Competition for recruitment and retention of qualified personnel*.**

We compete with other exploration companies, many of which have greater financial resources than us or are further in their development, for the recruitment and retention of qualified employees and other personnel. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower, drill rigs and supplies. If we require and are unsuccessful in acquiring additional personnel or other exploration resources, we will not be able to grow at the rate we desire or at all.

Our directors and officers may have conflicts of interest as a result of their relationships with other companies.

Certain of our directors and officers are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to our best interests and those of our shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with us and to abstain from voting as a director for the approval of any such transaction.

We are dependent on our management.

We are dependent on the services of key executives including our President and Chief Executive Officer and other highly skilled and experienced executives and personnel focused on advancing our corporate objectives as well as the identification of new opportunities for growth and funding. Due to our relatively small size, the loss of these persons or our inability to attract and retain additional highly skilled employees required for our activities may have a material adverse effect on our business and financial condition.

***We are subject to foreign currency fluctuations*.**

We operate in more than one country and our functional currency is the Canadian Dollar. Our offices are located in Canada, and certain of our mining exploration properties are located in Mexico and the United States. The Company's financial results are reported

in Canadian Dollars. Any appreciation in the currency of the United States, Mexico or other countries where we may carryout exploration activities against the Canadian or U.S. Dollar will increase our costs of carrying out operations in such countries. Fluctuations in and among the various currencies in which we operate could have a material effect on our operations and financial results.

There are differences in U.S. and Canadian practices for reporting reserves and resources.

Our reserve and resource estimates are not directly comparable to those made in filings subject to SEC reporting and disclosure requirements, as we generally report reserves and resources in accordance with Canadian practices. These practices are different from the practices used to report reserve and resource estimates in reports and other materials filed with the SEC. It is Canadian practice to report measured, indicated and inferred resources, which are generally not permitted in disclosure filed with the SEC by United States issuers. In the United States, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. United States investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves.

Further, "inferred resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Disclosure of "contained ounces" is permitted disclosure under Canadian regulations; however, the SEC only permits issuers to report "resources" as in place tonnage and grade without reference to unit measures.

Accordingly, information concerning descriptions of mineralization, reserves and resources contained in this report, or in the documents incorporated herein by reference, may not be comparable to information made public by other United States companies subject to the reporting and disclosure requirements of the SEC.

Joint ventures and other partnerships may expose us to risks.

In the future, we may enter into joint ventures or other partnership arrangements with other parties in relation to the exploration, development and production of certain of the properties in which we have an interest. Joint ventures can often require unanimous approval of the parties to the joint venture or their representatives for certain fundamental decisions such as an increase or reduction of registered capital, merger, division, dissolution, amendments of constating documents, and the pledge of joint venture assets, which means that each joint venture party may have a veto right with respect to such decisions which could lead to a deadlock in the operations of the joint venture or partnership. Further, we may be unable to exert control over strategic decisions made in respect of such properties. Any failure of such other companies to meet their obligations to us or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their properties and therefore could have a material adverse effect on our results of operations, financial performance, cash flows and the price of our common shares.

Our business is subject to evolving corporate governance and public disclosure regulations that have increased both our compliance costs and the risk of noncompliance, which could have an adverse effect on our stock price.

We are subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the SEC. These rules and regulations continue to evolve in scope and complexity and many new requirements have been created in response to laws enacted by Congress, making compliance more difficult and uncertain. For example, on July 21, 2010, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") with increased disclosure obligations for public companies and mining companies in the United States. Our efforts to comply with the Dodd-Frank Act and other new regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Risks Related to Our Securities

Our common shares have limited and volatile trading volume.

Although our common shares are listed on the Toronto Stock Exchange, referred to as the "TSX" and the Frankfurt Stock Exchange, referred to as the "FSE", and are occasionally traded in the United States on OTC Pink tier of the OTC Link, the volume of trading has been limited and volatile in the past and is likely to continue to be so in the future, reducing the liquidity of an investment in our common shares and making it difficult for investors to readily sell their shares in the open market. Without a liquid market for our common shares, investors may be unable to sell their shares at favorable times and prices and may be required to hold their shares in declining markets or to sell them at unfavorable prices.

Our common shares have experienced volatility in share price.

In recent years, securities markets in Canada have experienced a high level of price volatility. The market price of many resource companies, particularly those, like us, that are considered speculative exploration companies, have experienced wide fluctuations in price, resulting in substantial losses to investors who have sold their shares at a low price point. These fluctuations are based only in part on the level of progress of exploration, and can reflect general economic and market trends, world events or investor sentiment, and may sometimes bear no apparent relation to any objective factors or criteria. During the 2014 fiscal year, our common share fluctuated on the TSX between a low of $0.31 and a high of $0.72 Subsequent to the 2014 fiscal year, our common share price has fluctuated between a low of $0.2492 and a high of $0.38. Significant fluctuations in our common share price are likely to continue, and could potentially increase in the future.

U.S. investors may experience difficulty in effecting service of process against us.

We are incorporated under the laws of the Province of British Columbia, Canada. Consequently, it will be difficult for United States investors to affect service of process in the United States upon our directors or officers, or to realize in the United States upon

judgments of United States courts predicated upon civil liabilities under the United States securities laws. The majority of our directors and officers are residents of Canada. A judgment of a United States court predicated solely upon such civil liabilities would probably be enforceable in Canada by a Canadian court if the United State court in which the judgment was obtained had jurisdiction, as determined by the Canadian court, in the matter. There is substantial doubt whether an original action could be brought successfully in Canada against any of such persons or us predicated solely upon such civil liabilities.

We believe that we may be a "passive foreign investment company" for the current taxable year which would likely result in materially adverse United States federal income tax consequences for United States investors.

We generally will be designated as a "passive foreign investment company" under the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended (a "PFIC") if, for a tax year, (a) 75% or more of our gross income for such year is "passive income" (generally, dividends, interest, rents, royalties, and gains from the disposition of assets producing passive income) or (b) if at least 50% or more of the value of our assets produce, or are held for the production of, passive income, based on the quarterly average of the fair market value of such assets. United States shareholders should be aware that we believe we were classified as a PFIC during its tax year ended March 31, 2014, and may be a PFIC for future taxable years. If we are a PFIC for any taxable year during which a United States person holds our securities, it would likely result in materially adverse United States federal income tax consequences for such United States person. The potential consequences include, but are not limited to, re-characterization of gain from the sale of our securities as ordinary income and the imposition of an interest charge on such gain and on certain distributions received on our common shares. Certain elections may be available under U.S. tax rules to mitigate some of the adverse consequences of holding shares in a PFIC. See “Taxation – Certain United States Federal Income Tax Consequences – Passive Foreign Investment Company Rules” below. Each United States shareholder should consult its own tax advisor regarding the U.S. and non-U.S. tax consequences relating to the acquisition, ownership and disposition of common shares, including the application of the PFIC rules.

We do not currently intend to pay cash dividends*.*

We have never declared or paid cash dividends on our common shares. We currently intend to retain future earnings to finance the operation, development and expansion of our business. We do not anticipate paying cash dividends on our common shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of our board of directors and will depend on our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that our board of directors considers relevant. Accordingly, investors will only see a return on their investment if the value of our securities appreciates.

As a foreign private issuer, our shareholders may have less complete and timely data.

We are a “foreign private issuer” as defined in Rule 3b-4 under the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our equity securities are accordingly exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act

pursuant to Rule 3a12-3 of the Exchange Act. Therefore, we are not required to file a Schedule 14A proxy statement in relation to the annual meeting of shareholders. The submission of proxy and annual meeting of shareholder information on Form 6-K may result in shareholders having less complete and timely information in connection with shareholder actions. The exemption from Section 16 rules regarding reports of beneficial ownership and purchases and sales of common shares by insiders and restrictions on insider trading in our securities may result in shareholders having less data and there being fewer restrictions on insiders' activities in our securities.

Penny stock rules may make it more difficult to trade our common shares.

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in "penny stocks". Generally, penny stocks are equity securities with a price of less than US$5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system). Since our common shares are traded for less than US$5.00 per share, the shares are subject to the SEC's penny stock rules. Our common shares will be subject to the penny stock rules until such time as (1) the issuer's net tangible assets exceed US$5,000,000 during the issuer's first three years of continuous operations or US$2,000,000 after the issuer's first three years of continuous operations; or (2) the issuer has had average revenue of at least US$6,000,000 for three years. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document prescribed by the SEC that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer must obtain a written acknowledgement from the purchaser that the purchaser has received the disclosure document. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These requirements may have the effect of reducing the level of trading activity in the secondary market for a stock that becomes subject to the penny stock rules. Such rules and regulations may make it difficult for holders to sell our common shares, and they may be forced to hold it indefinitely.

The Company may be subject to risks relating to the global economy.

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase the cost of capital. From 2007 to 2009, the United States credit markets began to experience serious disruption due to deterioration in residential property values, defaults and delinquencies in the residential mortgage market and a decline in the credit quality of mortgage-backed securities. These problems led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions caused a loss of confidence in the broader United States and global credit and financial markets and resulted in the collapse of, and government intervention in, major banks, financial institutions and insurers and created a climate of

greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions which continued throughout 2012 with continued uncertainty in the European marketplace and continued uncertainty surrounding the "fiscal cliff" and United States government spending cuts. Notwithstanding various actions by the United States and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to deteriorate and stock markets to fluctuate substantially. In addition, general economic indicators have continued to deteriorate, including consumer sentiment, unemployment and economic growth and uncertainty about corporate earnings.

These disruptions in the current credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies, including junior mining companies. These disruptions could, among other things, make it more difficult for the Company to obtain, or increase its cost of obtaining, capital and financing for its operations. Access to additional capital may not be available to the Company on terms acceptable to it, or at all. Further, as a result of on-going global financial conditions, numerous financial institutions have gone into bankruptcy or have been rescued by government authorities. As such, the Company is subject to the risk of loss of its deposits with financial institutions that hold the Company's cash.

Item 4. Information on the Company

A. History and Development of the Company

The Company was incorporated by Memorandum of Association under the laws of the Province of British Columbia, Canada on April 9, 1965 under the name Alice Arm Mining Ltd. On January 13, 1975 we changed the name from Alice Arm Mining Ltd. to New Congress Resources, and on January 12, 1983 adopted the name Levon Resources Ltd. The principal executive office of the Company is located at 570 Granville Street, Suite 900, Vancouver, British Columbia, Canada, V6C 3P1 and its phone number is 604-682-3701.

The Company is a natural resource company, primarily engaged in the acquisition, exploration and development of natural resource properties. In recent years, the Company's principal business activities have been the exploration of mineral properties located in Mexico.

In addition, the Company has claims in British Columbia, Canada and Nevada, U.S. The Company has completed exploration on these properties but has focused its attention in Mexico in recent years. The British Columbia properties consist of interest in three mineral properties including the Congress, Goldbridge (also known as the "BRX claims) and Wayside claims. The Nevada properties include interest in three mineral properties, the Eagle Claims, the Norma Sass and the Ruf Claims.

The Company's common shares are listed on the Toronto Stock Exchange under the symbol "LVN", and the Frankfurt Stock Exchange under the symbol "L09" and are occasionally traded in the United States on the OTC Pink tier of the OTC Link under the symbol "LVNVF".

B. Business Overview

Operations and Principal Activities

Levon is a Canadian-based "exploration stage company" focusing on silver and gold exploration. The Company's most recent activities have been conducted on the Cordero-Sanson Property ("Cordero" or "the Cordero Project") located near Hidalgo Del Parral, Chihuahua, Mexico. The Cordero mining claims were comprised of claims wholly-owned by Valley High Ventures Ltd. ("Valley High") by agreement with small local mining companies, and certain other claims that were staked by the Company. In February 2009, the Company signed a Letter of Intent with Valley High, whereby Levon would earn a 51% interest in Valley High's wholly owned Cordero-Sanson Property. On March 25, 2011, the Company acquired all of the shares of Valley High pursuant to a court-approved plan of arrangement (the "Arrangement") transferring to the Company 100% ownership in the Cordero Project. Cordero is the principal asset of the Company.

Prior years the Company conducted exploration on the wholly owned Congress Property located in the Lillooet Mining Division of British Columbia, Canada, where we also hold an interest in two other mineral properties, more particularly the Goldbridge (also known as the BRX) claims and the Wayside claims.

The Company also holds certain interests in three mineral properties located in the Bullion Mining District, Lander County, Nevada, USA, known as the Ruf and Norma Sass claims and the Eagle claims.

The Company is an "exploration stage company", as all of its properties are currently in the exploratory stage. The Company has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. There is no assurance that a commercially viable mineral deposit exists on any of its properties. In order to determine if a commercially viable mineral deposit exists further geological and engineering work will need to be done and a final evaluation based upon the results obtained to conclude economic and legal feasibility.

Significant Acquisitions and Significant Dispositions

On March 25, 2011, the Company acquired all of the shares of Valley High pursuant to a court-approved plan of arrangement (the "Arrangement"). Prior to the Arrangement, Valley High was a Canadian based precious and base metal exploration company with projects located in Mexico, British Columbia and Yukon. Prior to the Arrangement, Valley High owned 49% of the Cordero Project and the Company held the remaining 51% interest.

Under the terms of the Arrangement, each former VHV shareholder received 1.0 share of the Company and 0.125 of a share of a new exploration company, Bearing Resources Ltd. ("Bearing"), for each VHV share held. In accordance with their terms, outstanding warrants of VHV were automatically adjusted so that upon exercise,

subsequent to completion of the transaction, for each VHV share that would previously have been issued, the warrant holder will receive one common share of the Company, and instead of receiving 0.125 of a Bearing share, the exercise price of the warrant will be reduced by the fair value of 0.125 of a Bearing share. As consideration for the acquisition, a total of 73,322,636 common shares were issued to VHV shareholders at a fair value of $130,514,292 based on the market price of the Company's common shares on March 25, 2011, and 6,259,550 warrants were issued to replace the old warrants of VHV on a one-to-one basis at a fair value of $6,599,565 based on the Black-Scholes option pricing model. This transaction has been accounted for as an acquisition of assets. The excess of the consideration given over the fair value of the assets and liabilities acquired has been allocated to exploration and evaluation assets.

On August 15, 2013, the Company closed its purchase of a 100% interest in the Aida mining claim, a mining claims located in a central part of the Company's Cordero Project claim block. The acquisition of the Aida claim consolidated Levon's 100% ownership of all mining claims in the Cordero mining district.

Competition

The mining industry in which we are engaged is highly competitive. Competitors include well capitalized mining companies, independent mining companies and other companies having financial and other resources far greater than those of the Company's. The Company competes with other mining companies in connection with the acquisition of gold and other precious metal properties. In general, properties with a higher grade of recoverable mineral and/or which are more readily minable afford the owners a competitive advantage in that the cost of production of the final mineral product is lower. Thus, a degree of competition exists between those engaged in the mining industries to acquire the most valuable properties. As a result, the Company may eventually be unable to acquire attractive mining properties.

Dependence on Customers and Suppliers

The Company is not dependent upon a single or few customers or suppliers for revenues or its operations.

Seasonality

Certain of the Company's operations are conducted in British Columbia. The weather during the colder seasons in these areas can be extreme and can cause interruptions or delays in the Company's operations. As a result, the preferable time for activities in these regions is the spring and summer when costs are more reasonable and access to the properties is easier. In the summer months, however, if the weather has been unusually hot and dry, access to the Company's properties may be limited as a result of access restrictions being imposed to monitor the risks of forest fires. In Mexico, where the Company's principal property is located, access is year round.

Government and Environmental Regulation

The current and anticipated future operations of the Company, including development activities and commencement of production on its properties, require permits from various federal, territorial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Such operations and exploration activities are also subject to substantial regulation under these laws by governmental agencies and may require that the Company obtain permits from various governmental agencies. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations, or that new legislation or modifications to existing legislation, would not have an adverse effect on any exploration or mining project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

The enactment of new laws or amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

C. Organizational Structure

The Company's subsidiaries include the British Columbia incorporated wholly-owned Valley High Ventures Ltd., three wholly-owned subsidiaries incorporated under the laws of Mexico, namely Administración de Proyectos Levon en México, S.A. de C.V., Minera Titan, S.A. de C.V. and Minera El Camino, S.A. de C.V. and three wholly owned subsidiaries incorporated under the laws of British Virgin Islands, namely Aphrodite Asset Holdings Ltd., Citrine Investments Limited and Turney Assets Limited.

C. Property, Plants and Equipment

Presently, the Company is an "exploration stage company", as all of the Company's properties are currently in the exploratory stage. In order to determine if a commercially viable mineral deposit exists in any of the Company's properties, further exploration work

will need to be done and a final evaluation based upon the results obtained to conclude economic and legal feasibility.

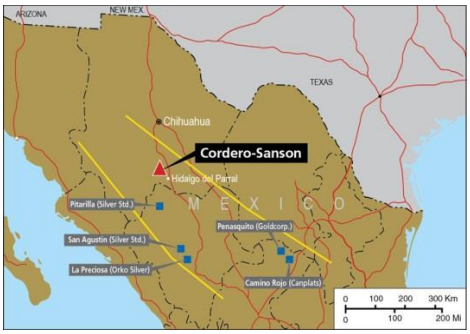
Historically, the Company focused its exploration activities on its properties located in British Columbia, Canada. These are located on the north side of Carpenter Lake, 90 kilometers west of the town of Lillooet, British Columbia, Canada and 4 kilometers northeast of the small town of Goldbridge (population 50) in the Lillooet Mining Division, NTS 092J15W. Exploration there has been concluded and the properties are for sale.

Since the acquisition of the Cordero Project in 2011, the Company's focus has been on the exploration of the Cordero Project located in the Chihuahua State of Mexico. The property and region host excellent infrastructure with ample power and water plus easy road access. The nearby town of Hidalgo Del Parral (pop. 102,000), just 35 km southwest by road, offers supplies and skilled mining labor.

E. Qualified Person

Vic Chevillon, MA, CPG, Vice President of Exploration and Director for Levon is a "qualified person" as such term is defined in NI 43-101 of the Canadian Securities Administrators and has reviewed and approved the scientific and technical disclosure contained in this Annual Report on Form 20-F.

Cordero Project, Chihuahua State, Mexico



***Ownership*.**

The Company owns a 100% interest in the project which includes about 20,000 hectares of staked claims in two separate parcels. Surface access agreements are in place with surface rights owners for all the key central mining claims that cover the central part of the district. The surface access rights agreements with local family ranches and a small Ejido located well away from the current NI 43-101 Cordero resource are renewable at the option of Minera Titan S.A. De C.V. - a wholly owned Mexican subsidiary of Levon and all transferable to third parties.

The Cordero Project claims are owned 100% by Minera Titan S.A. de C.V.

Staked mining claims owned by Levon through Minera Titan are royalty free and good in perpetuity as long as annual assessment work and filings are completed. Minera Titan purchased the mining concession named “San Pedro”, title 215161 from Minera de Cordilleras, S.A. de C.V. on August 4, 2010. In the purchase agreement, a royalty of 2% NSR was agreed. The royalty is only related to this lot. The annual assessment work is minimal and annual reporting is due in May; the Company has satisfied its assessment and reporting requirements for 2013.

On February 21, 2013 the Company exercised two options to purchase agreements to gain 100% ownership in two respective claim groups in a central part of the Cordero district, covering much of the current NI 43-101 resource. There are royalties associated with the assignment of rights agreements:

- ASSIGNMENT OF RIGHTS AGREEMENT WITH MR. ELOY HERRERA. Minera Titan shall pay to Mr. Herrera a royalty of 1% of net smelter return (NSR). The royalty will be calculated on the first hand purchaser´s payment. Minera Titan has right of first refusal to acquire to Mr. Herrera´s royalty in front of any proposal of a third bona fide third party.

- ASSIGNMENT OF RIGHTS AGREEMENT WITH JANDRINA, S.R.L Minera Titan shall pay to Jandrina a royalty of 2% of net smelter return (NSR). Minera Titan has the followings rights: (i) To acquire until the 50% of the royalty (1%) paid to Jandrina USD$500,000.00 for each 0.50%. and (ii) The right of first refusal to acquire to Jandrina´s royalty in front of any proposal of a third bona fide third party.

The Cordero Project mining claims have been granted by the Federal Mining Bureau according with Mexican Mining law. The mining claims provide mineral exploration and mining rights. The annual assessment on the mining claims are all owned and administered and maintained by Minera Titan.

The total area of the Levon claim holdings at its Cordero Project is approximately 9,990.1372 hectares. The table below lists Levon's Cordero Project claims and agreement obligations

Table 1: Levon Resources Ltd. Mexican Cordero Properties. June, 2014.								
State	**Company**	**Claim Name**	**Title Number**	**Area**	**Ownership**	**Mining Taxes**	**Assessment Filing**	**Additional Notes**
Chihuahua, México	Minera Titán S.A. de C.V. Mexican Comercial folio 28191*1	Sansón	230434	7510.8325	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Sansón I	231280	950.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Sansón II	231281	400.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Sansón fracción 1	228104	0.0763	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Sansón fracción 2	228105	0.0906	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Titán	235089	1,700.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Titán I	235090	8,150.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		San Pedro	215161	1.9422	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	San Pedro purchased (100 %) from Cordilleras in 2010. underlying 2 % NSR. Minera Titan has first right of refusal.
		Unif. Cordero	171994	218.8683	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	On February 21, 2013, option was exercised with Jandrina, S. de R. L., Mi. Assignment agreement has been registered. Jandrina retained 2% NSR; up to 1% can be purchased at a rate of US$500,000 per 0.5%. Minera Titan retains first right of refusal on remaining NSR.
		Argentina	179438	3.9140	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Catas de Plateros	177836	2.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Sergio	214655	9.8172	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		El Santo Job	213841	155.5708	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Todos Santos	238776	2.5040	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Josefina	172145	6.0750	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	On February 21, 2013, option was exercised with Mr. Herrera. Assignment agreement has been registered. Mr. Herrera retained 1% NSR. Titan retains first right of refusal on remaining NSR.
		Berta	182264	16.5338	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		La Unidad dos	212981	175.7555	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		La Unidad	178498	78.2960	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		San Octavio	165481	2.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Aida	189299	15.8610	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		Titán II	241084	100.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		La Perla	240461	400.0000	Minera Titán 100%	Paid to June, 2014	Complete to May, 2014	
		TOTAL AREA. (All Tenures)		19,900.1372				

Geological Setting

The Cordero discovery is an emerging district centered on high level, Tertiary porphyry style, bulk tonnage, silver, gold, zinc, lead mineralization. Cordero has an ideal mining infrastructure setting, located in rolling cattle country, accessed by state highways with a main electrical power corridor cutting across a southern part of the claims. Cordero is within an emerging Chihuahua-Zactatecas regional trend of similar deposits, which includes Penasquito (GoldCorp), Camino Rojo (GoldCorp), Pitarilla (Silver Standard) and San Agustin (Silver Standard) and others. Cordero includes two porphyry belts and a third mineralized volcanic center to the south (Perla). Cordero is projected to have discovery potential for multiple bulk tonnage deposits. Drilling in 2009 through 2014 total 127---- m in 274 core holes. Initial discovery holes were drilled in 2009 and the holes were subsequently offset by step out drilling on a systematic drill grid that covers the Pozo de Plata Diatreme, Josefina Mine Zone, the southwest portion of the Cordero Porphyry Zone and the La Ceniza Stock in an area that measures about 3 km by 2 km. The drilling indicates the mineralization zones combine into a large scale, bulk tonnage silver, zone , zinc, lead mineral resource (reported in the Mineral Resources section below).

Silver, gold, zinc, lead and locally copper and moly mineralization at Cordero is controlled by a belt of six volcanic and subvolcanic, Tertiary felsic igneous rhyolite, dacite porphyry, and granodiorite porphyry, intrusive complexes, emplaced into a sequence of interbedded Cretaceous limestone, calcareous mudstone, siltstone and sandstone.

Geologic mapping, soils and rock chip sampling, and geophysical surveys have expanded the strike length of the mineralized Cordero Porphyry Belt to about 15 km (60% increase) since the 2009 discovery holes of Levon. The Belt is defined by all of which are mineralized and encompass targets for bulk tonnage Ag, Au, Zn, Pb type deposits. Recognition of three mineralized diatreme complexes to the southwest of the current resource and active and past mines in the Cordero district significantly expands the untested exploration potential of the Belt. The depth of exposure of the six porphyry centers within the Cordero Porphyry Belt vary systematically, from a shallow exposed porphyry stock in the northeast, to progressively deeper intrusive centers toward the southwest. This district scale pattern accounts for the three high levels, poorly exposed diatreme complexes added to the southwest, and the more typical porphyry style mineralization exposed to the northeast. Recognition of this geologically controlled geometry is guiding the systematic district scale exploration.

Drill results reveal five types of silver, gold, zinc and lead vein mineralization:

- Type 1 – Narrow, high grade vein zone mineralization of galena, sphalertie and some tetrahedrite.

- Type 2 – Diatreme breccia mineralization: clasts, matrix and through going veins hosted by diatreme breccia and mineralized rhyolite and dacite breccia dikes; sphalerite, argentiferous galena, minor silver sulfosalt minerals and pyrite, with rusty weathering carbonate gangue minerals and occasionally rhodocrosite. Diatreme mineralization crops out in the Pozo de Plata Diatreme discovery and is exposed to 500 m depths in the discovery drill grid.

- Type 3 - High grade, massive sulfide replacement type mineralization (mantos) within the contact zones of porphyry intrusives; coarse grained argentiferous galena, sphalerite and lessor pyrite. Type 3 mineralization is exposed only in drill holes in the Pozo de Plata Diatreme and was discovered in hole C10-31. It represents a prime high grade mineralization target type.

- Type 4 – Disseminated and stockwork vein mineralization typical of bulk tonnage porphyry deposits: sphalerite, marmotite, argentiferous galena, minor, very fine grained silver bearing galena , pyrite and locally molybdenite, with associated rusty weathering carbonate and minor rhodocrosite gangue and alteration minerals. Porphyry style pervasive and stockwork controlled alteration assembledges, from green argillic, argillic, propyllitic, phyllic and potassic alteration are zoned toward the center of the mineralized system. Pervasive and vein, intergrown alteration minerals including rusty weathering carbonate, rhodacrosite and calcite often substitute for silica within the alteration assembledges in the near surface environment.

- Type 5 – Younger dacite porphyry hosted disseminated and stockwork copper and molyodenite mineralization beneath the porphyry silver, gold, zinc, lead mineralization of the resource in a northeast part of the resource (exposed in hole C11-163).

Location and Access

The Cordero Project is located 180 km south of the city of Chihuahua and 35 km north of the mining town of Hildalgo Del Parral in south central Chihuahua, Mexico. The property is accessed by two wheel drive vehicles from Chihuahua State Highway 24 at the east ranch road turn off at highway mile post 150 km. The property covers rolling, low relief cattle ranch land in a high desert environment. Work within the project area can be carried out year round, although 4x4 vehicles are sometimes required for transport during scarce storms of the “wet” season from June through August.

Surface Access Rights

We have agreements for exploration access surface rights with ranch owners of lands on our central mining claims covering the mineral resource. The surface rights agreements require monthly rental payments to remain in good standing. The surface rights agreements are of unlimited term and are transferable to any assigned third party. As of June 2014 our average monthly payments are approximately usd$3,500.

Infrastructure

To accommodate processing, sampling and storing the drill core, and sample pulps and rejects, the Company has built four core sheds, including the rehabilitation of an adobe hay barn that serves as a field office. The Company constructed two water supply stations to supply water to the core shed facilities and the core drills from existing, inactive underground mine workings. There are no modern, large scale mining facilities or equipment at the project since it is an exploration stage project.

Exploration Costs

Exploration expenditures to date total about $31 million. The Company has completed 127,916 metres of core drilling in 274 core drill holes in four Phases of exploration to date. Phase 4 exploration also includes advancing the engineering studies of the project including water and power supplies, metallurgy, preliminary mine design and a current resource update study by Independent Mining Consultants (IMC) in collaboration with M3 Engineering and Technology (M3) both in Tuscon, Arizona.

Power and Water

M3, has been contracted to guide and manage Cordero engineering studies.

There is a double tower, electric trunk power line corridor that crosses the southern part of the property. There is also a new power line along State Highway 16, 10 km east of the Cordero Project discoveries with a local line now being constructed by CFE, the Mexico electrical power authority to service the ranches at Cordero. M3 is has secured written study and assurance from the CFE that expanded power required for the project is available from Camargo substation 70 km north of the project area. This CFE favored study alternative 1 of their study that would require the company secure the right of way and construct a new power line along the existing power corridor. The amount of power needed is part of the ongoing M3 analysis of the mineral resource and the possible mining alternatives and mill size. The readily available power source for the project has been established at this early stage in the exploration and will be refined as the project proceeds and the projected scale of the possible mine is better quantified.

The water study is focusing on aquifer characterization and water rights availability. Water is now available from wells and abandoned mine shafts that, in the project area, tap a water table at a subsurface depth of about 50 meters. The Company knows the water table is shallow (50-80 m) in the mine workings and is plentiful due to the historical pumping problems the small mines in the area have had. A first water exploration well was completed under a permit obtained by IDEAS (water supply subcontractor for M3) from CONAGUA, the Mexico water authority.

History and Exploration

Prior to 2009 Valley High Ventures Ltd. had consolidated a core land position in the historic Cordero high grade silver vein mining district and staked additional contiguous claims to cover a 10,000 hectare land position. Levon started exploration at Cordero in February through a joint venture agreement with Valley High. By August 2009 under Levon's direction as operator, the property was doubled to about 20,000 hectares through claim staking, to cover the Cordero Porphyry Belt and a second belt recognized to the north. Transferable surface access agreements are now in place with key surface owners for the land package. The Company exploration has been mostly in the central Cordero Porphyry Belt area in the southern tier of the property in the area of the 2009 discovery holes and resource grid drilling. Some initial exploration drill holes have also been completed in the Molina de Viento Caldera Daitreme Complex, the Dos Mil Diez Diatreme of the Cordero

Porphyry Belt and in the Porfido Norte Belt 10 km to the north and the Perla Volcanic Center 5 km to the south.

In February 2009, the Company signed a Letter of Intent with Valley High, whereby Levon would earn a 51% interest from Valley High by making a cash payment of US$10,000 (CDN$12,513) (paid) and by spending CDN$1,250,000 by the end of February 2013 with a first year commitment of CDN$250,000 to explore and develop their wholly owned Cordero-Sanson Property ("Cordero") 35 km northeast of the town of Hidalgo Del Parral, in the state of Chihuahua in north central Mexico.

In February of 2009, the Company commenced field work on the Cordero Project exploring for large scale, bulk tonnage, porphyry type Ag, Au, Zn, Pb deposits, a number of which have been recently discovered in similar geologic settings in north central Mexico (Penasquito, Pitarrilla, Comino Rojo and others). Levon geologic mapping established the Cordero Porphyry Belt trends northeast and has a 15 km strike length and is 3 to 5 km wide. The belt consists of six mineralized intrusive (porphyry) centers including three newly discovered diatreme breccia complexes that have not been explored for large scale, bulk tonnage Ag, Au, Zn, Pb deposits in the past. The Cordero Felsic Dome and La Ceniza Stock have been explored and developed for high grade Ag, Au, Zn and Pb veins, mined to the water table by shallow underground shaft workings. The only past bulk tonnage deposit exploration had apparently been by Penoles in the past and confined to the northeastern most Sanson Stock intrusive center for Mo and Cu deposits and for skarn deposits in the southwestern most stock in the northern porphyry belt.

In Phase 1 exploration, by October 2009, Levon had drilled three discovery core holes, which were separated by 1.3 kilometers. The best discovery hole was in the Pozo de Plata Diatreme, which Levon first recognized early in Phase 1. And the best intercept in the Levon discovery holes was in C09-5 that intersected 152 metres grading 80.64 g/T Ag, 0.61 g/T Au, 1.41% Zn and 1.22% Pb in the mineralized Pozo de Plata Diatreme.

Four follow up phases of exploration grid drilling were conducted to offset the initial discovery holes. The grid drilling revealed widespread, bulk tonnage mineralization among the discovery holes, which represents a large scale bulk tonnage discovery. The first indicated and inferred resources were calculated by IMC under the regulations of the Canadian National Instrument 43-101 reporting requirements (NI 43-101) by June 2011 (detailed in the Mineral Resource section below) near the end of Phase 3 drilling. M3 completed a NI 43-101 Preliminary Economic Assessment (PEA) on the near surface 30% of the initial resource (indicated & inferred) by January 2012 as Phase 4 drilling continued. An updated NI 43-101 resource estimate was completed on Phase 4 results in June 2012 (also detailed in the Mineral Resource section below). This report was then amended and re-filed in May 2013.

Concurrently with the resource grid drilling, exploration holes were completed to initially test a series of outlying, targets defined by geologic mapping, sampling and geophysical surveys. The geophysics included 3D induced polarization (IP), air borne magnetic, electromagnetic (EM) and radiometric surveys, ground gravity and a high resolution magnetotellurics (MT) survey. The outlying drill results locally encountered mineralization that warrants some additional exploration follow up in the future.

The Company is focusing now on the central mineral resource of Cordero including 2013 and 2014 exploration grid drilling of the Aida claim located in the center of the resource and was finally acquired in July of 2013 after about 7 years of negotiations. Levon bought the claim outright for usd$2,000,000 with not underlying royalties. The Aida drill results were better than expected and are being included in the current resource update by IMC.

Proposed Exploration

The current priority at Cordero is to focus on the engineering aspects of the Cordero resource. Additional metallurgical sampling is planned on the Aida claim based on the recent drilling results. M3 will coordinate the third round of metallurgical testing aimed at characterizing the early modelled production years from a modelled Cordero open pit that will be designed by IMC as part of their 2014 Cordero resource update.

Exploration Potential

Cordero geology, metal assemblages and scale of the porphyry controlled mineralized centers appear to be most analogous with the geology of the Penasquito mine of GoldCorp. We believe Cordero geology, mineralization and exploration results to date support this analogy and point to this scale of upside discovery potential at Cordero. Cordero is in the early discovery stage of exploration.

For further details and maps of the Cordero project, please see our website: www.levon.com

Reserves

Cordero has no known mineral reserves, as defined in SEC Industry Guide 7, and is an early-stage minerals exploration project.

Mineral Resource Estimates

Levon contracted IMC to complete the first independent bulk tonnage resource calculation at the Cordero Project which they reported in June, 2011. M3 followed up with a Preliminary Economic Assessment (PEA) in January, 2012 (summarized in the PEA section below).

An updated resource estimate that included Phase 4 drill results prepared by IMC in collaboration with M3 was announced in June 2012 and the related technical report titled: Cordero Project June 2012 Mineral Resource Update dated July 31 2012 was filed August 2, 2012. This report was subsequently amended then refilled on May 10, 2013.

The latest Cordero resource estimate (June 2012, amended May 10, 2013) prepared by IMC for Levon is based on 203 drill holes completed through April 2012. The resource estimates contained in the report are for the currently defined Pozo de Plata Diatreme (Pozo) and the adjacent Cordero Felsic Dome Complex and the Porphyry Zone. .

The Cordero resource is tabulated within an open pit geometry using an inverse distance estimation block model. The resource is based on 97,769 meters (m) of drilling in 203 core holes of which is an addition of 33,380 m of drilling in 41 core holes over the drill information used for the June 2011 resource estimate.

The assay intervals are composited into 10m bench height lengths for silver, gold, zinc and lead, which are estimated into a block model by inverse distance to the sixth power weighting. A net smelter return (NSR) value is calculated for each model block based on the metal grades and estimates of process recovery, concentrate terms and the metal prices of $25.00/oz silver, $1.00/lb for both zinc and lead. Gold was not included at this time into the NSR value to be consistent with previous mineral resource tabulations. The inputs to the NSR calculation are the same as were used for the June 2011 mineral resource (indicated & inferred) estimate. There are areas within the deposits which have higher gold grades and have been included in the tabulations.

The amended June 2012 resource estimate is summarized in Table 1 at the $6.00/t NSR cutoff along with higher cutoffs shows the distribution of the indicated resources and inferred resources within the deposits.

Table 1: Cordero June 2012 Mineral Resource Tabulated at Various NSR Cutoff Grades

		Combined Areas (above cutoff)					**Contained Metal**			
NSR Cutoff $/t	Resource Class	Million Tonnes	Ag g/t	Au g/t	Pb %	Zn %	Silver oz's (millions)	Gold oz's (millions)	Lead lbs (billions)	Zinc lbs (billions)
$6.00	Indicated	547.70	20.67	0.054	0.27	0.51	363.9	0.945	3.3	6.1
	Inferred	134.33	21.12	0.035	0.23	0.41	91.2	0.152	0.7	1.2
$10.00	Indicated	337.37	27.39	0.066	0.37	0.66	297.1	0.714	2.7	4.9
	Inferred	75.76	29.71	0.042	0.31	0.52	72.4	0.101	0.5	0.9
$15.00	Indicated	198.74	35.79	0.080	0.48	0.82	228.7	0.512	2.1	3.6
	Inferred	42.16	40.83	0.047	0.39	0.64	55.3	0.064	0.4	0.6
$20.00	Indicated	123.05	44.46	0.095	0.59	0.98	175.9	0.375	1.6	2.7
	Inferred	27.53	50.55	0.049	0.45	0.71	44.7	0.043	0.3	0.4

		Pozo de Plata Area (above cutoff)					**Porphyry Zone (above cutoff)**				
NSR Cutoff $/t	Resource Class	Million Tonnes	Ag, g/t	Au g/t	Pb %	Zn %	Million Tonnes	Ag g/t	Au g/t	Pb %	Zn %
$6.00	Indicated	276.3	21.94	0.074	0.29	0.49	271.4	19.37	0.033	0.26	0.53
	Inferred	15.87	17.36	0.051	0.19	0.38	118.46	21.62	0.033	0.24	0.41
$10.00	Indicated	176.86	28.73	0.092	0.38	0.62	160.51	25.91	0.037	0.36	0.70
	Inferred	9.92	21.78	0.059	0.23	0.45	65.84	30.30	0.039	0.32	0.53
$15.00	Indicated	109.74	36.65	0.112	0.48	0.76	89.00	34.72	0.041	0.48	0.91
	Inferred	4.29	28.28	0.073	0.29	0.55	37.87	42.25	0.044	0.40	0.65
$20.00	Indicated	70.56	44.36	0.132	0.59	0.90	52.49	44.60	0.045	0.59	1.09
	Inferred	1.84	34.45	0.079	0.38	0.70	25.69	51.70	0.047	0.45	0.72

Resource tabulated on Levon mineral claims within a floating cone open pit geometry which went off the Levon mineral claims for waste stripping within the cone geometry. The floating cone geometry was defined using the following metal prices and mill recoveries to produce lead and zinc concentrates.

Metal	Price	Mill Recovery	
		Pb Conc	Zn Conc
Silver	25.00 / oz	60%	15%
Lead	1.00 / lb	70%	N/A
Zinc	1.00 / lb	N/A	70%
Gold	1,200 / oz	No recovery included to date	

Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to the Indicated or Measured mineral resource category.

The "Cordero Project June 2012 Mineral Resource Update, as Amended May 10, 2013 was authored and approved by Herbert E. Welhener, MMSA-QPM, SME Registered Member #3434330RM who is an employee of M3 and independent of the company as defined by Section 1.5 of NI 43-101.

***Cautionary Note to U.S. Investors**: Mineral resources in the categories reported in the table above are not recognized by SEC Industry Guide 7. Investors should not assume that any minerals in these categories will ever be upgraded to reserves. See "Cautionary Note to United States Investors Concerning Reserve and Resource Estimates" above.*

Preliminary Economic Assessment

A favorable Cordero Project Preliminary Economic Assessment (a "PEA"), announced January 30, 2012 was derived by considering only the uppermost 30% portion of the first resource contained within the geometry of the Stage 4 modeled open pits, which did not trespass on the Aida claim, which at the time was not owned by Levon. The PEA projects a pre-tax Internal Rate of Return (IRR) of 19.5 % (at a silver price of $25.15/oz., gold price of $1,384.77/oz., zinc price of $0.91 per pound, and lead price of $0.96 per pound) over a projected 15 years to complete the first four stages of open pit mining. The potential metal production over the 15 years of mining is 131,156,000 ounces of silver, 190,000 ounces of gold, 1,373,359,000 pounds of zinc, and 1,033,407,000 pounds of lead. Mill feed production rates are estimated at 40.0 thousand tonnes per day (Tpd) or 14.6 million tonnes per year. The capital cost of the project is estimated to be $646,800,000, with operating costs (mine, mill, process plant operating, general administration, treatment, and transportation charges) estimated at $13.82 per tonne.

A Preliminary Economic Assessment should not be considered to be a prefeasibility or feasibility study, as the economics and technical viability of the Project have not been demonstrated at this time. The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Furthermore, there is no certainty that the preliminary economic

assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The Technical Report: Cordero Project, Preliminary Economic Assessment dated March 12, 2012 as amended May 8, 2013 was authored and approved by Herbert E. Welhener, MMSA-QPM, SME Registered Member #3434330RM who is the independent Qualified Person for purposes of this Preliminary Economic Assessment and the associated updated resource calculation.

Staking Acquisition

In April 2011, Levon announced the staking acquisition of an additional 9.2 square kilometers covering a newly recognized felsic volcanic dome and diatreme complex, 6 km south of the main Cordero bulk tonnage silver, gold, zinc and lead resource.

Reconnaissance geologic mapping revealed prospects centered on vein zones in a volcanic dome complex. Some historical prospects penetrate disseminated and mineralized crackle breccias in altered country rocks around the volcanic dome and there are small areas of poorly exposed diatreme breccias in valleys.

Drill Results

All Cordero drill results have been forwarded to IMC who is currently updating the Cordero mineral resource to include the Aida claim drilling that was completed February 18, 2014.

Environmental Liabilities

The Company is not aware of any environmental liabilities at the Cordero Project. M3 has been contracted to complete an environmental audit and to handle exploration permitting.

Risks

The following risk issues have been identified for the Cordero Project:

1) Cordero as currently understood is a low grade, bulk tonnage deposit which will need favorable metal recoveries, metal prices and low operating costs to be developed.

Norma Sass and Ruf Claims, Nevada, USA



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.

Ownership

In 2003, the Company acquired a 33.33% interest in 59 mineral claims known as the Norma Sass and Ruf Claims from Coral Gold Resources Ltd. ("Coral") a public company related by common directors. The property consists of 36 mining claims (the Norma Sass claims) and 23 claims (the Ruf claims) and is located in the state of Nevada.

Location & Access

Access to the property from Elko, Nevada, is via Highways 80 and 306, a distance of approximately 102 kilometers to the community of Crescent Valley and then 19 kilometers south on highway 306 to the Ruf and approximately 25 kilometers south on highway 306 to Norma Sass. A four-wheel drive vehicle is usually necessary to access all roads on the property. There is no underground or surface plant or equipment located on the Norma Sass or the Ruf claims.

History & Exploration

During fiscal year 2005, Coral and Levon (collectively, the "Companies") entered into an Agreement with Agnico-Eagle Mines Ltd. ("Agnico") wherein the Companies granted Agnico an option to purchase 100% interest in the property subject to a 2.5% royalty to the Companies in consideration of minimum advance royalty payments (in US dollars) and minimum work commitments. During fiscal year 2006, Agnico completed the first 13,000 feet of drilling. The program included six vertical drill holes varying in depth from 1,665 to 1,975 feet. All six holes encountered alterations, silification and sulfidation in Lower Plate rocks, and two holes intersected gold. While the results were considered positive, in February 2007, Agnico notified the Company that it would not be continuing its option on the Company's Norma Sass property because of other corporate priorities. The Company is continuing to seek partnership for further exploration at the property.

In September 2008, the Company and Coral's wholly-owned U.S. subsidiary, Coral Resources, Inc. ("CRI") entered into an exploration, development and mine operating agreement (the "Agreement") with Barrick Gold Exploration Inc. ("Barrick"), wherein Barrick is granted the option to acquire up to a 75% interest in CRI's and the Company's interests in the Norma Sass Property, Nevada, consisting of 36 unpatented mining claims.

Barrick may earn a 60% interest by incurring total exploration expenditures of at least US $3 million in annual installments by December 31, 2014. Barrick may earn an additional 10% (for an aggregate interest of 70%) by incurring an additional US $1.5 million by December 31, 2015. Barrick may earn an additional 5% (for an aggregate interest of 75%) by carrying CRI and the Company through to commercial production. Alternatively, at the time of earning either its 60% or 70% interest, Barrick may be given the option to buy-out CRI's and the Company's joint interest by paying US $6 million and granting them a 2% net smelter returns royalty.

During 2009, Barrick announced that plans were underway to do target delineation work in the second quarter followed by deep drilling in the third quarter on the Norma Sass property. The proposed drilling has target depths in the order of approximately 1,800 to 2,000 feet to test structural and geochemical targets in the Lower Plate carbonate sequence, with the potential to go deeper as the rock dictates.

In October 2009, Barrick commenced drilling hole NS 09-01 targeting the lower plate carbonate sequence. This hole was drilled at 70 degree dip on a northwesterly azimuth across a SW-NE striking fault which trends into Barrick's Gold Acres pit one mile to the northeast and is thought to be related to mineralization at Gold Acres. The hole was started using a reverse circulation drill which encountered recovery problems at a depth of 1,680 feet and was replaced by a core drill which completed the hole to a final depth of 2,586 feet. The lower plate and Wenban Limestone were intersected starting at a depth of 1,330 feet and Roberts Mountain Formation was encountered from 1,830 feet to the bottom of the hole. These formations are the major host rocks for the gold deposits at the Pipeline, Gold Acres and Cortez Hills mines.

In September 2010, Barrick elected to terminate the agreement.

Mineral Reserves

As at the date of this report, the Norma Sass and Ruf Claims are without known Mineral Reserves, nor any known body of commercial ore and any activities carried out on the claims are exploration in nature.

Eagle Claims, Nevada, USA



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.

Ownership

The Company holds a 50% interest in the Eagle Claims, subject to a 3% net smelter royalty. The property consists of 45 lode claims (approximately 646 acres), known as the Eagle 15 to 50 and Eagle 53 to 61.

Location & Access

The Norma Sass, RUF and Eagle claims are located in Corral Canyon, in Lander County, Nevada. Access to the property is through Elko, Nevada, a regional mining supply center, via Highways 80 and 306, a distance of approximately 90 kilometers and then an additional 13 kilometers on a gravel access road from the community of Crescent Valley. A four-wheel drive vehicle is usually necessary to access all roads on the property. There is no underground or surface plant or equipment on the property.

History & Exploration

The Company has not conducted exploration on the Eagle property since 1997 when a surface geophysical exploration program was conducted. In 2002, when the Company decided not to conduct further work on the property, the property was written down to a nominal value of $1 by a charge to operations of $232,170. Although the Company has no further plans to explore the property it keeps the claims in good standing by paying its 50% of the cost (approximately US $3,500 annually) in holding fees and taxes with the intent of selling the property, if and, when the opportunity presents itself.

Mineral Reserves

As at the date of this report, the Eagle Claims are without known Mineral Reserves, nor any known body of commercial ore and any activities carried out on the property are exploration in nature.

Congress Property, British Columbia, Canada



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.

Ownership

The Company owns a 50% leasehold interest in 45 claims in the Lillooet Mining Division, British Columbia. The mineral claims were purchased from a company with common directors.

The Congress claims are subject to a Joint Venture Agreement dated February 25, 1983 between the Company and Veronex Resources Ltd. ("Veronex"). In 1983 Veronex earned a 50% net interest in the claims (net of a 5% net smelter royalty) held by the Company, by expending $1,000,000 on the property. Under the terms of the Joint Venture Agreement each party is equally responsible for expenses of the joint ventures. In the event that a party is unable to pay its portion of expenses, such party's interest in the joint venture will be diluted. Exploration under the Joint Venture ceased in 1989. During recent fiscal years, with funding made available through equity financing, exploration activities have recommenced with the Company incurring 100% of expenditures. The Company is currently reviewing ownership of the Veronex 50% interest and working on updating this agreement.

The property consists of eight crown granted mineral claims, one reverted crown granted mineral claim, three mineral leases and 11 mineral claims totaling 109 cells covering approximately 2,432 hectares (6,012 acres). The crown granted mineral claims are treated like fee simple property similar to patented mineral claims in other jurisdictions. Surface, water and timber rights are attached to mineral rights and the property is held by paying annual taxes on these claims. The reverted crown granted mineral claim is treated the same as a mineral claim cell. These claims are kept in good standing by paying $200 per cell or carrying out and documenting $200 in work per cell in the claim block per year. The mineral leases are kept in good standing by paying rental fees totaling $2,110 per year. All claims and leases are contiguous and in good standing.

Location & Access

Located on the north side of Carpenter Lake British Columbia's historic gold producing Bridge River region, the Congress Property is a long standing mining property that supported past high grade gold vein production from three portal entry underground workings. The property is easily available by road.

Geological Setting

The property covers Mississippian to Middle Jurassic rocks of the Bridge River Complex, mainly submarine basalt and andesite, with minor chert, argillite and mafic intrusives. These rocks are cut by northwest trending regional scale structures, some with contained Tertiary feldspar porphyry dacite dykes, sub-parallel to the Ferguson and Cadwallader Structures, which bound the historic Bralorne/Pioneer mines. The structures on the property are roughly the same distance from the Upper Cretaceous-Tertiary granitic Bendor Intrusions as the Bralorne/Pioneer mines. The Bendor Intrusions are the same age as the mineralization in the Bralorne/Pioneer mines and are a postulated source for the gold mineralization at these mines and on the Congress Property.

Deposit Types and Mineral

The deposits on the Company's property are members of a well-recognized group of deposits referred to as mesothermal, orogenic or greenstone hosted quartz-carbonate gold vein deposits. These deposits include the Mother Lode and Grass Valley districts in California and most of the greenstone hosted gold deposits in the Canadian shield, including the Timmins-Val d'Or, Red Lake and Hemlo camps. These deposits are quartz carbonate veins in moderately to steeply dipping brittle-ductile shear zones and, locally, in shallow dipping extensional fractures.

Mineralization in the Howard Zones consists of quartz-carbonate veins or stringer zones one to 1.5 meters wide, with altered, mineralized selvages (pyrite, siderite) up to 10 meters total width hosted in basalt and gabbro. The zones strike north to a few degrees west of north and dip steeply to the west. The Howard Zones contain the largest and highest grade resource on the property, with over 100,000 ounces of gold contained in all resource categories totaling more than 300,000 tonnes greater than 10 grams per tonne gold. These resources are refractory and would require oxidation of sulphides to recover the gold.

Mineralized areas in the Lou Zone are stockwork quartz carbonate stringers and silicified zones on the flank of a feldspar porphyry dyke hosted in mafic volcanics. The zone strikes north and dips steeply west. The better mineralized zones are 1.5 to 4.0 meters wide and grade 5 to 11 grams gold/tonne and contain abundant stibnite. The Lou Zone has been oxidized for 2 to 5 meters below surface near the decline portal where an open pit resource has been outlined.

The better mineralized areas in the Congress Zone, including the 2004 trenches, are massive stibnite veins, 1.25 to 1.5 meters wide, grading 6 to 8 grams gold per tonne hosted in argillite, chert and very sheared mafic volcanic rocks and again, striking north and dipping steeply west.

Permitting

The Company held a Free Miners Certificate ("FMC") #115631, which expired April 8, 2009. The Company can renew this FMC at such a time when further work is planned. Claim holdings can be renewed either by filing assessment reports or paying the fees, as described above under Property Description and Location. Certain exploration work requires a permit and in some cases posting a reclamation bond. The Company currently has $32,629 in bonds with the provincial government.

The Company believes that it holds all necessary licenses and permits under applicable laws and regulations and believes that it is presently complying in all material respects with the terms of such licenses and permits. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits as are required to explore and develop its properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

History and Exploration

These mineral claims are subject to a Joint Venture Agreement dated February 25, 1983 between Levon and Veronex Resources Ltd. ("Veronex"). Exploration under the Joint Venture ceased in early 1989 when Veronex ceased to contribute to the joint venture's expenses. During recent fiscal years, with funding made available through equity financing, exploration activities have recommenced with the Company incurring 100% of expenditures.

The Congress Zone was discovered in 1913 and has been explored and mined intermittently since then. Significant periods of activity occurred in 1933, when a 1,000 ton bulk sample was mined for metallurgical tests, and 1945-1950, when the vein was developed on 5 underground levels and some mineralized material stopped.

The Howard Zone was discovered in 1959 and explored by Bralorne-Pioneer Mines Ltd. who put in approximately half of the Lower Howard workings between 1960 and 1964. The Company carried out surface and underground drilling and drifting between 1976 and 1988 when the rest of the Lower Howard and the Upper Howard workings were excavated.

The Lou Zone was discovered following up on soil geochemical anomalies and VLF-em geophysical anomalies in 1984. Extensive surface drilling was carried out from 1984 to 1988 and a 300 metre trackless decline was driven in the footwall of the zone in 1989. Significant work was suspended until 2004 because of low gold prices. A mechanized trenching program on the northern extensions of the Lou and Congress zones was carried out in the fall of 2004. A diamond drill program was carried out on the Howard Zone in December 2004 and January 2005.

Since May 2007, Levon has undertaken three phases of surface exploration to locate new gold bearing structures on its Congress property situated in the Bridge River Gold Camp. The three phases include prospecting, MMI soil grids, trenching by hand and with an excavator. Prospecting has been successful with the relocation of three previously known showings that have received little exploration work in the past and has also led to several other new discoveries. Most of the relocated zones and new discoveries are found along the south side of the Gun Creek Canyon, on the north central portion of the Congress Property, and are contained in an area 100m wide by 600m long. The zones found in this area have a general east west trend as opposed to the Congress, Lou and the Howard Zones, that have a north-south trend. Detailed geological mapping will be conducted to determine where diamond drill holes should be placed to test the gold bearing structures found in this area of Gun Creek.

In November 2007, the Company announced the approval of a 16-hole (5,000 metres) diamond drill program by the BC Ministry of Mines. The drill program has been designed to offset high grade surface gold showings discovered in September 2007, test the size potential of newly recognized porphyry gold controls on high grade stockwork vein zones, discovered in Gun Creek Canyon in a northern part of the property and test the northern strike projection of the high grade Lou Gold Zone toward Gun Creek.

During 2008, the Company announced that the first three holes of a 16-hole (5000 m) drill program, proposed in October, 2007 were drilled, logged, split and sampled. The drilling campaign was designed to test the strike and dip projections of high grade gold showings discovered in 2007 by rock chip sampling and hand trenching on the north slopes of Gun Creek canyon in a north part of the property.

Drill holes in the campaign were laid out to test for bulk tonnage type gold deposits within the Gun Creek intrusive complex mapped in Gun Creek canyon.

The first three holes cut altered rocks of the intrusive complex and its host rocks. The intrusives, particularly in their contact zones with host rocks, are occasionally veined and contain sparse, coarse to very fine grained stibnite, an antimony sulfide mineral. Surface rock chips generally show a good correlation of Au with stibnite, but vein controlled pyrite also accounts for some of the high grade gold samples at surface. On this basis and since most of the intrusive rocks drilled are altered with abundant disseminated pyrite and at least some sparse pyrite-rich veining, the entire holes have been sampled for assay. No wide stockwork or vein zones (>10m) were cut by the early holes, but assays results are required to determine presence and geometry of gold in the holes.

In September 2008, the Company released the Congress Property, B.C. Drilling Summary Report including the 3m wide intercept grading of 0.395 ounces per ton Au. The drill holes tested part of the newly recognized Gun Creek dacite stock mapped in a northern part of the property for bulk tonnage gold deposits. Three angle core holes (1,048m total) confirm the presence of Au beneath gold showings prospected at the surface, which are associated with veins and veined zones. Such vein zones have been explored and mined at the Congress and Howard mines in the past. The holes confirm that the surface stockwork vein mineralized zones discovered by prospecting dacite porphyry dikes and sills, narrow down dip and along strike in the vicinity of the holes. The 2008 Program was suspended at 3 holes to allow further investigation.

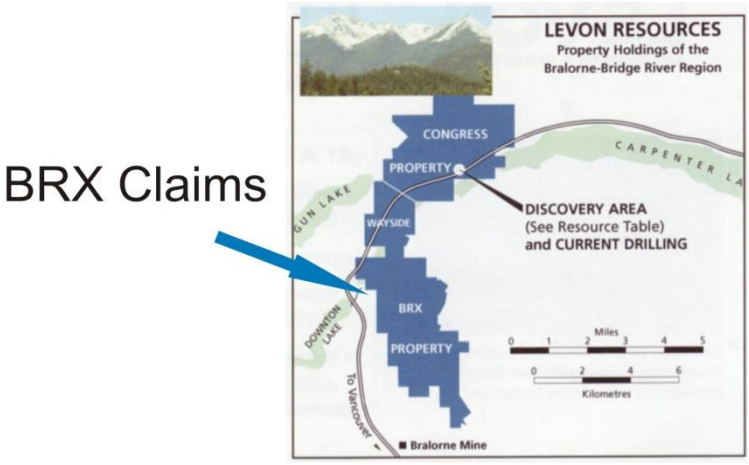
Proposed Exploration

The Company has no plans to carry out exploration activities on the Congress property in the next fiscal year.

Environmental Liabilities

The Company is not aware of any environmental liabilities.

<u>Goldbridge Claims (also known as the BRX claims), British Columbia, Canada</u>



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.

Ownership

The Company held a 100% interest in the Goldbridge Property, also known as the BRX claims, until fiscal 2002 when Mill Bay Ventures Inc. (“Mill Bay”), a public company related by common directors, earned a 50% interest in the property by incurring $300,000 in exploration expenditures on the property and issuing to Levon 300,000 common shares.

Location & Access

The BRX property lies south of Gold Bridge, centered at approximately latitude 50°50' N, longitude 122° 50' W and encompasses 77 tenures of which 73 cover reverted crown grants and four modified grids claims. These claims form one contiguous parcel and cover a nominal 1 065 ha. The claims are accessible via Highway 99 North from Vancouver through Squamish and Whistler to Pemberton. From May to November, access can be obtained by turning left through Pemberton, then right along the Pemberton Meadows Road for 23 km to the Hurley River Road, which passes the Outdoor School and is followed for 50 km to Highway 40, approximately 0.25 km west of Goldbridge. In winter continue on Highway 99 past Pemberton to Lillooet, then 110 km west along the Carpenter Lake Road (Highway 40) to Goldbridge.

History

Between 1984, when the property was acquired, and 1986, the Company carried out a re-evaluation involving line cutting, soil sampling, geological mapping, VLF-EM surveys and back-hoe trenching followed by underground sampling and mapping at the *California* 2 level and *Why Not* adits and in 1987, drilled 518 m over six short holes on the Rand zone. In addition two holes of 307 m aggregate were drilled on a quartz vein in the Hurley river bed, about 350 m south of the *Arizona* portal. In late 1994 trenching and drilling on targets located in 1985 found that the gold was generally low grade.

Levon owns a 50% interest in 74 mineral claims. During fiscal 2005, the option was satisfied and Levon's interest in the property was reduced to 50%. During 2007 and 2008, Mill Bay incurred $67,198 and $25,016, respectively of deferred expenditures on the BRX claims, which were not proportionately funded by Levon. Mill Bay waived the requirement of proportionate funding by Levon on these specific expenditures; notwithstanding this waiver, the terms of the Joint Venture Agreement were ratified by Mill Bay and Levon to remain in effect. During 2008, the Company reopened the Arizona portal to the Goldbridge Property to sample the adit for tungsten to determine future exploration.

The Company obtained a permit number MX-4503 dated June 27, 2003 and amended March 24, 2004 for which underground development is approved for exploration on vein for a total of 60 m. A permit issued in 1994 for trenching and drilling on the property is still extant and for which a reclamation bond of $3,500 remains with the provincial government.

Proposed Exploration

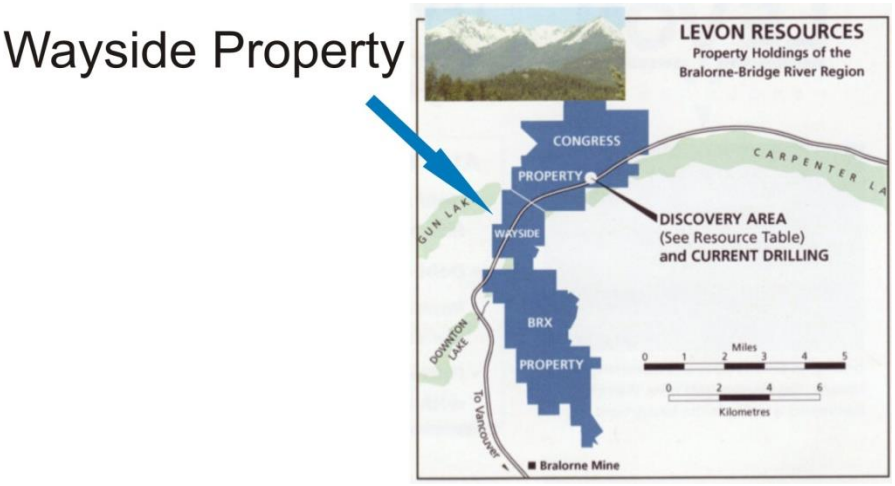
The Company has no plans to carry out exploration activities on the BRX in the next fiscal year. The claims remain in good standing until December 25, 2014.

As at the date of this report, the Goldbridge Claims (BRX) is without known Mineral Reserves, and any activities carried out on the property are exploration in nature.

Environmental Liabilities

The Company is not aware of any environmental liabilities.

Wayside Property, British Columbia, Canada



The Company does not currently consider this property to be a material property of the Company. This property is an exploration stage property and is without known reserves, as defined in SEC Industry Guide 7.

Ownership

In 1997 the Company acquired a 100% interest 27 mineral claims known as the Wayside claims for for $5,000. There has been no exploration activity on the claims nor are there future plans to conduct exploration at this time. The claims are considered of merit and we will continue to maintain them in good standing. The Company wrote the claims down in fiscal 2002 to $1 by a charge to operations of $37,079. Subsequently in 2007, the Company incurred exploration expenditures in the amount of $9,088.

Location & Access

Located on the north side of Carpenter Lake British Columbia's historic gold producing Bridge River region. The property is easily available by road.

Proposed Exploration

As at the date of this report, the Wayside Property is without known Mineral Reserves, and any activities carried out on the property are exploration in nature.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

Some of our critical accounting policies are as follows. See Note 2 to the March 31, 2014 consolidated financial statements for a detailed description of our accounting policies.

Exploration and evaluation assets

The Company is in the exploration stage with respect to its mineral properties. The Company capitalizes all costs relating to the acquisition of mineral claims, and expenses all costs relating to the exploration and evaluation of mineral claims.

All exploration and evaluation expenditures are expensed until properties are determined to contain economically viable reserves. When economically viable reserves have been determined, technical feasibility has been determined and the decision to proceed with development has been approved, the subsequent costs incurred for the development of that project will be capitalized as mining properties, a component of property, plant and equipment.

All capitalized exploration and evaluation assets are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that an exploration expenditure and evaluation assets are not expected to be recovered, they are charged to operations.

Impairment

At each reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating

unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to the passage of time is recognized as accretion expense.

Reclamation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore mineral properties in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and restoration, reclamation and re-vegetation of affected areas.

The fair value of the liability for a rehabilitation provision is recorded when it is incurred. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability, which is accreted over time through periodic charges to profit or loss. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur.

Accounting for equity units

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated based on their relative fair values, calculated using the Black-Scholes option pricing model for warrants and the market price for common shares.

Significant accounting judgements and estimates

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period. In particular, significant judgments made by management in the application of IFRS during the preparation of the consolidated financial statements and estimates with a risk of material adjustment are:

(a) Realization of exploration and evaluation assets

The investment in exploration and evaluation assets on the Cordero Project comprise a significant portion of the Company's assets. Realization of the Company's investment in the exploration and evaluation assets is dependent upon the Company obtaining permits, the satisfaction of local governmental

requirements, the attainment of successful production from the properties, or from the proceeds upon disposal of the Company's properties. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

(b) Environmental

Environmental legislation is becoming increasingly stringent and the costs of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development of the Cordero Project, the potential for production on the property may be diminished or negated.

The Company is subject to laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations, are initially recognized and recorded as a liability based on estimated future cash flows discounted at a credit adjusted risk free rate.

At March 31, 2014, the Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

(c) Impairment assessment

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

At March 31, 2014 and 2013, there are no indications that suggest that the Company's assets are impaired.

(d) Recoverability of amounts receivable

The balance in amounts receivable includes value added taxes to be recovered in Mexico. At each financial position reporting date, the carrying amounts of the Company's amounts receivable are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The Company is corresponding with the Mexican government to recover the Mexican value added tax. At March 31, 2014 and 2013, there are no indications that suggest that the Company's Mexican value added tax are not recoverable.

(e) Valuation of share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

(f) Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

While management believes that these judgments and estimates are reasonable, actual results could differ from those estimates and could impact future results of comprehensive income and cash flows. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. There were no significant changes in estimates during the fourth quarter of the year ended March 31, 2014.

A. Operating Results

The following discussion is intended to supplement the audited consolidated financial statements of the Company for the years ended March 31, 2014, 2013 and 2012, and the related notes thereto, which have been prepared in accordance with IFRS as issued by the IASB. This discussion should be read in conjunction with the audited consolidated financial statements contained in this Annual Report on Form 20-F. This contains forward-looking statements that are subject to risk factors set out under the heading "Item 3. Key Information – D. Risk Factors". See "Cautionary Note Regarding Forward-Looking Statements" above.

Year ended March 31, 2014 compared with the year ended March 31, 2013

Expenses	**2014**	**2013**
Consulting and management fees	$ 732,234	$ 679,691
Depreciation	20,792	35,487
Directors' fees	97,500	101,000
Exploration	3,946,833	4,718,354
Foreign exchange loss (gain)	(157,665)	(265,329)
Listing and filing fees	95,448	82,773
Office, occupancy and miscellaneous	173,735	128,714
Professional fees	155,866	87,965
Salaries and benefits	236,828	239,799
Share-based payments	103,306	1,023,915
Shareholder relations and promotion	217,133	217,157
Travel	68,043	193,507
Loss before other items	(5,690,053)	(7,243,033)
Other items		
Gain on disposal of investment	1,882	--
Interest income	609,773	473,526
Net Loss for Year	(5,078,398)	(6,769,507)
Other Comprehensive Loss		
Unrealized loss on investments	(1,023)	(3,733)
Total Comprehensive Loss for Year	$ (5,079,421)	$ (6,773,240)

During the year ended March 31, 2014, the Company's net loss decreased by $1,691,109 from a net loss of $6,769,507 for the year ended March 31, 2013 to a net loss of $5,078,398 for the year ended March 31, 2014. The overall decrease in the net loss as compared to the prior year was due to the factors discussed below:

Consulting and management fees

Consulting fees increased by $52,543 during the year from $679,691 during the year ended March 31, 2013 to $732,234 during the year ended March 31, 2014. The increase in consulting fees is mainly attributed to increased consultants. During the year, the Company had entered into a consulting agreement for investor relation services for $8,000 per month. The consulting agreement was terminated in March 2014.

Exploration expenditures

Exploration expenditures decreased by $771,521 during the year from $4,718,354 for the year ended March 31, 2013 to $3,946,833 for the year ended March 31, 2014. The decrease is mainly attributed to the Company's efforts in overall cost control.

Professional fees

Professional fees increased by $67,901 during the year from $87,965 for the year ended March 31, 2013 to $155,866 for the year ended March 31, 2014. Prior year's lower balance is attributed to a lower accrued amount in prior year.

Share-based payments

Share-based payments decreased by $920,609 from $1,023,915 for the year ended March 31, 2013 to $103,306 for the year ended March 31, 2014. Prior year's higher balance is mainly attributed to the modification of the exercise price of certain stock options resulting in additional share-based benefit recognized. During the year ended March 31, 2014, 4,885,000 stock options were granted compared to 1,350,000 stock options granted during the year ended March 31, 2013. Although more stock options were granted in the current year, the overall share-based payment expense is lower as 4,785,000 options were granted in March 10, 2014 which vest over a one-year period. Since the grant date is near the year-end, it results in a lower pro-rata amount of share-based payment expense.

Travel

Travel decreased by $125,464 from $193,507 for the year ended March 31, 2013 to $68,043 for the year ended March 31, 2014. Current year's lower balance is attributed to travel expenditures incurred relating to the Cordero property has been reclassified to exploration expense in the current year.

Year ended March 31, 2013 compared with the year ended March 31, 2012

During the year ended March 31, 2013, the Company's net loss decreased by $6,355,326 from a net loss of $13,124,833 for the year ended March 31, 2012 to a net loss of $6,769,507 for the year ended March 31, 2013. The overall increase in the net loss as compared to the prior year was due to the factors discussed below:

Expenses	**2013**	**2012**
Consulting and management fees	$ 679,691	$ 1,007,640
Depreciation	35,487	12,211
Directors' fees	101,000	-
Exploration	4,718,354	10,792,719
Foreign exchange loss (gain)	(265,329)	154,277
Listing and filing fees	82,773	309,261
Office, occupancy and miscellaneous	128,714	182,491
Professional fees	87,965	338,551
Salaries and benefits	239,799	234,249
Share-based payments	1,023,915	251,082
Shareholder relations and promotion	217,157	249,556
Travel	193,507	203,492
Loss before other items	(7,243,033)	(13,735,479)
Other items		
Gain on disposal of investment	--	--
Interest income	473,526	610,646
Net Loss for Year	(6,769,507)	(13,124,833)
Other Comprehensive Loss		
Unrealized loss on investments	(3,733)	(15,616)
Total Comprehensive Loss for Year	$ (6,773,240)	$ (13,140,449)

Consulting and management fees

Consulting fees decreased by $327,949 during the year from $1,007,640 during the year ended March 31, 2012 to $679,691 during the year ended March 31, 2013. The decrease in consulting fees is mainly attributed to a decrease in bonus paid to the CEO and President of the Company. During the year ended March 31, 2013, the Company paid a $200,000 bonus to the CEO and President of the Company compared to a bonus of $500,000 during the year ended March 31, 2012.

Independent director fees

In October 2012, the Board of directors approved the payment of an annual directors' fee of $18,000 per director, per year to four independent directors. The annual directors' fee was retroactive to March 1, 2012 and the fees are payable quarterly in advance.

Exploration expenditures

Exploration expenditures decreased by $6,074,365 during the year from $10,792,719 for the year ended March 31, 2012 to $4,718,354 for the year ended March 31, 2013. The decrease is mainly attributed to overall reduced drilling activities.

Listing and filing fees

Listing and filing fees decreased by $226,488 during the year from $309,261 for the year ended March 31, 2012 to $82,773 for the year ended March 31, 2013. Prior year's $309,261 balance includes $200,000 in original listing fees paid to the TSX when the Company graduated from the TSX Venture Exchange to the TSX Exchange.

Professional fees

Professional fees decreased by $250,586 during the year from $338,551 during the year ended March 31, 2012 to $87,965 during the year ended March 31, 2013. Prior year's higher balance is attributed to higher accounting fees and legal fees. Prior year's accounting fees included $75,000 in audit accrual. No audit accrual was recorded for the year ended March 31, 2013. Also, legal fees for the year ended March 31, 2013 decreased by $151,388 from $229,553 for the year ended March 31, 2012 to $78,165 for the year ended March 31, 2013.

Foreign exchange gain

Foreign exchange gain increased by $419,556 from a loss of$154,227 during the year ended March 31, 2012 to a gain of $265,329 during the year ended March 31, 2013. The increase in foreign exchange gain is mainly attributed to the strengthening of the USD on US denominated deposits held at year end.

Share-based payments

Share-based payments increased by $772,833 from $251,082 for the year ended March 31, 2012 to $1,023,915 for the year ended March 31, 2013. Current year's higher balance is attributed to more stock options granted and vested, as well as attributed to the modification of the exercise price of certain stock options resulting in additional share-based benefit recognized. During the year ended March 31, 2013, 1,350,000 stock options granted were compared to 675,000 stock options granted during the year ended March 31, 2012. Also, during the year ended March 31, 2013, 8,740,000 stock options had their exercise price re-priced to $0.75.

B. Liquidity and Capital Resources

The Company has financed its operations to date through the issuance of common shares. Currently the Company has sufficient capital to conduct further exploration on its existing properties. The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern are dependent upon the continued support from its shareholders, the discovery of economically recoverable reserves, the ability of the Company to obtain the financing necessary to complete development and achieve profitable operations in the future. The outcome of these matters cannot be predicted at this time.

As at March 31, 2014 the Company had working capital of $41,506,961 compared to working capital of $49,169,844 at March 31, 2013.

Year Ended	March 31, 2014	March 31, 2013	March 31, 2012
Working Capital	41,506,961	49,169,844	58,048,017
Deficit	72,675,558	68,445,141	62,899,323

Working capital decreased by $7,662,883 from $49,169,844 as at March 31, 2013 to $41,506,961 as at March 31, 2012. The decrease is mainly attributed to a reduction in the cash balance of $7,626,138. Of the decrease of $7,626,138 in cash, $5,445,391 is used in operating activities, and $2,161,690 is used in the acquisition of the Aida claims. Acquisition of the Aida claim consolidates Levon's 100% ownership of all mining claims in the Cordero mining district.

Working capital decreased by $8,878,173 from $58,048,017 as at March 31, 2012 to $49,169,844 as at March 31, 2012. The decrease is mainly attributed to a reduction in the cash balance of $8,740,075. Of the decrease of $8,740,075 in cash, $6,567,762 is used in operating activities.

The increase in deficit from March 31, 2013 to March 31, 2014 is mainly attributed to exploration expenditures of $3,946,833 incurred during the year.

The increase in deficit from March 31, 2012 to March 31, 2013 is mainly attributed to exploration expenditures of $4,718,354 incurred during the year.

Currently the Company has sufficient capital to meet its ongoing obligations and conduct its planned engineering studies on the Cordero resource for the next twelve months.

The Company is in the exploration stage. The investment in and expenditures on the mineral property comprise substantially all of the Company's assets. The recoverability of amounts shown for its mineral property interest and related deferred costs and the Company's ability to continue as a going concern is dependent upon the continued support from its directors, the discovery of economically recoverable reserves, and the ability of the

Company to obtain the financing necessary to complete development and achieve profitable operations in the future. The outcome of these matters cannot be predicted at this time.

Mineral exploration and development is capital intensive and in order to maintain its interest the Company will be required to raise new equity capital in the future. Based on the Company's current financial position, its plans for equity financing and its exploration plans for the upcoming fiscal year, the Company will be able to meet its financial obligations through the next fiscal year. There is no assurance that the Company will be successful in raising additional new equity capital.

C. Research and Development, Patents and Licenses, etc.

None.

D. Trend Information

While the Company does not have any producing mines it is directly affected by trends in the metal industry. At the present time global metal prices are extremely volatile. Base metal prices and, in particular, gold prices, driven by rising global demand, climbed dramatically and approached near historic highs over the past several years.

Overall market prices for securities in the mineral resource sector and factors affecting such prices, including base metal prices, political trends in the countries such companies operate, and general economic conditions, may have an effect on the terms on which financing is available to the Company, if at all.

Except as disclosed, the Company does not know of any trends, demand, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the Company's exploration programs. The Company currently does not and also does not expect to engage in currency hedging to offset any risk of currency fluctuations.

E. Off-balance sheet arrangements

The Company has no off-balance sheet arrangements.

F. Tabular disclosure of contractual obligations

As of March 31, 2014, the Company had the following contractual obligations:

	Payment due by period				
	Total	**<1 year**	**1-3 Years**	**3-5 years**	**More than 5 years**
Trade payables and other payables	$193,365	$193,365	$ -	$ -	$ -
Due to related parties	81,666	81,666	-	-	-
Consulting payments	1,440,000	480,000	480,000	480,000	-
Operating Leases	3,662	3,662	-	-	-
Total	$1,718,693	$758,693	$ 480,000	$480,000	$ -

G. Safe Harbor

The Company seeks safe harbor for our forward-looking statements contained in Items 5.E and F. See the heading "Cautionary Note Regarding Forward-Looking Statements" above.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

The following is a list of the Company's directors and senior management as at June 20, 2014. The directors were elected by the Shareholders on September 19, 2013 and are elected for a term of one year, which term expires at the election of the directors at the next annual meeting of shareholders.

Name and Present Position with the Company	**Principal Occupation**	**Director/Officer Since**
WILLIAM GLASIER Director	Mining executive; Director of Bralorne Gold Mines Ltd. and Great Thunder Gold	May 22, 1990

	Corp.	
GARY ROBERTSON Director	Certified Financial Planner; director of Bralorne Gold Mines Ltd., Coral Gold Resources Ltd, Great Thunder Gold Corp., Avino Silver & Gold Mines Ltd. and Sage Gold Inc.	August 3, 2005
RON TREMBLAY Director, Chief Executive Officer and President	President & CEO of Levon Resources Ltd.	September 7, 2006
VICTOR CHEVILLON Director and V.P. Exploration	Certified Professional Geologist; President of Chevillon Exploration Consulting.	September 6, 2007
RON BARBARO Director and Chairman	Member of the Order of Ontario; Director of The Brick Group, Trans Global Life Insurance Company and Trans Global Insurance.	July 9, 2010
ROBERT ROBERTS Director	CEO and co-owner of Channel Control Merchants, LLC	September 23, 2011
CARLOS H FERNANDEZ MAZZI Director	Director of Standard Tolling Corp.	May 15, 2012
ANNIE CHAN Chief Financial Officer	Chief Financial Officer of Bralorne Gold Mines Ltd.	March 26, 2012
DOROTHY CHIN Corporate Secretary	Corporate Secretary of Avino Silver & Gold Mines Ltd., and Bralorne Gold Mines Ltd.	September 25, 2008

Family Relationships

There are no family relationships between any directors or executive officers of the Company.

Arrangements

There are no known arrangements or understandings with any major shareholders, customers, suppliers or others, pursuant to which any of the Company's officers or directors was selected as an officer or director of the Company.

Conflicts of Interest

There are no existing or potential conflicts of interest among the Company, its directors, officers or promoters as a result of their outside business interests with the exception that certain of the Company's directors, officers and promoters serve as directors, officers and promoters of other companies, as set out below, and, therefore, it is possible that a conflict may arise between their duties as a director, officer or promoter of the Company and their duties as a director or officer of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with the British Columbia Business Corporations Act, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

All of the Company's directors are also directors, officers or shareholders of other companies that are engaged in the business of acquiring, developing and exploiting natural resource properties including properties in countries where the Company is conducting its operations. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which place the Company in a worse position than if no conflict existed. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they may have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for which such director serves as an officer or director. The Company has no specific internal policy governing conflicts of interest.

Several of our senior officers divide their professional time between service for the Company and service for other companies in the industry. See "Item 3. Key Information – D. Risk Factors – *Conflict of Interest*." In this regard, Ron Tremblay, the Company's Chief Executive Officer and President, devotes approximately 98% of his professional time to the business of the Company; Victor Chevillon, the Company's V.P. Exploration, devotes approximately 95% of his professional time to the business of the Company; Annie Chan,

the Company's Chief Financial Officer, devotes approximately 50% of her professional time to the business of the Company and Dorothy Chin, the Company's Corporate Secretary, devotes approximately 35% of her professional time to the business of the Company.

B. Compensation

During the last completed fiscal year of the Company, the Company had three executive officers ("NEOs"), namely, its Chief Executive Officer ("CEO") and President, Ron Tremblay, its Vice President Exploration, Victor Chevillon, and its Chief Financial Officer ("CFO"), Annie Chan.

1) Compensation Discussion and Analysis

The Company does not have a compensation program other than paying base salaries, incentive bonuses, and granting incentive stock options to the NEOs. The Company recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility. The three components of the compensation package are included to enable the Company to meet different objectives. The objectives of base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The objective of incentive bonuses (paid in the form of cash payments) is to add a variable component of compensation to recognize corporate and individual performances for executive officers and employees. The objectives of stock option awards are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Company. Implementation of new incentive stock option plans and amendments to the existing stock option plan are the responsibility of the Company's Compensation Committee.

The compensation of the NEOs is reviewed and recommended for Board approval by the Company's Compensation Committee. Although the Board has not formally evaluated the risks associated with the Company's compensation policies and practices, the Board has no reason to believe that any risks that arise from the Company's compensation policies and practices are reasonably likely to have a material impact on the Company.

The members of the Compensation Committee are Gary Robertson (Chair), William Glasier and Robert Roberts, all of whom are independent directors pursuant to applicable laws in Canada.

The general objectives of the Company's compensation strategy are to:

(a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value;

(b) align management's interests with the long term interests of shareholders;

(c) provide a compensation package that is commensurate with other comparable companies to enable the Company to attract and retain talent; and

(d) ensure that the total compensation package is designed in a manner that takes into account the Company's present stage of development and its available financial resources. The Company's compensation packages have been designed to provide a blend of a non-cash stock option component and a reasonable salary. In addition, extraordinary efforts which enhance shareholder value are rewarded with cash bonuses.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Actual compensation will vary based on the performance of the executives relative to the achievement of goals and the price of the Company's securities.

Compensation Element	**Description**	**Compensation Objectives**
Annual Base Salary (all NEOs)	Salary is market-competitive, fixed level of compensation	Retain qualified leaders, motivate strong business performance
Incentive Bonuses	Discretionary cash payment	Reward individual performance in achieving corporate goals
Incentive Stock Option (all NEOs)	Equity grants are made in the form of stock options. The amount of grant will be dependent on individual and corporate performance	Reward long-term financial and operating performance and align interests of key employees with those of shareholders

The Company relies on the discretion and judgment of the directors in establishing and amending contracts for all forms of compensation, including stock options to be granted to the CEO and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. There is no formal process using objectives, criteria, or analysis, for determining compensation. When determining the compensation of its officers, the Compensation Committee and the Board are guided by the general objectives of the Company's compensation strategy as set out above.

2) Summary Compensation Table

The following table sets forth particulars concerning the compensation paid or accrued for services rendered to the Company by its NEOs in all capacities during the last three most recently completed financial years ended March 31:

Name and principal position	Year	Salary ($)	Share-based awards ($)1	Option-based awards ($) 2	Non-equity incentive plan compensation ($)3	Pension value ($)4	All other compensation ($)5	Total compensation ($)
Ron Tremblay* Director, President & CEO	2012 2013 2014	$290,000 $300,000 $300,000	NIL NIL NIL	NIL $399,329 $25,324	NIL NIL NIL	NIL NIL NIL	$550,000 $200,000 $200,000	$840,000 $899,329 $525,324
Annie Chan CFO	2012 2013 2014	NIL $52,608 $56,216	NIL NIL NIL	NIL $20,410 $1,630	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL $73,018 $57,846
Victor Chevillon** Director & VP Exploration	2012 2013 2014	$245,676 $179,805 $189,265	NIL NIL NIL	NIL $159,732 $12,662	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	$245,676 $339,537 $201,927

(1) The Company does not currently have any share-based award plans.
(2) The methodology used to calculate the fair value of a stock option on the grant date is based on the Black-Scholes Option Pricing Model. The Black-Scholes Option Pricing Model is the model accepted under International Financial Reporting Standards in computing the fair value of stock options granted and is commonly used by public companies. The Company used the following weighted average assumptions in the model to determine the awards recorded above: Dividend Yield – Nil; Expected Life – 4.94 years; Volatility – 87.94%; Risk Free Interest Rate – 1.62%. If the Company's share price as of June 20, 2014 is used to value the stock options granted to Mr. Tremblay and Mr. Chevillon in fiscal 2014 using the Black-Scholes Option Pricing Model, their value would be $20,971and $10,485, respectively. Notwithstanding that the Black-Scholes Option Pricing Model gives a positive valuation for the stock options disclosed in the above table, the Company's share price did not exceed the exercise price of any of the options held by the Company's Named Executive Officers either on the grant dates of the options or as at the date of this report, and so the options were not "in the money" on such dates. Had such options been exercised either on their respective grant dates or on the date of this report, the option holders would not have been able to exercise their options and realize a profit by selling the underlying option shares at the then prevailing market price.
(3) The Company does not have a non-equity incentive plan.
(4) The Company does not have any pension plans.
(5) Discretionary cash payment of incentive bonuses.
* Mr. Tremblay is a director of the Company and has served as its President since November 29, 2006 and as its CEO since September 11, 2009. None of the compensation received by Mr. Tremblay relates to his role as director.
**Mr. Chevillon is a director of the Company and has served as its VP Exploration since February 24, 2009. None of the compensation received by Mr. Chevillon relates to his role as director.

Base Salary for the NEOs are determined by the Board upon the recommendation of the Compensation Committee and its recommendations are reached primarily by informal comparison with the remuneration paid by other reporting issuers with the same size and industry and with publicly available information on remuneration that the Compensation Committee feels is suitable.

The annual base salary paid to NEOs is, for the purpose of establishing appropriate increases, reviewed annually by the Board upon the recommendation of the Compensation Committee as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase is in the sole discretion of the Board and the Compensation Committee.

Non-Equity Incentive Plan Compensation

One of the three components of the Company's compensation package is a discretionary annual cash bonus, paid to recognize individual performance in attaining corporate goals and objectives. The Company does not have a long-term incentive plan.

Option Based Award

An Option Based Award is in the form of an incentive stock option plan. The objective of the incentive stock option is to reward NEOs, employees' and directors' individual performance at the discretion of the Board upon the recommendation of the Compensation Committee.

The Company currently maintains a formal stock option plan, under which stock options have been granted and may be granted to purchase shares equal to 10% of the Company's issued capital from time to time. For details of the stock option please refer to "Particulars of Matters to be Acted Upon – Stock Option Plan" in the Information Circular.

The stock option plan is administered by the Compensation Committee. The process the Company uses to grant option based awards is upon the recommendations of the Compensation Committee. The role of the Compensation Committee is to recommend to the Board the compensation of the Company's directors and NEOs which the Compensation Committee feels is suitable. All previous grants of option-based awards are taken into account when considering new grants.

3) Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the NEOs to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year ended March 31, 2014:

	Option-based Awards				**Share-based Awards**		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**[(1)]	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
RON TREMBLAY Director, President & CEO	1,500,000 5,000,000 2,000,000	$1.00 $0.75 $0.40	Sep 3, 2015 Mar 25, 2016 Mar 10, 2019	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
ANNIE CHAN CFO	50,000 50,000	$1.00 $0.40	Jun 7, 2017 Mar 10, 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil
VICTOR CHEVILLON Director & VP Exploration	200,000 500,000 2,000,000 1,000,000	$0.70 $1.00 $0.75 $0.40	Jan 28, 2015 Sep 3, 2015 Mar 25, 2016 Mar 10, 2019	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil

(1) In-the-Money Options is the difference between the market value of the underlying securities at March 31, 2014 and the exercise price of the option. The closing market price of the Company's common shares as at March 31, 2014 was $0.28 per common share.

Incentive plan awards – value vested or earned during the year

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended March 31, 2014:

Name	Option-based awards – Value vested during the year ($) [1]	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
RON TREMBLAY Director, President & CEO	25,324	NIL	NIL
ANNIE CHAN CFO	1,630	NIL	NIL
VICTOR CHEVILLON Director & VP Exploration	12,662	NIL	NIL

(1) The aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.

4) Pension Plan Benefits

No pension plan or retirement benefit plans have been instituted by the Company and none are proposed at this time.

Use of Financial Instruments

The Company does not have in place policies which restrict the ability of directors or NEOs to purchase financial instruments, such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a director or NEO. Any such purchases would be subject to applicable insider reporting requirements.

5) Termination and Change of Control Benefits

The Company entered into a separate consulting agreement between Stone's Throw (Barbados) Ltd., a company wholly owned by Ron Tremblay, and Chevillon Exploration Consulting, a company wholly owned by Vic Chevillon, and on April 1, 2014, the Company renewed these consulting agreements for a period of five (5) years under which there are specified provisions for termination of employment or change of control.

Each agreement can be terminated at any time prior to the expiry of the term, as follows:

a) by the consultant giving the Company not less than 3 months prior notice of such termination;

b) by the Company giving the consultant 3 months prior notice of such termination along with a termination payment of US$1.5 million to Stone's Throw (Barbados) Ltd., and US$750,000 to Chevillon Exploration Consulting;

c) at any time during the term of contract, should a change of control (as defined below) event occur the consultant will be entitled to a severance payment immediately.

A "change of control" shall be deemed to have occurred when any person, entity or group becomes the beneficial owner of 50.1% or more of the combined voting power of the Company's then outstanding voting securities entitled to vote generally in the election of directors; or completion of the sale or other disposition by the Company of all or substantially all of the Company's assets or a reorganization or merger or consolidation of the Company with any other entity or corporation, at which time the severance payment becomes due and payable on closing of the transaction, other than:

(i) a reorganization or merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent, either by remaining outstanding or by being converted into voting securities of another entity, more than 50.1% of the combined voting power of the voting securities of the Company or such other entity outstanding immediately after such reorganization or merger or consolidation; or

(ii) a reorganization or merger or consolidation effected to implement a recapitalization or reincorporation of the Company (or similar transaction) that does not result in a material change in beneficial ownership of the voting securities of the Company or its successor.

The following amounts would have been required to be paid assuming a change of control event took place on the last business day of the Company's most recently completed financial year:

1. Stone's Throw (Barbados) Ltd.: the consultant would be entitled to a severance payment of US$1.5 million immediately; and

2. Chevillon Exploration Consulting: the consultant would be entitled to a severance payment of US$750,000 immediately.

6) Director Compensation

The following table sets forth the value of all compensation paid to the directors, excluding Ron Tremblay and Victor Chevillon who are paid as an officer and not as a director, in their capacity as directors for the year ended March 31, 2014:

Director Compensation Table

Name	Fees earned ($)	Share-based awards ($)[1]	Option-based awards ($)[2]	Non-equity incentive plan compensation ($)[3]	Pension value ($)[4]	All other compensation ($)[5]	Total ($)
William Glasier*	18,000	NIL	1,266	NIL	NIL	NIL	19,266
Gary Robertson*	18,000	NIL	2,532	NIL	NIL	NIL	20,532
Carlos Fernandez Mazzi	18,000	NIL	1,266	NIL	NIL	NIL	19,266
Robert Roberts*	18,000	NIL	2,532	NIL	NIL	NIL	20,532
Ron Barbaro*	18,000	NIL	2,532	NIL	NIL	NIL	20,532

*Independent & Non-Employee Directors.

[1] The Company does not currently have any share-based award plans.

[2] The aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.

[3] The Company does not have a non-equity incentive plan.

[4] The Company does not have any pension plans.

[5] Discretionary cash payment of incentive bonuses.

Except as disclosed below, no director of the Company who is not a Named Executive Officer has received, during the most recently completed financial year, compensation pursuant to:

(a) any standard arrangement for the compensation of directors for their services in their capacity as Directors, including any additional amounts payable for committee participation or special assignments;

(b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of Directors in their capacity as Directors except for the granting of stock options; or

(c) any arrangement for the compensation of directors for services as consultants or experts.

The Company may grant incentive stock options to Directors of the Company from time to time pursuant to the stock option plan of the Company and in accordance with the policies of the Toronto Stock Exchange (the "TSX").

On May 14, 2012, Carlos Fernandez Mazzi, a director of the Company, entered into a Consulting Agreement with the Company to provide management and project development advisory services to advance the Cordero Project for $2,500 per month for a period of one year.

Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the directors to purchase or acquire securities of the Company outstanding at March 31, 2014:

	Option-based Awards				Share-based Awards		
Name[1]	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)[2]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)[2]**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
William Glasier	100,000	$1.00	Sept 3, 2015	Nil	Nil	Nil	Nil
	150,000	$0.75	Mar 25, 2016	Nil	Nil	Nil	Nil
	100,000	$0.40	Mar 10, 2019	Nil	Nil	Nil	Nil
Gary Robertson	200,000	$0.65	July 20, 2015	Nil	Nil	Nil	Nil
	200,000	$0.75	Mar 25, 2016	Nil	Nil	Nil	Nil
	200,000	$0.40	Mar 10, 2019	Nil	Nil	Nil	Nil
Carlos Fernandez Mazzi	500,000	$1.00	May 15, 2017	Nil	Nil	Nil	Nil
	100,000	$0.40	Mar 10, 2019	Nil	Nil	Nil	Nil
Ron Barbaro	200,000	$0.65	July 20, 2015	Nil	Nil	Nil	Nil
	300,000	$0.75	Mar 25, 2016	Nil	Nil	Nil	Nil
	200,000	$0.40	Mar 10, 2019	Nil	Nil	Nil	Nil
Robert Roberts	200,000	$0.75	Oct 3, 2016	Nil	Nil	Nil	Nil
	200,000	$0.40	Mar 10, 2019	Nil	Nil	Nil	Nil

(1) For the compensation of Ron Tremblay and Victor Chevillon who are NEOs of the Company, see “Incentive Plan Awards” above.

(2) In-the-Money Options is the difference between the market value of the underlying securities at March 31, 2014 and the exercise price of the option. The closing market price of the Company's common shares as at March 31, 2014 was $0.28 per common share.

Incentive plan awards – value vested or earned during the year

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to directors during the year ended March 31, 2014:

Name[1]	Option-based awards – Value vested during the year ($) [2]	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
William Glasier	1,266	Nil	Nil
Gary Robertson	2,532	Nil	Nil
Carlos Fernandez Mazzi	1,266	Nil	Nil
Ron Barbaro	2,532	Nil	Nil
Robert Roberts	2,532	Nil	Nil

(1) For the compensation of Ron Tremblay and Victor Chevillon who are NEOs of the Company, see "Incentive Plan Awards" above.
(2) The aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.

C. Board Practices

The Board is currently comprised of seven directors. The size and experience of the Board is important for providing the Company with effective governance in the mining industry. The Board's mandate and responsibilities can be effectively and efficiently administered at its current size. The chairman of the Board is no longer a member of management. The Board has functioned, and is of the view that it can continue to function, independently of management as required. Directors are elected for a term of one year at the annual general meeting. At the Annual General Meeting, held on September 19, 2013, the shareholders elected Messrs. Barbaro, Chevillon, Glasier, Fernandez Mazzi, Roberts, Robertson, and Tremblay as directors.

The Board has considered the relationship of each director to the Company and currently considers four of the seven directors to be "unrelated" (Messrs. Barbaro, Glasier, Roberts, and Robertson). "Unrelated director" means a director who is independent of management and free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interest of the Company, other than interests and relationships arising solely from shareholdings.

Procedures are in place to allow the Board to function independently. At the present time, the Board has experienced directors that have made a significant contribution to the Company's success, and are satisfied that it is not constrained in its access to information, in its deliberations or in its ability to satisfy the mandate established by law to supervise the

business and affairs of the Company. Committees meet independent of management and other directors.

Mandate of the Board of Directors, its Committees and Management

The role of the Board is to oversee the conduct of the Company's business, including the supervision of management, and determining the Company's strategy. Management is responsible for the Company's day to day operations, including proposing its strategic direction and presenting budgets and business plans to the Board for consideration and approval. The strategic plan takes into account, among other things, the opportunities and risks of the Company's business. Management provides the Board with periodic assessments as to those risks and the implementation of the Company's systems to manage those risks. The Board reviews the personnel needs of the Company from time to time, having particular regard to succession issues relating to senior management. Management is responsible for the training and development of personnel. The Board assesses how effectively the Company communicates with shareholders, but has not adopted a formal communications policy. Through the Audit Committee, and in conjunction with its auditors, the Board assesses the adequacy of the Company's internal control and management information systems. The Board looks to management to keep it informed of all significant developments relating to or effecting the Company's operations. Major financings, acquisitions, dispositions and investments are subject to Board approval. A formal mandate for the Board, the Chief Executive Officer and the Chief Financial Officer has not been considered necessary since the relative allocation of responsibility is well understood by both management and the Board. The Board meets as required. The Board and committees may take action at these meetings or at a meeting by conference call or by written consent.

Committees

Audit Committee

The Audit Committee assists the Board in its oversight of the Company's consolidated financial statements and other related public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors, qualifications and independence and the performance of the internal audit function and the external auditors. The Audit Committee has direct communications channels with the Company's auditors. The Audit Committee reviews the Company's financial statements and related management's discussion and analysis of financial and operating results. The Audit Committee can retain legal, accounting or other advisors.

The Audit Committee currently consists of three directors (Gary Robertson, Robert Roberts and Ron Barbaro). All of the members are unrelated, financially literate and at least one member has accounting or related financial expertise. "Financially literate" means the ability to read and understand statements of financial position, statements of operations and comprehensive loss, statements of shareholders' equity, statements of cash flow and notes to financial statements. "Accounting or related financial expertise" means the ability to analyze and interpret a full set of financial statements, including the notes attached thereto.

The Board has adopted a charter for the Audit Committee which is reviewed annually and sets out the role and oversight responsibilities of the Audit Committee with respect to:

- its relationship with and expectation of the external auditors, including the establishment of the independence of the external auditor and the approval of any non-audit mandates of the external auditor;
- determination of which non-audit services the external auditor is prohibited from providing;
- the engagement, evaluation, remuneration, and termination of the external auditors;
- appropriate funding for the payment of the auditor's compensation and for any advisors retained by the audit committee;
- its relationship with and expectation of the internal auditor;
- its oversight of internal control;
- disclosure of financial and related information; and
- any other matter that the audit committee feels is important to its mandate or that which the board chooses to delegate to it.

Compensation Committee

The Compensation Committee recommends to the Board the compensation of the Company's Directors and the Chief Executive Officer which the Compensation Committee feels is suitable. Its recommendations are reached primarily by comparison of the remuneration paid by the Company with publicly available information on remuneration paid by other reporting issuers that the Compensation Committee feels are similarly placed within the same business of the Company.

The Compensation Committee consists of three unrelated directors (Messrs. Robertson, Roberts and Glasier).

The Compensation Committee has adopted the "Terms of Reference" to ensure that independent non-executive directors determine and review the compensation of executive on behalf of the Board and design the compensation policies and packages so as to attract, retain, and motivate quality employees while not exceeding market rates.

Governance and Nominating Committee

The Governance and Nominating Committee (the "Committee") shall act in an advisory capacity only to the board of directors with respect to the governance and nominating matters. The Committee has established a Committee Charter to:

- manage the corporate governance system for the Board;

- assist the Board to fulfill its duty to meet the applicable legal, regulatory and (self-regulatory) business principles and 'codes of best practice' of corporate behaviour and conduct;

- assist in the creation of a corporate culture and environment of integrity and accountability;

- monitor the quality of the relationship between the Board and management of the Company;

- review the Chief Executive Officer's succession plan;

- recommend to the Board nominees for appointment of the Board;

- lead the Board's annual review of the Chief Executive Officer's performance; and

- annually review and set an agenda of the Board on an ongoing basis.

The Corporate Governance Committee currently consists of three directors (Messrs. Barbaro, Glasier and Roberts). All of the members are unrelated directors.

D. Employees

As at June 20, 2014, the Company has 10 employees at the Cordero Project. At the height of Cordero grid drilling in 2011 and 2012 there were 35 employees at the project. Senior management and administrative staff are contracted by the Company through their companies or through the Company's cost sharing agreement for overhead and corporate services with Oniva International Services Corp.

E. Share Ownership

The following table sets forth the share ownership of our directors and officers as of June 20, 2014:

Name of Beneficial Owner	Number of Shares	Percent
Victor Chevillon	1,160,750	*
William Glasier	389,516	*
Gary Robertson	1,700,836	*
Ron Tremblay	18,806,000	9.4%
Robert Roberts	411,000	*
Ron Barbaro	840,000	*
Carlos H Fernandez Mazzi	140,000	*
Annie Chan	Nil	N/A
Dorothy Chin	Nil	N/A

*Less than one percent

Outstanding Options

The following information, as of June 20, 2014, reflects outstanding options held by the individuals referred to in "Compensation":

	No. of Shares	Date of Grant	Exercise Price	Expiration Date
Ron Tremblay	1,500,000	Sept. 3, 2010	$1.00	Sept. 3, 2015
Director,	5,000,000	March 25, 2011	$0.75	March 25, 2016
President & CEO	2,000,000	March 10, 2014	$0.40	March 10, 2019
Annie Chan	50,000	June 7, 2012	$1.00	June 7, 2017
CFO	50,000	March 10, 2014	$0.40	March 10, 2019
Gary Robertson	200,000	July 20, 2010	$0.65	July 20, 2015
Director	200,000	March 25, 2011	$0.75	March 25, 2016
	200,000	March 10, 2014	$0.40	March 10, 2019
	200,000	Jan 28, 2010	$0.70	Jan 28, 2015
Victor Chevillon	500,000	Sept 3, 2010	$1.00	Sept 3, 2015
Director &	2,000,000	March 25, 2011	$0.75	March 25, 2016
VP Exploration	1,000,000	March 10, 2014	$0.40	March 10, 2019
William Glasier	100,000	Sept 3, 2010	$1.00	Sept 3, 2015
Director	150,000	March 25, 2011	$0.75	March 25, 2016
	100,000	March 10, 2014	$0.40	March 10, 2019
Ron Barbaro	200,000	July 20, 2010	$0.65	July 20, 2015
Director & Chairman	300,000	March 25, 2011	$0.75	March 25, 2016
	200,000	March 10, 2014	$0.40	March 10, 2019
Robert Roberts	200,000	Oct 3, 2011	$0.75	Oct 3, 2016
Director	200,000	March 10, 2014	$0.40	March 10, 2019
Carlos H Fernandez	500,000	May 15, 2012	$1.00	May 15, 2017
Mazzi	100,000	March 10, 2014	$0.40	March 10, 2019
Director				

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

As far as it is known to the Company, other then identified below, it is not directly or indirectly owned or controlled by any other corporation or by the Canadian Government, or any foreign government, or by any other natural or legal person.

To the knowledge of the Company's directors and senior officers, the following table sets forth certain information as at June 20, 2014 concerning the ownership of the Company's common shares as to each person known by the directors and senior officers, based solely upon public records and filings, to be the direct and/or indirect owner of more than five (5%) percent of the Company's common shares, who owned more than five percent of the outstanding shares of each class of the Company's voting securities.

Name	Number of Shares of Common Stock Owned	Percent of Class
Ron Tremblay	18,806,000*	9.4%

* These shares are held by Ron Tremblay indirectly through Stone's Throw (Barbados) Ltd., a company of which he is the sole shareholder.

Changes in ownership by major shareholders

To the best of the Company's knowledge there have been no changes in the ownership of the Company's shares other than disclosed herein.

Voting Rights

The Company's major shareholders do not have different voting rights.

Shares Held in the United States

As of June 20, 2014, there were approximately 444 registered holders of the Company's shares in the United States, with combined holdings of 4,851,205 common shares.

Change of Control

As of June 20, 2014, there were no arrangements known to the Company which may, at a subsequent date, result in a change of control of the Company.

Control by Others

To the best of the Company's knowledge, the Company is not directly or indirectly owned or controlled by another corporation, any foreign government, or any other natural or legal person, severally or jointly.

B. Related Party Transactions

During the year ended March 31, 2014:

(a) $372,154 (2013 - $410,512) was charged to the Company for office, occupancy and miscellaneous costs; shareholder relations and promotion; travel; and salaries and benefits paid on behalf of the Company by Oniva International Services Corp. ("Oniva"), a private company owned by the Company and five other reporting issuers having common directors.

The Company takes part in a cost-sharing arrangement to reimburse Oniva for a variable percentage of its overhead expenses, to reimburse 100% of its out-of-pocket

expenses incurred on behalf of the Company, and to pay a percentage fee based on the total overhead and corporate expenses. The agreement may be terminated with one month's notice by either party.

Due from related party consists of the following:

	March 31, 2014	March 31, 2013
ABC Drilling (i)	$ -	$ 5,564

Due to related parties consists of the following:

	March 31, 2014	March 31, 2013
Chevillion Exploration. (ii)	$ 3,579	$ 3,480
Coral Gold Resources Ltd. (iii)	43,582	33,347
Oniva (i)	33,718	44,713
Great Thunder Gold Corp. (iii)	787	-
	$ 81,666	$ 81,540

(i) Oniva and ABC Drilling are private companies related by way of common management and directors.

(ii) Chevillion Exploration is a private company controlled by a director and officer of the Company.

(iii) Coral Gold Resources Ltd. and Great Thunder Gold Corp. are public companies related by way of common directors.

Related party transactions are measured at the estimated fair values of the services provided or goods received.

Management transactions

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel for the years ended March 31, 2014 and 2013 are as follows:

	2014	2013
		$
Salaries and benefits	$ 98,308	83,243
Consulting and management fees	680,000	679,805
Share-based payments	39,616	656,731

		$
	$ 817,924	1,419,779

During the year ended March 31, 2014, share-based payments paid to management personnel decreased by $617,115 from $656,731 during the year ended March 31, 2013 to $39,616 during the year ended March 31, 2014. The lower balance in the current year is attributed to the fact that stock options granted to key management during the year was on March 10, 2014, near the end of the year-end, resulting in a lower pro-rata balance.

C. Interests of Experts and Counsel

Not Applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

The following financial statements of the Company are attached to this Annual Report:

- Auditors' Report;
- Consolidated Statements of Financial Position as at March 31, 2014 and March 31, 2013;
- Consolidated Statement of Operations and Comprehensive Loss, change in shareholders' equity and cash flows for the years ended March 31, 2014, 2013 and 2012;
- Notes to Financial Statements for the years ended March 31, 2014, 2013 and 2012.

Legal Proceedings

The Company is not involved in any legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings and those involving any third party, which may have, or had in the recent past, significant effects on the Company's financial position or profitability, including governmental proceedings pending or known to be contemplated.

Dividend Policy

The Company has never paid any dividends and does not intend to in the near future.

B. Significant Changes

None.

Item 9. The Offer and Listing

A. Price History of Stock

The common shares of Levon are listed on the Toronto Stock Exchange under the symbol "LVN", and the Frankfurt Stock Exchange under the symbol “L09” and are occasionally traded in the United States on the OTC Pink tier of the OTC Link, under the symbol "LVNVF". On May 15, 2014 Levon commenced trading on OTCQX under the ticker “LVNVF”

As of June 20, 2014, there were 444 holders of record in the United States holding 4,851,205 of the Company’s common shares representing 53.49% of the total number of shareholders, and approximately 2.425% of the total number of common shares issued. The common shares are issued in registered form and the percentage of shares reported to be held by record holders in the United States is taken from the records of the Valiant Trust Company in the City of Vancouver, the registrar and transfer agent for our common shares.

The following table sets forth the high and low prices expressed in Canadian dollars on the Toronto Stock Exchange and TSX Venture Exchange in Canada and in United States dollars on the over-the-counter markets and OTCQX in the United States for the Company’s common shares for the past five years, for each quarter for the last two fiscal years, and for the last six months.

	TSX-V/TSX (Canadian Dollars)		**OTC/OTCQX (United States Dollars)**	
Last Five Fiscal Years	**High**	**Low**	**High**	**Low**
2014	0.44	017	0.415	0.213
2013	0.72	0.31	0.707	0.301
2012	2.38*	0.66*	2.48	0.66
2011	2.08	0.50	2.10	0.52
2010	0.95	0.11	0.94	0.09
2013- 2014	**High**	**Low**	**High**	**Low**
Fourth Quarter ended March 31, 2014	0.41	0.245	0.367	0.226
Third Quarter ended December 31, 2013	0.33	0.17	0.324	0.1655
Second Quarter ended September 30, 2013	0.44	0.23	0.415	0.214
First Quarter ended June 30, 2013	0.38	0.215	0.37	0.213
2012- 2013	**High**	**Low**	**High**	**Low**
Fourth Quarter ended March 31, 2013	0.54	0.33	0.543	0.3236
Third Quarter ended December 31, 2012	0.49	0.34	0.4924	0.348
Second Quarter ended September 30, 2012	0.57	0.31	0.579	0.301
First Quarter ended June 30, 2012	0.72	0.38	0.707	0.372
Last Six Months	**High**	**Low**	**High**	**Low**
June 2014 (through June 20, 2014)	0.295	0.22	0.264	0.209
May 2014	0.265	0.205	0.241	0.19
April 2014	0.29	0.22	0.262	0.20
March 2014	0.37	0.245	0.346	0.228
February 2014	0.41	0.245	0.367	0.226

	TSX-V/TSX (Canadian Dollars)		OTC/OTCQX (United States Dollars)	
January 2014	0.31	0.25	0.283	0.234
December 2013	0.27	0.19	0.246	0.186

*****The Company listed on the Toronto Stock Exchange on February 23, 2012 under the symbol “LVN”
******The Company listed on the OTCQX on May 15, 2014 under the symbol “LVNVF”

The above quotations related to the OTC market in the United States reflect inter-dealer prices, without retail mark-up, markdown or commission and may not necessarily represent actual transactions. The volume of trading has been limited and volatile in the past and is likely to continue to be so in the future, reducing the liquidity of an investment in our common shares and making it difficult for investors to readily sell their shares in the open market. See the section entitled “Item 3. Key Information – D. Risk Factors” above.

B. Plan of Distribution

Not Applicable.

C. Markets

The common shares of Levon are listed on the Toronto Stock Exchange under the symbol "LVN", the Frankfurt Stock Exchange under the symbol “L09” and are occasionally traded in the United States on the OTC Pink tier of the OTC Link under the symbol "LVNVF", and on May 15, 2014 Levon commenced trading on OTCQX under the ticker “LVNVF”.

D. Selling Shareholders

Not Applicable.

E. Dilution

Not Applicable.

F. Expenses of the Issue

Not Applicable.

Item 10. Additional Information

A. Share Capital

Not Applicable.

B. Memorandum and Articles of Association

Common Shares

All issued and outstanding common shares are fully paid and non-assessable. Each holder of record of common shares is entitled to one vote for each common share so held on all matters requiring a vote of shareholders, including the election of directors. The holders of common shares will be entitled to dividends on a pro-rata basis, if and when as declared by the board of directors. There are no preferences, conversion rights, preemptive rights, subscription rights, or restrictions or transfers attached to the common shares. In the event of liquidation, dissolution, or winding up of the Company, the holders of common shares are entitled to participate in the assets of the Company available for distribution after satisfaction of the claims of creditors.

Powers and Duties of Directors

The directors shall manage or supervise the management of the affairs and business of the Company and shall have authority to exercise all such powers of the Company as are not, by the *Company Act* or by the Memorandum or the Articles, required to be exercised by the Company in a general meeting.

Directors will serve as such until the next annual meeting. In general, a director who is, in any way, directly or indirectly interested in an existing or proposed contract or transaction with the Company whereby a duty or interest might be created to conflict with his duty or interest as a director, shall declare the nature and extent of his interest in such contract or transaction or the conflict or potential conflict with his duty and interest as a director. Such director shall not vote in respect of any such contract or transaction with the Company in which he is interested and if he shall do so, his vote shall note be counted, but he shall be counted in the quorum present at the meeting at which such vote is taken. However, notwithstanding the foregoing, directors shall have the right to vote on determining the remuneration of the directors.

The directors may from time to time on behalf of the Company: (a) borrow money in such manner and amount from such sources and upon such terms and conditions as they think fit; (b) issue bonds, debentures and other debt obligations; and (c) mortgage, charge or give other security on the whole or any part of the property and assets of the Company.

The directors of the Company must be persons of the full age of 18 years. There is no minimum share ownership to be a director. No person shall be a director of the Company who is not capable of managing their own affairs, is an undischarged bankrupt, convicted of an offense in connection with the promotion, formation or management of a corporation or involved in fraud within the last five years, or a person that has had a registration in any capacity under the "British Columbia *Securities Act*" or the "British Columbia *Mortgage Brokers Act*" canceled within the last five years.

Shareholders

An annual general meeting is held once in every calendar year at such time and place as may be determined by the directors. A quorum at an annual general meeting and special meeting shall be two shareholders or one or more proxy holders representing two shareholders, or one shareholder and a proxy holder representing another shareholder. There is no limitation imposed by the laws of Canada or by the charter or other constituent documents of the Company on the right of a non-resident to hold or vote the common shares, other than as provided in the *Investment Canada Act* (the "Investment Act") discussed below under "Item 10. Additional Information, D. Exchange Controls."

In accordance with British Columbia law, directors shall be elected by an "ordinary resolution" which means: (a) a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy; or (b) a resolution that has been submitted to the shareholders of the Company who would have been entitled to vote on it in person or by proxy at a general meeting of the Company and that has been consented to in writing by such shareholders of the Company holding shares carrying not less than ¾ of the votes entitled to be cast on it.

Under British Columbia law certain items such as an amendment to the Company's articles or entering into a merger requires approval by a special resolution which means: (a) a resolution passed by a majority of not less than ¾ of the votes cast by the shareholders of the Company who, being entitled to do so, vote in person or by proxy at a general meeting of the Company; or (b) a resolution consented to in writing by every shareholder of the Company who would have been entitled to vote in person or by proxy at a general meeting of the Company, and a resolution so consented to is deemed to be a special resolution passed at a general meeting of the Company.

C. Material Contracts

The Company has no material contracts.

D. Exchange Controls

Canada has no system of exchange controls. There are no Canadian restrictions on the repatriation of capital or earnings of a Canadian public company to non-resident investors. There are no laws in Canada or exchange restrictions affecting the remittance of dividends, profits, interest, royalties and other payments to non-resident holders of the Issuer's securities, except as discussed below under "Item 10. Additional Information, E. Taxation."

There are no limitations under the laws of Canada or in the organizing documents of the Company on the right of foreigners to hold or vote securities of the Company, except that the Investment Canada Act may require review and approval by the Minister of Industry (Canada) of certain acquisitions of "control" of the Company by a "non-Canadian". The threshold for acquisitions of control is generally defined as being one-third or more of the voting shares of the Company. "Non-Canadian" generally means an individual who is not a

Canadian citizen, or a corporation, partnership, trust or joint venture that is ultimately controlled by non-Canadians.

E. Taxation

Canadian Federal Income Tax Consequences

The following summarizes the principal Canadian federal income tax consequences applicable to the holding and disposition of common shares in the capital of the Company by a United States resident, and who holds common shares solely as capital property, referred to as a "U.S. Holder". This summary is based on the current provisions of the *Income Tax Act* (Canada), referred to as the "Tax Act", the regulations thereunder, all amendments thereto publicly proposed by the government of Canada, the published administrative practices of Revenue Canada, Customs, Excise and Taxation, and the current provisions of the *Canada-United States Income Tax Convention, 1980*, as amended, referred to as the "Treaty". Except as otherwise expressly provided, this summary does not take into account any provincial, territorial or foreign (including without limitation, any United States) tax law or treaty. It has been assumed that all currently proposed amendments will be enacted substantially as proposed and that there is no other relevant change in any governing law or practice, although no assurance can be given in these respects.

Each U.S. Holder is advised to obtain tax and legal advice applicable to such U.S. Holder's particular circumstances.

Every U.S. Holder is liable to pay a Canadian withholding tax on every dividend that is or is deemed to be paid or credited to the U.S. Holder on the U.S. Holder's common shares. The statutory rate of withholding tax is 25% of the gross amount of the dividend paid. The Treaty reduces the statutory rate with respect to dividends paid to a U.S. Holder, if that U.S. Holder is eligible for benefits under the Treaty. Where applicable, the general rate of withholding tax under the Treaty is 15% of the gross amount of the dividend, but if the U.S. Holder is a company that owns at least 10% of the voting stock of the Company and beneficially owns the dividend, the rate of withholding tax is 5% for dividends paid or credited to such corporate U.S. Holder. The Company is required to withhold the applicable tax from the dividend payable to the U.S. Holder, and to remit the tax to the Receiver General of Canada for the account of the U. S. Holder.

A non-resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a common share unless the common share constitutes "taxable Canadian property" of the U.S. Holder for purposes of the Tax Act and the gain is not exempt from tax pursuant to the terms of the Treaty.

Provided that the common shares are listed on a "designated stock exchange" for purposes of the Tax Act (which currently includes the TSX) at the time of disposition, the common shares generally will not constitute "taxable Canadian property" of a U.S. Holder, unless at any time during the 60 month period immediately preceding the disposition: (i) the U.S. Holder, persons with whom the U.S. Holder did not deal at "arm's length" for the purposes of the Tax Act, or the U.S. Holder together with all such persons, owned 25% or more of the issued shares of any class of the Company and; (ii) more than 50% of the fair

market value of the common shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), or options in respect of, or interests in, or for civil law rights in, such property whether or not such property exists.

Certain withholding and reporting obligations will also generally apply in connection with the disposition of common shares by a U.S. Holder that constitutes, or are deemed to constitute, "taxable Canadian property" (and are not "treaty-protected property" as defined in the Tax Act).

U.S. Holders who may hold common shares as "taxable Canadian property" should consult their own tax advisors.

Certain United States Federal Income Tax Consequences

The following is a general summary of certain material U.S. federal income tax considerations applicable to a U.S. Holder (as defined below) arising from and relating to the acquisition, ownership, and disposition of common shares of the Company.

This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a U.S. Holder arising from and relating to the acquisition, ownership, and disposition of common shares. In addition, this summary does not take into account the individual facts and circumstances of any particular U.S. Holder that may affect the U.S. federal income tax consequences to such U.S. Holder, including specific tax consequences to a U.S. Holder under an applicable tax treaty. Accordingly, this summary is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any U.S. Holder. This summary does not address the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences to U.S. Holders of the acquisition, ownership, and disposition of common shares. Except as specifically set forth below, this summary does not discuss applicable tax reporting requirements. Each U.S. Holder should consult its own tax advisor regarding the U.S. federal, U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences relating to the acquisition, ownership and disposition of common shares.

No legal opinion from U.S. legal counsel or ruling from the Internal Revenue Service (the "IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the acquisition, ownership, and disposition of common shares. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

Scope of this Summary

Authorities

This summary is based on the Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations (whether final, temporary, or proposed), published rulings of the IRS, published administrative positions of the IRS, the Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital, signed September 26, 1980, as amended, or the Canada-U.S. Tax Convention, and U.S. court decisions that are applicable and, in each case, as in effect and available, as of the date of this document. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive or prospective basis which could affect the U.S. federal income tax considerations described in this summary. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

U.S. Holders

For purposes of this summary, the term "U.S. Holder" means a beneficial owner of common shares that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the U.S.;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) organized under the laws of the U.S., any state thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a court within the U.S. and the control of one or more U.S. persons for all substantial decisions or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Non-U.S. Holders

For purposes of this summary, a "non-U.S. Holder" is a beneficial owner of common shares that is not a U.S. Holder. This summary does not address the U.S. federal income tax consequences to non-U.S. Holders arising from and relating to the acquisition, ownership, and disposition of common shares. Accordingly, a non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences (including the potential application of and operation of any income tax treaties) relating to the acquisition, ownership, and disposition of common shares.

U.S. Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed

This summary does not address the U.S. federal income tax considerations applicable to U.S. Holders that are subject to special provisions under the Code, including, but not limited to, the following: (a) U.S. Holders that are tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) U.S.

Holders that are financial institutions, underwriters, insurance companies, real estate investment trusts, or regulated investment companies; (c) U.S. Holders that are broker-dealers, dealers, or traders in securities or currencies that elect to apply a mark-to-market accounting method; (d) U.S. Holders that have a "functional currency" other than the U.S. dollar; (e) U.S. Holders that own common shares as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other arrangement involving more than one position; (f) U.S. Holders that acquired common shares in connection with the exercise of employee stock options or otherwise as compensation for services; (g) U.S. Holders that hold common shares other than as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment purposes); or (h) U.S. Holders that own or have owned (directly, indirectly, or by attribution) 10% or more of the total combined voting power of the outstanding shares of the Company. This summary also does not address the U.S. federal income tax considerations applicable to U.S. Holders who are: (a) U.S. expatriates or former long-term residents of the U.S.; (b) persons that have been, are, or will be a resident or deemed to be a resident in Canada for purposes of the Income Tax Act (Canada) (the "Tax Act"); (c) persons that use or hold, will use or hold, or that are or will be deemed to use or hold common shares in connection with carrying on a business in Canada; (d) persons whose common shares constitute "taxable Canadian property" under the Tax Act; or (e) persons that have a permanent establishment in Canada for the purposes of the Canada-U.S. Tax Convention. U.S. Holders that are subject to special provisions under the Code, including, but not limited to, U.S. Holders described immediately above, should consult their own tax advisor regarding the U.S. federal, U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences relating to the acquisition, ownership and disposition of common shares.

If an entity or arrangement that is classified as a partnership (or "pass-through" entity) for U.S. federal income tax purposes holds common shares, the U.S. federal income tax consequences to such partnership and the partners of such partnership generally will depend on the activities of the partnership and the status of such partners (or owners). This summary does not address the tax consequences to any such partnership or partner. Partners of entities or arrangements that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences arising from and relating to the acquisition, ownership, and disposition of common shares.

Passive Foreign Investment Company Rules

If the Company were to constitute a "passive foreign investment company" under the meaning of Section 1297 of the Code, or a PFIC, as defined below, for any year during a U.S. Holder's holding period, then certain different and potentially adverse rules will affect the U.S. federal income tax consequences to a U.S. Holder resulting from the acquisition, ownership and disposition of common shares. In addition, in any year in which the Company is classified as a PFIC, such holder may be required to file an annual report with the IRS containing such information as Treasury Regulations and/or other IRS guidance may require. U.S. Holders should consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621.

PFIC Status of the Company

The Company generally will be a PFIC if, for a tax year, (a) 75% or more of the gross income of the Company is passive income (the "income test") or (b) 50% or more of the value of the Company's assets either produce passive income or are held for the production of passive income, based on the quarterly average of the fair market value of such assets (the "asset test"). "Gross income" generally includes all sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions.

Active business gains arising from the sale of commodities generally are excluded from passive income if substantially all (85% or more) of a foreign corporation's commodities are stock in trade of such foreign corporation or other property of a kind which would properly be included in inventory of such foreign corporation, or property held by such foreign corporation primarily for sale to customers in the ordinary course of business and certain other requirements are satisfied.

For purposes of the PFIC income test and asset test described above, if the Company owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, the Company will be treated as if it (a) held a proportionate share of the assets of such other corporation and (b) received directly a proportionate share of the income of such other corporation. In addition, for purposes of the PFIC income test and asset test described above, and assuming certain other requirements are met, "passive income" does not include certain interest, dividends, rents, or royalties that are received or accrued by the Company from certain "related persons" (as defined in Section 954(d)(3) of the Code), to the extent such items are properly allocable to the income of such related person that is not passive income.

In addition, under certain attribution rules, if the Company is a PFIC, U.S. Holders will be deemed to own their proportionate share of the stock of any subsidiary of the Company that is also a PFIC, or a Subsidiary PFIC, and will be subject to U.S. federal income tax on their proportionate share of (a) a distribution on the stock of a Subsidiary PFIC and (b) a disposition or deemed disposition of the stock of a Subsidiary PFIC, both as if such U.S. Holders directly held the shares of such Subsidiary PFIC.

The Company believes that it was classified as a PFIC during the tax year ended March 31, 2013, and may be a PFIC in future tax years. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this document. Accordingly, there can be no assurance that the IRS will not challenge any determination made by the Company (or a Subsidiary PFIC) concerning its PFIC status. Each U.S. Holder should consult its own tax advisor regarding the PFIC status of the Company and any Subsidiary PFIC.

Default PFIC Rules Under Section 1291 of the Code

If the Company is a PFIC, the U.S. federal income tax consequences to a U.S. Holder of the acquisition, ownership, and disposition of common shares will depend on whether such U.S. Holder makes an election to treat the Company and each Subsidiary PFIC, if any, as a "qualified electing fund" or "QEF" under Section 1295 of the Code, or a QEF Election, or a mark-to-market election under Section 1296 of the Code, or a Mark-to-Market Election. A U.S. Holder that does not make either a QEF Election or a Mark-to-Market Election will be referred to in this summary as a "Non-Electing U.S. Holder."

A Non-Electing U.S. Holder will be subject to the rules of Section 1291 of the Code with respect to (a) any gain recognized on the sale or other taxable disposition of common shares and (b) any excess distribution received on our common shares. A distribution generally will be an "excess distribution" to the extent that such distribution (together with all other distributions received in the current tax year) exceeds 125% of the average distributions received during the three preceding tax years (or during a U.S. Holder's holding period for our common shares, if shorter).

Under Section 1291 of the Code, any gain recognized on the sale or other taxable disposition of common shares (including an indirect disposition of the stock of any Subsidiary PFIC), and any "excess distribution" received on common shares, must be ratably allocated to each day in a Non-Electing U.S. Holder's holding period for the respective common shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or distribution of the excess distribution and to years before the entity became a PFIC, if any, would be taxed as ordinary income. The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such year. A Non-Electing U.S. Holder that is not a corporation must treat any such interest paid as "personal interest," which is not deductible.

If the Company is a PFIC for any tax year during which a Non-Electing U.S. Holder holds common shares, the Company will continue to be treated as a PFIC with respect to such Non-Electing U.S. Holder, regardless of whether the Company ceases to be a PFIC in one or more subsequent tax years. A Non-Electing U.S. Holder may terminate this deemed PFIC status by electing to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above), but not loss, as if such common shares were sold on the last day of the last tax year for which the Company was a PFIC.

QEF Election

A U.S. Holder that makes a timely and effective QEF Election for the first tax year in which its holding period of its common shares begins generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to its common shares. A U.S. Holder that makes a timely and effective QEF Election will be subject to U.S. federal income tax on such U.S. Holder's pro rata share of (a) the net capital gain of the Company, which will be taxed as long-term capital gain to such U.S. Holder, and (b) the ordinary

earnings of the Company, which will be taxed as ordinary income to such U.S. Holder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short-term capital loss, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Holder that makes a QEF Election will be subject to U.S. federal income tax on such amounts for each tax year in which the Company is a PFIC, regardless of whether such amounts are actually distributed to such U.S. Holder by the Company. However, for any tax year in which the Company is a PFIC and has no net income or gain, U.S. Holders that have made a QEF Election would not have any income inclusions as a result of the QEF Election. If a U.S. Holder that made a QEF Election has an income inclusion, such a U.S. Holder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge. If such U.S. Holder is not a corporation, any such interest paid will be treated as "personal interest," which is not deductible.

A U.S. Holder that makes a timely and effective QEF Election with respect to the Company generally (a) may receive a tax-free distribution from the Company to the extent that such distribution represents "earnings and profits" of the Company that were previously included in income by the U.S. Holder because of such QEF Election and (b) will adjust such U.S. Holder's tax basis in our common shares to reflect the amount included in income or allowed as a tax-free distribution because of such QEF Election. In addition, a U.S. Holder that makes a QEF Election generally will recognize capital gain or loss on the sale or other taxable disposition of common shares.

The procedure for making a QEF Election, and the U.S. federal income tax consequences of making a QEF Election, will depend on whether such QEF Election is timely. A QEF Election will be treated as "timely" if such QEF Election is made for the first year in the U.S. Holder's holding period for our common shares in which the Company was a PFIC. A U.S. Holder may make a timely QEF Election by filing the appropriate QEF Election documents at the time such U.S. Holder files a U.S. federal income tax return for such year. If a U.S. Holder does not make a timely and effective QEF Election for the first year in the U.S. Holder's holding period for our common shares, the U.S. Holder may still be able to make a timely and effective QEF Election in a subsequent year if such U.S. Holder also makes a "purging" election to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above) as if such common shares were sold for their fair market value on the day the QEF Election is effective.

A QEF Election will apply to the tax year for which such QEF Election is timely made and to all subsequent tax years, unless such QEF Election is invalidated or terminated or the IRS consents to revocation of such QEF Election. If a U.S. Holder makes a QEF Election and, in a subsequent tax year, the Company ceases to be a PFIC, the QEF Election will remain in effect (although it will not be applicable) during those tax years in which the Company is not a PFIC. Accordingly, if the Company becomes a PFIC in another subsequent tax year, the QEF Election will be effective and the U.S. Holder will be subject to the QEF rules described above during any subsequent tax year in which the Company qualifies as a PFIC.

U.S. Holders should be aware that there can be no assurance that the Company will satisfy record keeping requirements that apply to a QEF, or that the Company will supply

U.S. Holders with information that such U.S. Holders require to report under the QEF rules, in event that the Company is a PFIC and a U.S. Holder wishes to make a QEF Election. Thus, U.S. Holders may not be able to make a QEF Election with respect to their common shares. Each U.S. Holder should consult its own tax advisor regarding the availability of, and procedure for making, a QEF Election.

Mark-to-Market Election

A U.S. Holder may make a Mark-to-Market Election only if the common shares are marketable stock. Our common shares generally will be "marketable stock" if our common shares are regularly traded on (a) a national securities exchange that is registered with the Securities and Exchange Commission, (b) the national market system established pursuant to section 11A of the Securities and Exchange Act of 1934, or (c) a foreign securities exchange that is regulated or supervised by a governmental authority of the country in which the market is located, provided that (i) such foreign exchange has trading volume, listing, financial disclosure, and meets other requirements and the laws of the country in which such foreign exchange is located, together with the rules of such foreign exchange, ensure that such requirements are actually enforced and (ii) the rules of such foreign exchange ensure active trading of listed stocks. If such stock is traded on such a qualified exchange or other market, such stock generally will be "regularly traded" for any calendar year during which such stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter.

A U.S. Holder that makes a Mark-to-Market Election with respect to its common shares generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to such common shares. However, if a U.S. Holder does not make a Mark-to-Market Election beginning in the first tax year of such U.S. Holder's holding period for our common shares or such U.S. Holder has not made a timely QEF Election, the rules of Section 1291 of the Code discussed above will apply to certain dispositions of, and distributions on, our common shares.

A U.S. Holder that makes a Mark-to-Market Election will include in ordinary income, for each tax year in which the Company is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of our common shares, as of the close of such tax year over (b) such U.S. Holder's tax basis in such common shares. A U.S. Holder that makes a Mark-to-Market Election will be allowed a deduction in an amount equal to the excess, if any, of (a) such U.S. Holder's adjusted tax basis in our common shares, over (b) the fair market value of such common shares (but only to the extent of the net amount of previously included income as a result of the Mark-to-Market Election for prior tax years).

A U.S. Holder that makes a Mark-to-Market Election generally also will adjust such U.S. Holder's tax basis in our common shares to reflect the amount included in gross income or allowed as a deduction because of such Mark-to-Market Election. In addition, upon a sale or other taxable disposition of common shares, a U.S. Holder that makes a Mark-to-Market Election will recognize ordinary income or ordinary loss (not to exceed the excess, if any, of (a) the amount included in ordinary income because of such Mark-to-Market Election for prior tax years over (b) the amount allowed as a deduction because of such Mark-to-Market Election for prior tax years).

A Mark-to-Market Election applies to the tax year in which such Mark-to-Market Election is made and to each subsequent tax year, unless our common shares cease to be "marketable stock" or the IRS consents to revocation of such election. Each U.S. Holder should consult its own tax advisor regarding the availability of, and procedure for making, a Mark-to-Market Election.

Although a U.S. Holder may be eligible to make a Mark-to-Market Election with respect to our common shares, no such election may be made with respect to the stock of any Subsidiary PFIC that a U.S. Holder is treated as owning, because such stock is not marketable. Hence, the Mark-to-Market Election will not be effective to eliminate the application of the default rules of Section 1291 of the Code described above with respect to deemed dispositions of Subsidiary PFIC stock or distributions from a Subsidiary PFIC.

Other PFIC Rules

Under Section 1291(f) of the Code, the IRS has issued proposed Treasury Regulations that, subject to certain exceptions, would cause a U.S. Holder that had not made a timely QEF Election to recognize gain (but not loss) upon certain transfers of common shares that would otherwise be tax-deferred (e.g., gifts and exchanges pursuant to corporate reorganizations). However, the specific U.S. federal income tax consequences to a U.S. Holder may vary based on the manner in which common shares are transferred.

Certain additional adverse rules will apply with respect to a U.S. Holder if the Company is a PFIC, regardless of whether such U.S. Holder makes a QEF Election. For example under Section 1298(b)(6) of the Code, a U.S. Holder that uses common shares as security for a loan will, except as may be provided in Treasury Regulations, be treated as having made a taxable disposition of such common shares.

Special rules also apply to the amount of foreign tax credit that a U.S. Holder may claim on a distribution from a PFIC. Subject to such special rules, foreign taxes paid with respect to any distribution in respect of stock in a PFIC are generally eligible for the foreign tax credit. The rules relating to distributions by a PFIC and their eligibility for the foreign tax credit are complicated, and a U.S. Holder should consult with their own tax advisor regarding the availability of the foreign tax credit with respect to distributions by a PFIC.

The PFIC rules are complex, and each U.S. Holder should consult its own tax advisor regarding the PFIC rules and how the PFIC rules may affect the U.S. federal income tax consequences of the acquisition, ownership, and disposition of common shares.

Ownership and Disposition of common shares

The following discussion is subject to the rules described above under the heading "Passive Foreign Investment Company Rules."

Distributions on common shares

Subject to the PFIC rules discussed above, a U.S. Holder that receives a distribution, including a constructive distribution, with respect to an Offered Share will be required to

include the amount of such distribution in gross income as a dividend (without reduction for any Canadian income tax withheld from such distribution) to the extent of the current or accumulated “earnings and profits” of the Company, as computed for U.S. federal income tax purposes. A dividend generally will be taxed to a U.S. Holder at ordinary income tax rates if the Company is a PFIC. To the extent that a distribution exceeds the current and accumulated “earnings and profits” of the Company, such distribution will be treated first as a tax-free return of capital to the extent of a U.S. Holder's tax basis in our common shares and thereafter as gain from the sale or exchange of such common shares. (See “Sale or Other Taxable Disposition of common shares” below). However, the Company may not maintain the calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution by the Company with respect to our common shares will constitute ordinary dividend income. Dividends received on common shares generally will not be eligible for the “dividends received deduction”. Subject to applicable limitations and provided the Company is eligible for the benefits of the Canada-U.S. Tax Convention, dividends paid by the Company to non-corporate U.S. Holders, including individuals, generally will be eligible for the preferential tax rates applicable to long-term capital gains for dividends, provided certain holding period and other conditions are satisfied, including that the Company not be classified as a PFIC in the tax year of distribution or in the preceding tax year. The dividend rules are complex, and each U.S. Holder should consult its own tax advisor regarding the application of such rules.

Sale or Other Taxable Disposition of common shares

Subject to the PFIC rules discussed above, upon the sale or other taxable disposition of common shares, a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between the amount of cash plus the fair market value of any property received and such U.S. Holder's tax basis in such common shares sold or otherwise disposed of. Subject to the PFIC rules discussed above, gain or loss recognized on such sale or other disposition generally will be long-term capital gain or loss if, at the time of the sale or other disposition, our common shares have been held for more than one year.

Preferential tax rates apply to long-term capital gain of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gain of a U.S. Holder that is a corporation. Deductions for capital losses are subject to significant limitations under the Code.

Additional Considerations

Additional Tax on Passive Income

Individuals, estates and certain trusts whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surtax on “net investment income” including, among other things, dividends and net gain from disposition of property (other than property held in certain trades or businesses). U.S. Holders should consult with their own tax advisors regarding the effect, if any, of this tax on their ownership and disposition of common shares.

Receipt of Foreign Currency

The amount of any distribution paid to a U.S. Holder in foreign currency, or on the sale, exchange or other taxable disposition of common shares, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Each U.S. Holder should consult its own U.S. tax advisor regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Foreign Tax Credit

Subject to the PFIC rules discussed above, a U.S. Holder that pays (whether directly or through withholding) Canadian income tax with respect to dividends paid on our common shares generally will be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder's U.S. federal income tax liability that such U.S. Holder's "foreign source" taxable income bears to such U.S. Holder's worldwide taxable income. In applying this limitation, a U.S. Holder's various items of income and deduction must be classified, under complex rules, as either "foreign source" or "U.S. source." Generally, dividends paid by a foreign corporation should be treated as foreign source for this purpose, and gains recognized on the sale of stock of a foreign corporation by a U.S. Holder should be treated as U.S. source for this purpose, except as otherwise provided in an applicable income tax treaty, and if an election is properly made under the Code. However, the amount of a distribution with respect to our common shares that is treated as a "dividend" may be lower for U.S. federal income tax purposes than it is for Canadian federal income tax purposes, resulting in a reduced foreign tax credit allowance to a U.S. Holder. In addition, this limitation is calculated separately with respect to specific categories of income. The foreign tax credit rules are complex, and each U.S. Holder should consult its own U.S. tax advisor regarding the foreign tax credit rules.

Backup Withholding and Information Reporting

Under U.S. federal income tax law and Treasury Regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. For example, recently enacted legislation generally imposes new U.S. return disclosure obligations (and related penalties) on individuals who are U.S. Holders that hold certain specified foreign financial assets in excess of certain threshold

amounts. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. person and any interest in a foreign entity. U.S. Holders may be subject to these reporting requirements unless their common shares are held in an account at certain financial institutions. Penalties for failure to file certain of these information returns are substantial. U.S. Holders should consult with their own tax advisors regarding the requirements of filing information returns, including the requirement to file an IRS Form 8938.

Payments made within the U.S. or by a U.S. payor or U.S. middleman, of dividends on, and proceeds arising from the sale or other taxable disposition of, common shares will generally be subject to information reporting and backup withholding tax, at the rate of 28%, if a U.S. Holder (a) fails to furnish such U.S. Holder's correct U.S. taxpayer identification number (generally on Form W-9), (b) furnishes an incorrect U.S. taxpayer identification number, (c) is notified by the IRS that such U.S. Holder has previously failed to properly report items subject to backup withholding tax, or (d) fails to certify, under penalty of perjury, that such U.S. Holder has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Holder that it is subject to backup withholding tax. However, certain exempt persons generally are excluded from these information reporting and backup withholding rules. Any amounts withheld under the U.S. backup withholding tax rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Holder furnishes required information to the IRS in a timely manner. Each U.S. Holder should consult its own tax advisor regarding the information reporting and backup withholding rules.

F. Dividends and Paying Agents

Not Applicable.

G. Statement by Experts

Not Applicable.

H. Documents on Display

We are subject to the informational requirements of the Exchange Act and file reports and other information with the SEC. You may read and copy any of our reports and other information at, and obtain copies upon payment of prescribed fees from, the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. In addition, the SEC maintains a Website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC at http://www.sec.gov. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

We are required to file reports and other information with the securities commissions in Canada. You are invited to read and copy any reports, statements or other information, other than confidential filings, that we file with the provincial securities commissions. These

filings are also electronically available from the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") (www.sedar.com), the Canadian equivalent of the SEC's electronic document gathering and retrieval system.

We "incorporate by reference" information that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this Form 20-F and more recent information automatically updates and supersedes more dated information contained or incorporated by reference in this Form 20-F.

As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of proxy statements to shareholders.

We will provide without charge to each person, including any beneficial owner, to whom a copy of this annual report has been delivered, on the written or oral request of such person, a copy of any or all documents referred to above which have been or may be incorporated by reference in this annual report (not including exhibits to such incorporated information that are not specifically incorporated by reference into such information). Requests for such copies should be directed to us at the following address: Suite 900, 570 Granville Street, Vancouver, British Columbia, V6C 3P1. The Company is required to file financial statements and other information with the Securities Commission in each of the Provinces of Canada, except Quebec, electronically through SEDAR which can be viewed at www.sedar.com.

The Company files annual reports and furnishes other information with the SEC. You may read and copy any document that we file at the SEC's Public Reference Room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549 or by accessing the Commission's website (http://www.sec.gov).

I. Subsidiary Information

Not Applicable.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

(a) **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk.

The Company manages credit risk, in respect of cash, by maintaining the majority of cash and cash equivalents at high credit rated Canadian financial institutions. Concentration of credit risk exists with respect to the Company's cash and reclamation deposits as the majority of the amounts are held with a Canadian and a Mexican financial institution. The Company's concentration of credit risk, and maximum exposure thereto, is as follows:

	March 31, 2014	March 31, 2013
Cash and cash equivalents held at major financial institutions		
Canada	$ 41,644,257	$ 49,253,522
Mexico	41,519	58,392
	41,685,776	49,311,914
Reclamation deposits held at a major financial institution		
Canada	32,629	32,629
Total	$ 41,718,405	$ 49,344,543

(b) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due.

The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company has cash and cash equivalents at March 31, 2014 in the amount of $41,685,776 (2013 - $49,311,914) in order to meet short-term business requirements. At March 31, 2014, the Company had current liabilities of $275,031 (2013 - $244,226). Accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. Advances payable to related parties are without interest or stated terms of repayment.

(c) **Market risk**

Market risk consists of interest rate risk and foreign currency risk. The Company is exposed to interest rate risk and foreign currency risk.

Interest rate risk

Interest rate risk consists of two components:

(i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
(ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's cash and cash equivalents consist of cash held in bank accounts, fixed income investments and GICs that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do

not have a significant impact on estimated fair values as of March 31, 2014 or 2013. Future cash flows from interest income on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

The Company is exposed to foreign currency fluctuation related to its exploration and evaluation assets thereon, and accounts payable in US dollar balances and Mexican pesos ("MXN"). A significant change in the exchange rate between the Canadian dollar relative to the US dollar or Mexican peso could have an effect on the operations and cash flows, as follows:

	March 31, 2014		March 31, 2013	
	MXN Pesos	**USD**	**MXN**	**USD**
Cash and cash equivalents	$ 443,193	$ 201,872	$ 661,140	$ 4,980,789
Amounts	64,315,434	-	41,045,323	-
Accounts payable and accrued liabilities	(20,862,833)	-	(2,653,360)	-
Amounts due to related parties	-	(39,423)	-	(13,778)
Net exposure	$ 43,895,794	$ 162,449	$ 39,053,103	$ 4,967,011
Canadian dollar equivalent	$ 3,715,779	$ 179,555	$ 3,212,899	$ 5,044,497

Based on the net US dollar denominated asset and liability exposures as at March 31, 2014, a 6% (2013 - 6%) fluctuation in the Canadian/US exchange rates will impact the Company's losses by approximately $11,000 (2013 - $302,000).

Based on the net Mexican peso denominated asset and liability exposures as at March 31, 2014, a 8% (2013 - 8%) fluctuation in the Canadian/MXN exchange rates will impact the Company's losses by approximately $297,000 (2013 - $257,000).

(d) **Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its investment securities as they are carried at fair value based on quoted market prices, which is immaterial.

The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Item 12. Description of Securities Other than Equity Securities

A. to C.

Not Applicable.

D. American Depository Receipts

The Company does not have securities registered as American Depository Receipts.

Part II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

A. to D.

None.

E. Use of Proceeds

Not Applicable.

Item 15. Controls and Procedures

A. Disclosure Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and the Company's Chief Financial Officer of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rules 13a-15(b) and 15d-15(b) of the Exchange Act as of March 31, 2014. Based on their evaluation, the Company's CEO and CFO have concluded that the disclosure controls and procedures were effective to give reasonable assurance that the information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to management, including its principal executive

and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

B. Management's Annual Report on Internal Control Over Financial Reporting

The Company's management, including the Company's Chief Executive Officer (the "CEO") and the Company's Chief Financial Officer (the "CFO") is responsible for establishing and maintaining adequate internal control over the Company's internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of their inherent limitations, internal control over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management, (with the participation of the CEO and the CFO), conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of March 31, 2014. This evaluation was based on the criteria set forth in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on its assessment, management has concluded that the Company's internal control over financial reporting was effective as at March 31, 2014, and management's assessment did not identify any material weaknesses.

C. Attestation Report of the Registered Public Accounting Firm

The effectiveness of our internal control over financial reporting as of March 31, 2014, has been audited by our independent registered public accounting firm, Smythe Ratcliffe LLP, which also audited our consolidated financial statements for the year ended March 31, 2014. Smythe Ratcliffe LLP have expressed an unqualified opinion on the effectiveness of our internal control over financial reporting as of March 31, 2014, and their report is included with the Company's consolidated financial statements.

D. Changes in Internal Control Over Financial Reporting

Based upon their evaluation of our controls, our CEO and CFO have concluded that, there were no significant changes in our internal control over financial reporting or in other factors during our last fiscal year that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

The Board determined that Mr. Gary Robertson, Mr. Robert Roberts and Mr. Ron Barbaro are qualified as Audit Committee Financial Experts and all members are independent as determined by the NASDAQ listing rules.

Item 16B. Code of Ethics

The Company has adopted a Code of Business Practice and Conduct (the "Code") and requires its directors, officers and employees to maintain the highest level of integrity in their dealings with each other and with the public on behalf of the Company. This Code is intended to document some of the specific principles of conduct and ethics which will be followed by our directors, officers and employees in the performance of their responsibilities with respect to the Company's business. It is intended to:

- promote honest and ethical conduct and manage conflicts that may arise;
- promote full, fair, accurate, timely and understandable disclosure to the public including our periodic reports required to be filed with the Canadian securities regulatory authorities;
- promote compliance with applicable governmental rules and regulations;
- provide guidance to directors, officers and employees of the Company to help them recognize and deal with ethical issues;
- provide a mechanism to report unethical conduct; and
- help foster a culture of honesty and accountability.

Our directors have committed that they will comply at all times with the principles set forth in this Code and they expect each of our officers and employees to do likewise. The Company has posted the Code on its website at www.levon.com. There were no amendments to or waivers granted from any provision of the Code during the fiscal year ended March 31, 2014.

Item 16C. Principal Accountant Fees and Services

The independent auditor for the years ended March 31, 2014, 2013 and 2012 was Smythe Ratcliffe LLP, Chartered Accountants.

Audit Fees

The aggregate fees billed by Smythe Ratcliffe LLP for the audit of the Company's year ended March 31, 2014 was $55,000 (March 31, 2013: $70,000; March 31, 2012: $70,000)**.**

Audit-Related Fees

The aggregate fees billed for audit-related fees by Smythe Ratcliffe LLP for the year ended March 31, 2014 were $Nil at the date of this Annual Report (March 31, 2013: $500; March 31, 2012: $500).

Tax Fees

The aggregate fees billed for tax compliance and tax advice rendered by Smythe Ratcliffe LLP for the fiscal year ended March 31, 2014 was $5,000 at the date of this Annual Report (March 31, 2013: $5,000; March 31, 2012: $5,000). The services comprising these fees include compliance service with respect to Canadian tax filings.

All Other Fees

Other than referred to above, the aggregate fees billed for any other professional services rendered by Smythe Ratcliffe LLP for the year ended March 31, 2014 was $Nil (March 31, 2013: $Nil; March 31, 2012: $Nil).

The Audit Committee approved 100% of the fees paid to the principal accountant for audit-related, tax and other fees in the fiscal year 2014. The Audit Committee pre-approves all non-audit services to be performed by the auditor in accordance with the Audit Committee Charter. There were no hours expended on the principal accountant's engagement to audit the Company's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full-time, permanent employees.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Changes in Registrants Certifying Accountant

None.

Item 16G. Corporate Governance

Not applicable.

Item 16H. Mine Safety Disclosure.

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities with respect to mining operations and properties in the United States that are subject to regulation by the Federal Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). During the year ended March 31, 2014, our U.S. exploration properties were not subject to regulation by the MSHA under the Mine Act.

Part III

Item 17. Financial Statements

Not Applicable.

Item 18. Financial Statements

The Company's financial statements are stated in Canadian Dollars and are prepared in accordance with International Financial Reporting Standards (IFRS).

The following Financial Statements pertaining to the Company are filed as part of this annual report:

Management's Responsibility for Financial Reporting	108
Reports of Independent Registered Public Accounting Firm	109-110
Consolidated Statements of Financial Position	111
Consolidated Statements of Operations and Comprehensive Loss	112
Consolidated Statements of Changes In Shareholders' Equity	113-115
Consolidated Statements of Cash Flow	116
Notes to Consolidated Financial Statements	117-141

Item 19. Exhibits

Exhibit Number	Name
1.1	Notice of Articles of Levon Resources Ltd. **
1.2	Articles of Levon Resources Ltd. *
8.1	List of Subsidiaries
12.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a)
12.2	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a)
13.1	Certificate of Principal Executive Officer pursuant to 18 U.S.C. Section 1350
13.2	Certificate of Principal Financial Officer pursuant to 18 U.S.C. Section 1350

* Previously filed as an exhibit to the Registrant's annual report on Form 20-F on November 4, 2005

**Previously filed as an exhibit to the Registrant's annual report on Form 20-F on July 5, 2012

LEVON RESOURCES LTD.

(An Exploration Stage Company)

Consolidated Financial Statements

For the years ended March 31, 2014, 2013 and 2012
(Expressed in Canadian Dollars)

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Levon Resources Ltd. (the "Company") are the responsibility of the Company's management. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as issued by the IASB and reflect management's best estimates and judgment based on information currently available.

Management has developed and is maintaining a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded and financial information is reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities. The Audit Committee reviews the results of the audit and the annual consolidated financial statements prior to their submission to the Board of Directors for approval.

The consolidated financial position of the Company as at March 31, 2014 and 2013 and its financial performance and its cash flows for the years ended March 31, 2014, 2013 and 2012 have been audited by Smythe Ratcliffe LLP, Chartered Accountants, and their report outlines the scope of their examination and gives their opinion on the consolidated financial statements.

"Ron Tremblay"

Ron Tremblay
CEO

"Annie Chan"

Annie Chan, CA
CFO

Vancouver, British Columbia
June 20, 2014

SmytheRatcliffe
CHARTERED ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE SHAREHOLDERS OF LEVON RESOURCES LTD.

We have audited the accompanying consolidated financial statements of Levon Resources Ltd., which comprise the consolidated statements of financial position as at March 31, 2014 and 2013 and the consolidated statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the years ended March 31, 2014, 2013 and 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Levon Resources Ltd. as at March 31, 2014 and 2013, and its financial performance and its cash flows for the years ended March 31, 2014, 2013 and 2012 in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

Other Matter
We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as at March 31, 2014, based on the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 1992 framework) and our report dated June 20, 2014, expressed an unqualified opinion on the Company's internal control over financial reporting.

Smythe Ratcliffe LLP
Chartered Accountants

Vancouver, Canada
June 20, 2014

Smythe Ratcliffe LLP is a member firm of both the PKF International Limited network and PKF North America, which are, respectively, a network and an association of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

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SmytheRatcliffe
CHARTERED ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE SHAREHOLDERS OF LEVON RESOURCES LTD.

We have audited Levon Resources Ltd.'s (the "Company") internal control over financial reporting as of March 31, 2014 based on the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 1992 framework). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risks. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2014, based on the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 1992 framework).

We have also audited, in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of financial position of the Company as of March 31, 2014 and 2013 and the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the years ended March 31, 2014, 2013 and 2012, and our report dated June 20, 2014 expressed an unqualified opinion on those consolidated financial statements.

Smythe Ratcliffe LLP

Chartered Accountants

Vancouver, Canada
June 20, 2014

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LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
March 31

		2014		2013
ASSETS				
Current				
Cash and cash equivalents	$	41,685,776	$	49,311,914
Amounts receivable		43,511		46,705
Prepaid expenses		52,414		51,474
Investments (Note 4)		291		3,977
		41,781,992		49,414,070
Non-current assets				
Due from related party (Note 10)		-		5,564
Reclamation deposits (Note 5)		32,629		32,629
Amounts receivable		3,051,668		2,492,845
Exploration and evaluation assets (Note 6)		128,763,649		126,601,959
Property and equipment (Note 7)		106,248		134,429
Total Assets	$	173,736,186	$	178,681,496
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	193,365	$	162,686
Due to related parties (Note 10)		81,666		81,540
Total Liabilities		275,031		244,226
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		230,664,826		230,664,826
Reserves		15,498,406		16,243,081
Accumulated other comprehensive loss		(26,519)		(25,496)
Deficit		(72,675,558)		(68,445,141)
Total Equity		173,461,155		178,437,270
Total Liabilities and Shareholders' Equity	$	173,736,186	$	178,681,496

Approved on behalf of the Board:

"Gary Robertson"
…..... Director
Gary Robertson

"Ron Tremblay"
…..... Director
Ron Tremblay

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)
Years ended March 31

	2014	2013	2012
Expenses			
Consulting and management fees (Note 10)	$ 732,234	$ 679,691	$ 1,007,640
Depreciation (Note 7)	20,792	35,487	12,211
Directors' fees	97,500	101,000	-
Exploration (Note 6)	3,946,833	4,718,354	10,792,719
Foreign exchange loss (gain)	(157,665)	(265,329)	154,227
Listing and filing fees	95,448	82,773	309,261
Office, occupancy and miscellaneous (Note 10)	173,735	128,714	182,491
Professional fees	155,866	87,965	338,551
Salaries and benefits (Note 10)	236,828	239,799	234,249
Share-based payments (Note 9)	103,306	1,023,915	251,082
Shareholder relations and promotion (Note 10)	217,133	217,157	249,556
Travel (Note 10)	68,043	193,507	203,492
	(5,690,053)	(7,243,033)	(13,735,479)
Gain on disposal of investment (Note 4)	1,882	-	-
Interest income	609,773	473,526	610,646
Net Loss for Year	(5,078,398)	(6,769,507)	(13,124,833)
Other Comprehensive Loss			
Unrealized loss on investments (Note 4)	(1,023)	(3,733)	(15,616)
Total Comprehensive Loss for Year	$ (5,079,421)	$ (6,773,240)	$ (13,140,449)
Loss Per Share, Basic and Diluted	$ (0.03)	$ (0.03)	$ (0.07)
Weighted Average Number of Common Shares Outstanding	199,854,423	199,810,861	194,269,099

The accompanying notes are an integral part of these consolidated financial statements

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
Years ended March 31

	Number of Common Shares	Share Capital	Reserve for Options	Reserve for Warrants	Total Reserves	Accumulated Other Comprehensive Loss	Deficit	Total Shareholders' Equity
Balance, March 31, 2011	**163,898,989**	**$169,689,837**	**$ 15,789,582**	**$ 8,931,372**	**$ 24,720,954**	**$ (6,147)**	**$ (50,010,304)**	**$ 144,394,340**
Common shares issued for cash:								
Brokered financing	20,600,000	40,170,000	-	-	-	-	-	40,170,000
Share issuance costs	-	(2,353,848)	-	-	-	-	-	(2,353,848)
Exercise of options	925,000	366,000	-	-	-	-	-	366,000
Exercise of warrants	14,325,443	14,464,470	-	-	-	-	-	14,464,470
Non-cash share issuance costs	-	(950,766)	-	950,766	950,766	-	-	-
Transfer of reserves on exercise of warrants and options	-	9,222,973	(291,601)	(8,931,372)	(9,222,973)	-	-	-
Shares issued on acquisition of Valley High Ventures Ltd.	4,991	-	-	-	-	-	-	-
Transfer of reserves on expiry of warrants and options	-	-	(235,814)	-	(235,814)	-	235,814	-
Share-based payments	-	-	251,082	-	251,082	-	-	251,082
Net loss for the year	-	-	-	-	-	-	(13,124,833)	(13,124,833)
Unrealized loss on investments	-	-	-	-	-	(15,616)	-	(15,616)
Balance, March 31, 2012	**199,754,423**	**$230,608,666**	**$ 15,513,249**	**$ 950,766**	**$ 16,464,015**	**$ (21,763)**	**$ (62,899,323)**	**$ 184,151,595**

The accompanying notes are an integral part of these consolidated financial statements

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
Years ended March 31

	Number of Common Shares	Share Capital	Reserve for Options	Reserve for Warrants	Total Reserves	Accumulated Other Comprehensive Loss	Deficit	Total Shareholders' Equity
Balance, March 31, 2012	**199,754,423**	**$230,608,666**	**$ 15,513,249**	**$ 950,766**	**$ 16,464,015**	**$ (21,763)**	**$ (62,899,323)**	**$ 184,151,595**
Common shares issued for cash:								
Exercise of options	100,000	35,000	-	-	-	-	-	35,000
Transfer of reserves on exercise of options	-	21,160	(21,160)	-	(21,160)	-	-	-
Transfer of reserves on expiry of warrants and options	-	-	(272,923)	(950,766)	(1,223,689)	-	1,223,689	-
Share-based payments	-	-	1,023,915	-	1,023,915	-	-	1,023,915
Net loss for the year	-	-	-	-	-	-	(6,769,507)	(6,769,507)
Unrealized loss on investments	-	-	-	-	-	(3,733)	-	(3,733)
Balance, March 31, 2013	**199,854,423**	**$230,664,826**	**$ 16,243,081**	**$ -**	**$ 16,243,081**	**$ (25,496)**	**$ (68,445,141)**	**$ 178,437,270**

The accompanying notes are an integral part of these consolidated financial statements

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
Years ended March 31

	Number of Common Shares	Share Capital	Reserve for Options	Reserve for Warrants	Total Reserves	Accumulated Other Comprehensive Loss	Deficit	Total Shareholders' Equity
Balance, March 31, 2013	**199,854,423**	**$230,664,826**	**$ 16,243,081**	**$ -**	**$ 16,243,081**	**$ (25,496)**	**$ (68,445,141)**	**$ 178,437,270**
Transfer of reserves on expiry of options	-	-	(847,981)	-	(847,981)	-	847,981	-
Share-based payments	-	-	103,306	-	103,306	-	-	103,306
Net loss for the year	-	-	-	-	-	-	(5,078,398)	(5,078,398)
Unrealized loss on investments	-	-	-	-	-	(1,023)	-	(1,023)
Balance, March 31, 2014	**199,854,423**	**$230,664,826**	**$ 15,498,406**	**$ -**	**$ 15,498,406**	**$ (26,519)**	**$ (72,675,558)**	**$ 173,461,155**

The accompanying notes are an integral part of these consolidated financial statements

LEVON RESOURCES LTD.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Years ended March 31

	2014	2013	2012
Operating Activities			
Net loss	$ (5,078,398)	$ (6,769,507)	$ (13,124,833)
Items not involving cash:			
Depreciation	33,674	36,469	20,089
Foreign exchange gain	18,108	82,257	340,678
Share-based payments	103,306	1,023,915	251,082
Gain on disposal of investment	(1,882)	-	-
Changes in non-cash working capital items:			
Amounts receivable and prepaid expenses	(556,569)	(484,768)	(1,509,772)
Accounts payable and accrued liabilities	30,680	(225,967)	(244,927)
Due to/from related parties	5,690	(238,179)	92,208
Cash Used in Operating Activities	(5,445,391)	(6,575,780)	(14,175,475)
Investing Activities			
Recoveries (expenditures) on exploration and evaluation assets	(2,161,690)	(2,041,998)	160,000
Equipment acquisitions	(5,493)	(75,040)	(89,237)
Proceeds on disposition of investment	4,544	-	-
Cash Provided by (Used in) Investing Activities	(2,162,639)	(2,117,038)	70,763
Financing Activity			
Issue of share capital for cash, net of issuance costs	-	35,000	52,646,622
Cash Provided by Financing Activity	-	35,000	52,646,622
Foreign Exchange Effect on Cash	(18,108)	(82,257)	(340,678)
Inflow (Outflow) of Cash	(7,626,138)	(8,740,075)	38,201,232
Cash and Cash Equivalents, Beginning of Year	49,311,914	58,051,989	19,850,757
Cash and Cash Equivalents, End of Year	$ 41,685,776	$ 49,311,914	$ 58,051,989

The accompanying notes are an integral part of these consolidated financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Levon Resources Ltd. (the "Company") was incorporated under the laws of British Columbia on April 9, 1965. The Company is an exploration stage public company whose principal business activities are the exploration for and development of exploration and evaluation properties in Mexico. There have been no significant revenues generated from these activities to date. The address of the Company's registered office is Suite 900 – 570 Granville Street, Vancouver, British Columbia, V6C 3P1.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing.

2. BASIS OF PRESENTATION

Statement of compliance

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

Basis of presentation

These consolidated financial statements are expressed in Canadian dollars, the Company's functional currency, and have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting with the exception of cash flow information. The accounting policies set out in Note 3 have been applied consistently to all years presented in these consolidated financial statements as if the policies have always been in effect.

Approval of the consolidated financial statements

These consolidated financial statements were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on June 20, 2014.

Foreign currency transactions

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the consolidated statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

2. BASIS OF PRESENTATION (Continued)

Significant accounting judgments and estimates

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting period. In particular, significant judgments made by management in the application of IFRS during the preparation of the consolidated financial statements and estimates with a risk of material adjustment are:

(a) *Realization of exploration and evaluation assets*
The investment in exploration and evaluation assets on the Cordero Project comprise a significant portion of the Company's assets. Realization of the Company's investment in the exploration and evaluation assets is dependent upon the Company obtaining permits, the satisfaction of local governmental requirements, the attainment of successful production from the properties, or from the proceeds upon disposal of the Company's properties. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

(b) *Environmental*
Environmental legislation is becoming increasingly stringent and the costs of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development of the Cordero Project, the potential for production on the property may be diminished or negated.

The Company is subject to laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations, are initially recognized and recorded as a liability based on estimated future cash flows discounted at a credit adjusted risk free rate.

At March 31, 2014 and 2013, the Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

2. BASIS OF PRESENTATION (Continued)

(c) *Impairment assessment*

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

At March 31, 2014 and 2013, there are no indications that suggest that the Company's assets are impaired.

(d) *Recoverability of amounts receivable*

The balance in amounts receivable includes value added taxes to be recovered in Mexico. At each financial position reporting date, the carrying amounts of the Company's amounts receivable are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The Company is corresponding with the Mexican government to recover the Mexican value added tax. At March 31, 2014 and 2013, there are no indications that suggest that the Company's Mexican value added tax is not recoverable.

(e) *Valuation of share-based payments*

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

(f) *Income taxes*

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

While management believes that these judgments and estimates are reasonable, actual results could differ from those estimates and could impact future results of comprehensive income (loss) and cash flows. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. There were no significant changes in estimates during the fourth quarter of the year ended March 31, 2014.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries.

	Jurisdiction	Nature of Operations
Valley High Ventures Ltd. ("VHV")	British Columbia, Canada	Holding Company
Citrine Investment Holdings Limited	British Virgin Islands	Holding Company
Minera Titan S.A. de C.V	Mexico	Exploration Company
Aphrodite Asset Holdings Ltd	British Virgin Islands	Holding Company
Turney Assets Limited	British Virgin Islands	Holding Company
Mineral El Camino S.A. de C.V.	Mexico	Holding Company
Administracion de Projectos Levon en Mexico S.A. de C.V.	Mexico	Mexican operations administration

Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held-to-maturity, available-for-sale, loans and receivables or fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash and cash equivalents, amounts receivable, reclamation deposits, investments, due from related party, due to related parties and accounts payable. At initial recognition management has classified financial assets and liabilities as follows.

The Company has classified its cash and cash equivalents as FVTPL. Investments are classified as available-for-sale with changes in fair value recorded through other comprehensive income. Amounts receivable, reclamation deposits and amounts due from related parties are classified as loans and receivables. Accounts payable and amounts due to related parties are classified as other liabilities.

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in the consolidated statements of operations and comprehensive loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial assets (Continued)

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity dates. They are initially recognized at fair value and subsequently carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are initially recognized at fair value and subsequently are measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the consolidated statements of operations and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income, within equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the consolidated statements of operations and comprehensive loss.

Transactions costs associated with fair value through profit or loss financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial assets except for 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 any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in the consolidated statements of operations and comprehensive loss.

*Other financial liabilitie*s – Liabilities in this category are initially recognized at fair value, net of transaction costs, and are subsequently stated at amortized cost.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value hierarchy

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significant inputs in making the measurements. The levels of the fair value hierarchy are defined as follows:

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 or indirectly

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash, bank deposits, cashable guaranteed investment certificates ("GIC") and short-term investments that are readily convertible to known amounts of cash with original maturities of three months or less.

Exploration and evaluation assets

The Company is in the exploration stage with respect to its mineral properties. The Company capitalizes all costs relating to the acquisition of mineral claims, and expenses all costs relating to the exploration and evaluation of mineral claims.

All exploration and evaluation expenditures are expensed until properties are determined to contain economically viable reserves. When economically viable reserves have been determined, technical feasibility has been determined and the decision to proceed with development has been approved, the subsequent costs incurred for the development of that project will be capitalized as mining properties, a component of property and equipment.

All capitalized exploration and evaluation assets are monitored for indicators of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure and evaluation assets are not expected to be recovered, they are charged to operations.

Property and equipment

Property and equipment are recorded at historical cost less accumulated depreciation. Historical costs include expenditures that are directly attributable to bringing the asset to a location and condition necessary to operate in a manner intended by management. Such costs are accumulated as construction-in-progress until the asset is available for use, at which point the asset is classified as property and equipment. Once commercial production has commenced, mine, mill, machinery, plant facilities and certain equipment will be depreciated using the units of production method, if sufficient reserve information is available or the straight-line method over their estimated useful lives, not to exceed the life of the mine to which the assets relate to.

Depreciation is calculated on a declining-balance basis at the following annual rates:

Computer equipment	30%
Furniture and equipment	20%
Vehicles	30%
Machinery equipment	30%

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment

At each reporting date, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to the passage of time is recognized as accretion expense.

Reclamation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore mineral properties in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and restoration, reclamation and re-vegetation of affected areas.

The fair value of the liability for a rehabilitation provision is recorded when it is incurred. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related exploration and evaluation assets. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability, which is accreted over time through periodic charges to profit or loss. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting for equity units

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated based on their relative fair values, calculated using the Black-Scholes option pricing model for warrants and the market price for common shares.

Share-based payments

The stock option plan described in Note 8 allows the Company's directors, employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of employee options is measured at the option's grant date, and the fair value of non-employee options is measured at the date or over the period during which goods or services are received. The fair value of each tranche of options granted, which do not vest immediately on grant, is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Share-based payments are credited to the reserve for options. If the options are later exercised, their fair value is transferred from the reserve to share capital. If the options expire unexercised or are forfeited or cancelled subsequent to vesting, the initial fair value is transferred from the reserve to deficit.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of shares outstanding for the effects of all dilutive potential common shares. In the Company's case, diluted loss per share is the same as basic loss per share, as the effects of including all outstanding options and warrants would be anti-dilutive.

Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized as equity.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

New accounting standards and interpretations not yet adopted

The following new standards interpretations and amendments to existing standards have been issued by the IASB but are not effective for the year-ended March 31, 2014; all of the new and revised standards described below may be early-adopted. Some updates that are not applicable or are not consequential to the Company have been excluded from the list below.

Recoverable Amount Disclosures for Non-Financial Assets **(Amendments to IAS 36)** - Amends IAS 36 *Impairment of Assets* to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique. Applicable to annual periods beginning on or after January 1, 2014. The Company is currently assessing the impact of adopting amendments of IAS 36 on our consolidated financial statements.

Offsetting Financial Assets and Financial Liabilities **(Amendments to IAS 32) -** Amends IAS 32 *Financial Instruments: Presentation* to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of “currently has a legally enforceable right of set-off”
- the application of simultaneous realization and settlement
- the offsetting of collateral amounts
- the unit of account for applying the offsetting requirements.

Applicable to annual periods beginning on or after January 1, 2014.

IFRS 9 ***Financial Instruments*** - IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 *Financial Instruments – Recognition and Measurement* for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at FVTPL or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at FVTPL would generally be recorded in other comprehensive income.

IFRS 9 mandatory adoption has been indefinitely postponed by the IASB, and has no stated effective date. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early-adopt any of the new requirements.

4. INVESTMENTS

March 31, 2014, the Company held investments as follows:

	Quantity	Cost	Accumulated Unrealized Gains (Losses)	Fair Value
Available-for-sale				
Great Thunder Gold Corp. *	11,632	$ 26,811	$ (26,520)	$ 291

At March 31, 2013, the Company held investments as follows:

	Quantity	Cost	Accumulated Unrealized Gains (Losses)	Fair Value
Available-for-sale				
Mill Bay Ventures Inc. *	34,897	$ 26,811	$ (26,114)	$ 697
Avino Silver & Gold Mines Ltd. **	2,200	2,662	618	3,280
		$ 29,473	$ (25,496)	$ 3,977

* During the year ended March 31, 2014, Mill Bay Ventures Inc. changed its name to Great Thunder Gold Corp. and had a one for three share consolidation.

** During the year ended March 31, 2014, the Company sold 2,200 shares of Avino Silver & Gold Mines Ltd. for $4,544 and recognized a gain on disposition of $1,882.

5. RECLAMATION DEPOSITS

The Company has pledged specified term deposits as security for reclamation permits, as required by certain government agencies. The Company has a varying number of deposits on hand ranging from $1,000 to $6,000 with maturity dates ranging from September 18, 2014 to January 13, 2015 and interest rates at 0.80%. These deposits are renewed annually.

6. EXPLORATION AND EVALUATION ASSETS

The Company has capitalized the following acquisition expenditures:

		Cordero Sanson
Balance, March 31, 2012	**$**	**124,559,961**
Additions during the year		2,041,998
Balance, March 31, 2013		**126,601,959**
Additions during the year		2,161,690
Balance, March 31, 2014	**$**	**128,763,649**

The Company incurred the following exploration expenditures, which were expensed in the consolidated statement of operations and comprehensive loss for the years ended March 31, 2014, 2013 and 2012:

Cardero Sanson (Note 6(c))	**2014**	**2013**	**2012**
Assays	$ 371,501	$ 381,036	$ 1,595,134
Drilling and exploration	1,930,792	1,050,438	4,260,933
Geological and management services	847,281	2,239,723	4,345,333
Machinery rental	170,356	216,471	-
Mining rights	123,574	117,148	-
Payroll and general supplies	219,031	240,365	591,319
Professional fees	126,806	111,627	-
Travel	129,472	-	-
Waste collection	28,020	64,108	-
Water well construction	-	297,438	-
Balance, March 31	**$ 3,946,833**	**$ 4,718,354**	**$ 10,792,719**

(a) Congress claims

The Company owns a 50% leasehold interest in certain claims in the Lillooet Mining Division, British Columbia.

The Congress claims are subject to a Joint Venture Agreement dated February 25,1983 between the Company and Veronex Resources Ltd. (“Veronex”). Veronex has earned a 50% net interest in the claims, net of a 5% net smelter royalty (“NSR”) held by the Company, by expending $1,000,000 in a prior year. All subsequent expenditures are to be contributed equally by the Company and Veronex. The Company is looking to reacquire Veronex’s interest in the claims, as Veronex had transferred its interest to another company against the terms of the original agreement and had not complied with other terms of agreement.

6. EXPLORATION AND EVALUATION ASSETS (Continued)

(b) Gold Bridge claims (BRX Project)

The Company owns a 50% interest in certain mineral claims in the Gold Bridge area, Lillooet Mining Division, British Columbia. The claims remain in good standing until December 2014.

(c) Cordero Sanson

The Cordero Sanson Property ("Cordero") is located near Hidalgo Del Parral, Chihuahua, Mexico. The Cordero mining claims are comprised of claims wholly-owned by VHV by agreement with long-standing ranch families and small local mining companies, and certain other claims that were staked by the Company.

(d) Other claims include the Eagle, Ruf and Norma Sass, and Wayside as described below:

(i) Eagle claims

The Company holds a 50% interest in certain lode mining claims located in Lander County, Nevada. The claims are subject to a 3% NSR.

(ii) Ruf and Norma Sass properties

In 2003, the Company acquired from Coral Gold Resources Inc., a public company with common directors and management, an undivided one-third interest in certain mineral claims known as the Ruf and Norma Sass properties located in Lander County, Nevada.

A third party holds a 3% NSR on the production from certain of the claims, up to a limit of US$1,250,000.

(iii) Wayside claims

The Company owns certain mineral claims in the Lillooet Mining Division, British Columbia.

Realization of assets
The investment in and expenditures on exploration and evaluation assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Title to exploration and evaluation assets
Although the Company has taken steps to verify title to exploration and evaluation assets 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 or transfers and title may be affected by an undetected defect.

6. EXPLORATION AND EVALUATION ASSETS (Continued)

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

7. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture and Equipment	Vehicles	Machinery Equipment	Total
COST					
Balance at March 31, 2012	$ 7,841	$ 30,515	$ 22,656	$ 66,315	$127,327
Additions	3,652	3,435	32,320	35,633	75,040
Balance at March 31, 2013	11,493	33,950	54,976	101,948	202,367
Additions	-	-	-	5,493	5,493
Balance at March 31, 2014	**$ 11,493**	**$ 33,950**	**$ 54,976**	**$107,441**	**$207,860**
ACCUMULATED DEPRECIATION					
Balance at March 31, 2012	$ 3,361	$ 8,978	$ 9,177	$ 9,953	$ 31,469
Depreciation	1,498	4,546	4,499	25,926	36,469
Balance at March 31, 2013	4,859	13,524	13,676	35,879	67,938
Depreciation	1,203	3,869	3,607	24,995	33,674
Balance at March 31, 2014	**$ 6,062**	**$ 17,393**	**$ 17,283**	**$ 60,874**	**$101,612**
CARRYING AMOUNTS					
At March 31, 2013	$ 6,634	$ 20,426	$ 41,300	$ 66,069	$134,429
At March 31, 2014	**$ 5,431**	**$ 16,557**	**$ 37,693**	**$ 46,567**	**$106,248**

For the year ended March 31, 2014, depreciation of $20,792 (2013 - $35,487; 2012 - $12,211) was expensed as depreciation expense and the remaining balance of $12,882 (2013 - $982; 2012 - $7,878) was expensed as exploration expenditures.

8. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued

There are no share transactions during the year ended March 31, 2014.

During the year ended March 31, 2013:

100,000 stock options were exercised for gross proceeds of $35,000. The Company reallocated the fair value of these options previously recorded in the amount of $21,160 from reserve for options to share capital.

During the year ended March 31, 2012:

On May 19, 2011, the Company completed a short-form prospectus financing issuing 20,600,000 common shares at a price of $1.95 per share for gross proceeds of $40,170,000. The underwriters received a cash commission of 5.0% of the gross proceeds raised through the financing and common share purchase warrants equal to 5.0% of the number of common shares issued under the financing. Total share issuance costs of $3,304,614 were incurred, including cash commission of $2,008,500 and 1,030,000 broker warrants, exercisable at a price of $1.95 per warrant until November 19, 2012, valued at $950,766. The fair value of the broker warrants was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.59%, dividend yield of nil, volatility of 83.82% and an expected life of 18 months.

925,000 stock options were exercised for gross proceeds of $366,000. The Company reallocated the fair value of these options previously recorded in the amount of $291,601 from reserve for options to share capital.

13,558,723 warrants were exercised for gross proceeds of $13,697,750. The Company reallocated the fair value of these warrants previously recorded in the amount of $8,633,275 from reserve for warrants to share capital.

766,720 broker warrants were exercised for gross proceeds of $766,720. The Company reallocated the fair value of these warrants previously recorded in the amount of $298,097 from reserve for warrants to share capital.

4,991 common shares were granted to a former VHV shareholder. No fair value was assigned to these common shares on the basis that the fair value of these shares is part of the $130,514,292 fair value attributed to the purchase of VHV.

8. SHARE CAPITAL (Continued)

Share purchase warrants

For the years ended March 31, 2014 and 2013, share purchase warrant activity is summarized as follows:

	Underlying Shares	Weighted Average Exercise Price
Balance, March 31, 2012	1,030,000	$ 1.95
Expired	(1,030,000)	$ 1.95
Balance, March 31, 2014 and 2013	**-**	**-**

Stock options

The Company established a stock option plan in 2004 under which it may grant stock options totaling in aggregate up to 10% of the Company's total number of shares issued and outstanding on a non-diluted basis. The stock option plan provides for the granting of stock options to employees and persons providing investor relations or consulting services up to a limit of 5% and 2%, respectively, of the Company's total number of issued and outstanding shares per year. The stock options are fully vested on the date of grant, except those issued to persons providing investor relations services, which vest over a period of one year. The option price must be greater than or equal to the discounted market price on the grant date and the option expiry date cannot exceed five years from the grant date.

For the years ended March 31, 2014 and 2013, stock option activity is summarized as follows:

	Underlying Shares	Weighted Average Exercised Price
Stock options outstanding, March 31, 2012	13,965,000	$ 0.83
Granted	1,350,000	$1.02
Exercised	(100,000)	$0.35
Expired and forfeited	(535,000)	$1.44
Stock options outstanding, March 31, 2013	**14,680,000**	**$0.84**
Granted	4,885,000	$0.41
Expired and forfeited	(1,075,000)	$1.25
Stock options outstanding, March 31, 2014	**18,490,000**	**$0.72**

8. SHARE CAPITAL (Continued)

Stock options (Continued)

A summary of stock options outstanding and exercisable as at March 31, 2014 and 2013 as follows:

		Stock Options Outstanding		Stock Options Exercisable	
Expiry Date	**Exercise Price**	**March 31, 2014**	March 31, 2013	**March 31, 2014**	March 31, 2013
November 15, 2013 ***	$ 0.75	-	500,000	-	500,000
November 21, 2013	$ 1.50	-	250,000	-	250,000
April 28, 2014	$ 0.25	225,000	325,000	225,000	325,000
January 28, 2015	$ 0.70	200,000	200,000	200,000	200,000
July 15, 2015	$ 0.75	100,000	-	25,000	-
July 20, 2015	$ 0.65	400,000	400,000	400,000	400,000
September 3, 2015	$ 1.00	3,285,000	3,400,000	3,285,000	3,400,000
March 25, 2016 ***	$ 0.75	7,920,000	8,030,000	7,920,000	8,030,000
October 3, 2016	$ 1.50	25,000	25,000	25,000	25,000
October 3, 2016***	$ 0.75	200,000	200,000	200,000	200,000
November 26, 2015	$ 0.75	100,000	100,000	62,500	25,000
November 26, 2015	$ 1.00	200,000	200,000	125,000	50,000
November 26, 2015	$ 1.25	200,000	200,000	125,000	50,000
May 15, 2017	$ 1.00	750,000	750,000	750,000	562,500
June 7, 2017	$ 1.00	100,000	100,000	100,000	75,000
March 10, 2019	$ 0.40	4,785,000	-	-	-
		18,490,000	**14,680,000**	**13,442,500**	**14,092,500**

*** On September 21, 2012, the Company modified the exercise price of options with an expiry date of November 15, 2013, March 25, 2016 and October 3, 2016 with an original exercise price of $1.25, $1.65 and $1.50 per share, respectively, to $0.75 each.

9. SHARE-BASED PAYMENTS

During the year ended March 31, 2014, the Company granted 4,885,000 stock options exercisable ranging from $0.40 to $0.75 and ranging from two to five years to directors, officers, employees and consultants of the Company.

During the year ended March 31, 2013, the Company granted 1,350,000 stock options exercisable ranging from $0.75 to $1.25 and ranging from three to five years to directors, officers, employees and consultants of the Company.

The Company recorded share-based payments of $103,306 (2013 - $1,023,915; 2012 - $251,082) on options issued, which vested during the year.

Option pricing requires the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates. The fair value of the options re-valued and granted to officers, directors, consultants and employees was calculated using the Black-Scholes option pricing model with following weighted average assumptions:

	2014	2013	2012
Weighted average assumptions:			
Fair value of options at grant date	$ 0.84	$ 0.26	$ 0.54
Risk-free interest rate	1.62%	1.34%	1.02%
Expected dividend yield	-	-	-
Expected option life (years)	4.94	4.26	3.00
Expected share price volatility	87.94%	103.57%	91.25%

10. RELATED PARTY TRANSACTIONS

During the year ended March 31, 2014, $372,154 (2013 - $410,512) was charged to the Company for office, occupancy and miscellaneous costs; shareholder relations and promotion; travel; and salaries and benefits paid on behalf of the Company by Oniva International Services Corp. (“Oniva”), a private company owned by the Company and five other reporting issuers.

The Company takes part in a cost-sharing arrangement to reimburse Oniva for a variable percentage of its overhead expenses, to reimburse 100% of its out-of-pocket expenses incurred on behalf of the Company, and to pay a percentage fee based on the total overhead and corporate expenses. The agreement may be terminated with one month’s notice by either party.

10. RELATED PARTY TRANSACTIONS (Continued)

Due from related party consists of the following:

	March 31, 2014	March 31, 2013
ABC Drilling (i)	$ -	$ 5,564

Due to related parties consists of the following:

	March 31, 2014	March 31, 2013
Chevillion Exploration. (ii)	$ 3,579	$ 3,480
Coral Gold Resources Ltd. (iii)	43,582	33,347
Oniva (i)	33,718	44,713
Great Thunder Gold Corp. (iii)	787	-
	$ 81,666	$ 81,540

(iv) Oniva and ABC Drilling are private companies related by way of common management and directors.

(v) Chevillion Exploration is a private company controlled by a director and officer of the Company.

(vi) Coral Gold Resources Ltd. and Great Thunder Gold Corp. are public companies related by way of common directors.

Related party transactions are measured at the estimated fair values of the services provided or goods received. Amounts owing to related parties are without interest or stated terms of repayment.

Management transactions

The Company has identified its directors and certain senior officers as its key management personnel. The compensation costs for key management personnel for the years ended March 31, 2014 and 2013 are as follows:

	2014	2013
Salaries and benefits	$ 98,308	$ 83,243
Consulting and management fees*	680,000	679,805
Share-based payments	39,616	656,731
	$ 817,924	$ 1,419,779

* Includes amounts paid to the CEO and COO of the Company, recorded in consulting and management fees, and exploration expense, respectively.

11. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties.

The Company has non-current assets, excluding financial instruments, in the following geographic locations:

	March 31, 2014	March 31, 2013
Canada		
Reclamation deposit	$ 32,629	$ 32,629
Property and equipment	106,248	134,429
Total Canada	138,877	167,058
Mexico		
Exploration and evaluation assets	128,763,649	126,601,959
	$ 128,902,526	$ 126,769,017

12. COMMITMENTS

The Company has entered into consulting agreements that have expiry dates between May 2015 and April 2019. The Company's commitment for future minimum payments in respect of these agreements is as follows:

	March 31, 2014	March 31, 2013
Not later than one year	$ 483,662	$ 494,647
Later than one year and no later than five years	1,920,000	15,868
	$ 2,403,662	$ 510,515

13. INCOME TAXES

A reconciliation of income tax recovery computed at the Canadian statutory rate of 26.0% (2013 - 25.0%; 2012 - 26.13%) to income tax recovery (expense) for the years ended March 31 is as follows:

	2014	2013	2012
Expected income tax recovery	$ 1,320,383	$ 1,692,377	$ 3,429,520
Non-deductible expenses and other	(26,937)	(513,366)	(53,906)
Changes in timing differences	219,118	498,988	440,840
Share-based payments	-	255,979	(65,608)
Adjustments due to effective tax rate attributable to income taxes in other countries	(1,669)	657,676	284,133
Changes in income tax rates	699,235	(201,150)	(220,677)
Change in foreign exchange on tax assets and liabilities	(142,087)	516,001	-
Changes in unrecognized benefits	(2,068,043)	(2,906,505)	(3,814,302)
Income tax recovery (expense)	$ -	$ -	$ -

As at March 31, 2014 and 2013, no deferred tax assets are recognized on the following temporary differences, as it is not probable that sufficient future taxable profit will be available to realize such assets:

	2014	2013
Non-capital loss carry-forwards	$ 53,697,171	$ 47,399,439
Exploration and evaluation assets	12,747,450	12,747,452
Share issue costs	681,069	1,916,288
Other	4,124,588	7,487,184
Unrecognized deductible temporary differences	$ 71,250,278	$ 69,550,363

At March 31, 2014, the Company had, non-capital losses aggregating approximately $54,000,000; $11,426,848 relates to losses in Canada and the remaining amount relates to losses incurred in Mexico. The Mexican non-capital losses are available for 10 years. For Canada, these losses are available to reduce taxable income earned by the Canadian operations of future years and expire as follows:

2015	$ 166,002
2016	452,235
2027	765,655
2028	642,413
2029	600,681
2030	1,790,866
2031	1,645,615
2032	2,576,937
2033	1,884,784
2034	901,660
	$ 11,426,848

14. FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, amounts receivable (excluding HST and IVA, being Mexican value added tax) and accounts payable are a reasonable estimate of their fair values due to their short term to maturity. Cash equivalents are comprised of cashable GICs and corporate bonds with a maturity of three months or less and interest rates that range from 1.35% to 1.87%. Investment securities are accounted for at fair value based on quoted market prices. Amounts due from related parties are classified as loans and receivables and amounts due to related parties are classified as other liabilities. The carrying amount of reclamation deposits approximate their fair value as the stated rates approximate market rates of interest, due from related parties and due to related parties approximate their fair value as they are due on demand.

The Company's financial instruments are exposed to certain financial risks: credit risk, liquidity risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk.

The Company manages credit risk, in respect of cash, by maintaining the majority of cash and cash equivalents at high credit rated Canadian financial institutions. Concentration of credit risk exists with respect to the Company's cash and reclamation deposits as the majority of the amounts are held with a Canadian and a Mexican financial institution. The Company's concentration of credit risk, and maximum exposure thereto, is as follows:

	March 31, 2014	March 31, 2013
Cash and cash equivalents held at major financial institutions		
Canada	$ 41,644,257	$ 49,253,522
Mexico	41,519	58,392
	41,685,776	49,311,914
Reclamation deposits held at a major financial institution		
Canada	32,629	32,629
Total	$ 41,718,405	$ 49,344,543

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due.

The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company has cash and cash equivalents at March 31, 2014 in the amount of $41,685,776 (2013 - $49,311,914) in order to meet short-term business requirements. At March 31, 2014, the Company had current liabilities of $275,031 (2013 - $244,226). Accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

14. FINANCIAL INSTRUMENTS (Continued)

(c) Market risk

Market risk consists of interest rate risk, foreign currency risk and other price risk. The Company is exposed to interest rate risk and foreign currency risk.

Interest rate risk

Interest rate risk consists of two components:

(i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.The Company's cash and cash equivalents consist of cash held in bank accounts, fixed income investments and GICs that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of March 31, 2014 and 2013. Future cash flows from interest income on cash will be affected by interest rate fluctuations. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

14. FINANCIAL INSTRUMENTS (Continued)

(c) Market risk (Continued)

The Company is exposed to foreign currency fluctuation related to its cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, and amounts due to related parties in US dollar balances and Mexican pesos ("MXN"). A significant change in the exchange rate between the Canadian dollar relative to the US dollar or Mexican peso could have an effect on the Company's financial position, results of operations and cash flows, as follows:

	March 31, 2014		March 31, 2013	
	MXN Pesos	USD	MXN Pesos	USD
Cash and cash equivalents	$ 443,193	$ 201,872	$ 661,140	$ 4,980,789
Accounts payable and accrued liabilities	(20,862,833)	-	(2,653,360)	-
Amounts due to related parties	-	(39,423)	-	(13,778)
Net exposure	$ (20,419,640)	$ 162,449	$ (1,992,220)	$ 4,967,011
Canadian dollar equivalent	$ (1,728,523)	$ 179,555	$ (163,900)	$ 5,044,497

Based on the net US dollar denominated asset and liability exposures as at March 31, 2014, a 6% (2013 - 6%) fluctuation in the Canadian/US exchange rates will impact the Company's losses by approximately $11,000 (2013 - $302,000).

Based on the net Mexican peso denominated asset and liability exposures as at March 31, 2014, an 8% (2013 - 8%) fluctuation in the Canadian/MXN exchange rates will impact the Company's losses by approximately $138,000 (2013 - $13,000).

15. FINANCIAL INSTRUMENTS (Continued)

(d) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its investment securities as they are carried at fair value based on quoted market prices, which is immaterial.

The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

(e) Classification of financial instruments

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at March 31, 2014.

	Level 1	Level 2	Level 3
Investments	$291	$ -	$ -

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as at March 31, 2013.

	Level 1	Level 2	Level 3
Investments	$3,977	$ -	$ -

16. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or reduce expenditures. Management reviews the capital structure on a regular basis to ensure that objectives are met.

There have been no changes to the Company's approach to capital management during the year ended March 31, 2014. The Company is not subject to external restrictions on its capital.

17. SUBSEQUENT EVENTS

Subsequent to March 31, 2014, the Company entered into a private placement of a convertible senior secured debenture (the "Debenture") with an arm's length company (the "Borrower"). The principal amount is $1,000,000 and bears interest of 10% per annum with a maturity date of March 31, 2016. The Debenture will be convertible at the Company's option into common shares at any time up to, but no later than, the maturity date. $850,000 has been advanced to the Borrower.

Subsequent to March 31, 2014, the Company recovered MXN $342,049 (approximately CDN $28,000) in value added taxes from the Mexican government. The Company is in the process of filing the remaining monthly value added taxes returns.

Subsequent to March 31, 2014, 225,000 stock options with an exercise price of $0.25, and 100,000 stock options with an exercise price of $0.75, expired unexercised.

Subsequent to March 31, 2014, the Company commenced trading on the OTCQX marketplace in the United States under the ticker LVNVF.

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

Dated: June 20, 2014

LEVON RESOURCES LTD.

By: */s/ Ron Tremblay*
Ron Tremblay, Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 8.1

LIST OF SUBSIDIARIES

Name	Jurisdiction of Incorporation	Ownership
Administración de Projectos Levon en México, S.A. de C.V.	Mexico	100%
Minera El Camino, S.A. de C.V.	Mexico	100%
Aphrodite Asset Holdings Ltd.	British Virgin Islands	100%
Turney Assets Limited	British Virgin Islands	100%
Valley High Ventures Ltd.	Canada	100%
Citrine Investment Holdings Limited	British Virgin Islands	100%
Minera Titan, S.A. de C.V.	Mexico	100%

EXHIBIT 12.1

CERTIFICATION

I, Ron Tremblay, certify that:

1. I have reviewed this annual report on Form 20-F of Levon Resources Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: June 26, 2014

/s/ Ron Tremblay
Ron Tremblay, Principal Executive Officer

EXHIBIT 12.2

CERTIFICATION

I, Annie Chan, certify that:

1. I have reviewed this annual report on Form 20-F of Levon Resources Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: June 26, 2014

/s/ Annie Chan
Annie Chan, Principal Financial Officer

EXHIBIT 13.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of Levon Resources Ltd. (the "Company") on Form 20-F for the year ended March 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"). I, Ron Tremblay, Principal Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 26, 2014

/s/ Ron Tremblay
Ron Tremblay, Principal Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the annual report or as a separate disclosure document.

EXHIBIT 13.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of Levon Resources Ltd. (the "Company") on Form 20-F for the year ended March 31, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"). I, Annie Chan, Principal Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 26, 2014

/s/ Annie Chan
Annie Chan, Principal Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the annual report or as a separate disclosure document.