

ELCORA RESOURCES CORP.

Condensed Interim Financial Statements (unaudited)

For the Period Ended September 30, 2013

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

November 27, 2013

INTERIM STATEMENTS OF FINANCIAL POSITION
EXPRESSED IN CANADIAN DOLLARS - UNAUDITED

As at	September 30 2013 \$	March 31 2013 \$
		(Audited)
Assets		
Current assets		
Cash	156,646	405,380
Sales tax recoverable	15,764	44,782
Subscriptions receivables	-	5,000
Other receivables	9,779	-
Prepaid expenses	28,970	28,479
	211,159	483,641
Non-current assets		
Exploration and evaluation assets (note 6)	167,700	110,000
Total assets	378,859	593,641
Liabilities and Shareholder's Equity		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	81,491	25,548
Long-term liabilities		
Flow-through premium liability	23,750	36,250
Total liabilities	105,241	61,798
Shareholder's Equity		
Share capital (note 10)	1,132,769	890,243
Contributed surplus and other (note 10)	107,043	107,043
Deficit	(966,194)	(465,443)
	273,618	531,843
Total liabilities and shareholder's equity	378,859	593,641

-See Accompanying Notes-

Nature of business and going concern (Note 1 & 2)

Approved on behalf of the Board on November 27, 2013

"Troy Grant"

Director

"Greg Isenor"

Director

INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
EXPRESSED IN CANADIAN DOLLARS

<i>For the</i>	Three-month period ending September 30, 2013	Three-month period ending September 30, 2012	Six-month period ending September 30, 2013	Six-month period ending September 30, 2012
	\$	\$	\$	\$
Property Investigation	290,137	-	315,034	-
Professional fees	2,595	23,654	10,945	31,605
General & administration expenditures	11,884	219	24,465	10,520
Management & consulting fees	68,000	-	132,500	-
Regulatory, transfer agent and filing fees	20,554	28,373	30,459	48,224
Stock-based compensation	-	12,768	-	91,225
Loss before other items	(393,170)	(65,014)	(513,403)	(181,574)
Other items:				
Interest Revenue	152	-	152	-
Future income tax recovery	7,500	-	12,500	-
Net loss and comprehensive loss for the period attributable to shareholders	(385,518)	(65,014)	(500,751)	(181,574)
 Loss per share				
Basic and diluted loss per share	(0.02)	(0.02)	(0.03)	(0.05)
Weighted average number of shares outstanding	16,426,641	3,750,000	14,470,649	3,659,836

-See Accompanying Notes-

INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
EXPRESSED IN CANADIAN DOLLARS - UNAUDITED

Attributable to equity shareholders of the Company					
	Share Capital (#)	Share Capital (\$)	Contributed Surplus and other (\$)	Deficit (\$)	Total Equity (\$)
Balance - April 1, 2013	12,493,163	890,243	107,043	(465,443)	531,843
Net loss and comprehensive loss for the period	-	-	-	(500,751)	(500,751)
Share Issued for cash	4,910,000	245,500	-	-	245,500
Share Issuance costs	-	(9,974)	-	-	(9,974)
Shares issued relating to obtaining exploration rights	50,000	7,000	-	-	7,000
Balance - September 30, 2013	17,453,163	1,132,769	107,043	(966,194)	273,618
Balance - April 1, 2012	6,500,000	325,000	-	(66,979)	258,021
Net loss and comprehensive loss for the period	-	-	-	(181,574)	(181,574)
Share Issued for cash	3,750,000	375,000	-	-	375,000
Share based compensation	-	-	91,225	-	91,225
Agent options	-	-	15,818	-	15,818
Share issuance costs	-	(97,066)	-	-	(97,066)
Balance -September 30, 2012	10,250,000	602,934	107,043	(248,553)	461,424

-See Accompanying Notes-

INTERIM STATEMENTS OF CASH FLOWS
EXPRESSED IN CANADIAN DOLLARS - UNAUDITED

	September 30, 2013	September 30, 2012
<i>For the six-month period ending</i>	\$	\$
Cash flows from operating activities		
Net loss for the period	(500,751)	(181,574)
Adjustments for items not involving cash:		
Income tax recovery	(12,500)	-
Share-based compensation	-	91,225
Changes in non-cash working capital items:		
Decrease (increase) in receivables	24,239	(10,652)
Decrease (increase) in prepaid expenses	(492)	(2,208)
Increase (decrease) in accounts payable and accrued liabilities	55,944	(1,258)
Net cash used for operating activities	(433,560)	(104,467)
Investing activities		
Exploration and evaluation assets	(50,700)	-
Financing activities		
Proceeds on issuance of common shares	245,500	375,000
Share issuance costs	(9,974)	(41,531)
	235,526	333,469
Net increase in cash	(248,734)	229,002
Cash, beginning of the period	405,380	237,038
Cash, end of the period	156,646	466,040

The significant non cash investing and financing activities for the period ended September 30, 2013 included:

- a) the issuance of 50,000 common shares to the Flying Post First Nation(s) valued at \$7,000 in exploration & evaluation assets

The significant non cash investing and financing activities for the period ended September 30, 2012 included:

- a) the issuance of 300,000 agent options relating to the offering valued at \$15,818 as share issuance costs

-See Accompanying Notes-

FOR THE PERIOD ENDED SEPTEMBER 30, 2013

1. Nature of business

Elcora Resources Corp. ("the Company" or "Elcora") was incorporated pursuant to the Canada Business Corporations Act ("CBCA") on June 6, 2011 and its common shares are listed on the TSX Venture Exchange (the "Exchange") under the trading symbol ERA. The Company's head office is located at Suite 2108, Purdy's Tower Two, 1969 Upper Water Street, Halifax, Nova Scotia, B3J 3R7, Canada. The Company is a mineral exploration company engaged in locating and acquiring mineral projects and exploring for mineralization and has not yet determined whether its exploration and evaluation assets contain mineral reserves that are economically recoverable.

2. Going concern

The Company's continuing operations and the underlying value and recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its exploration property interests, and on future profitable production or proceeds from the disposition of the exploration property interests. To date, the Company has not earned any revenue.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which the option holder has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the option holder's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes continuity of operations and realization of assets and settlement of liabilities and commitments in the normal course of business as they become due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, as described in the following paragraph. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

The Company is in the exploration stage and is subject to the risks and challenges similar to other companies in a comparable stage of exploration. These risks include, but are not limited to, dependence on key individuals, successful exploration results and the ability to secure adequate financing to meet the minimum capital required to successfully complete the project and continue as a going concern. For the six-month period ended September 30, 2013, the Company incurred losses of \$500,751 (March 31, 2013 - \$398,464) and as at September 30, 2013 had an accumulated deficit of \$966,194 (March 31, 2013 - \$465,443). The Company has no income or cash flows from operations and at September 30, 2013 had working capital of \$129,668 (March 31, 2013 - \$458,093). The ability of the Company to fulfill its commitments, meet its planned business objectives and continue as a going concern is dependent upon the ability of the Company to raise additional financing and upon successful results from its mineral property acquisitions and exploration activities. There is no assurance that these initiatives will be successful.

3. Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and in accordance with IAS 34 – Interim Financial Reporting. The financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2013. These financial statements have been prepared following the same accounting policies as the Company's audited financial statements for the year ended March 31, 2013, except as disclosed in note 3.

The Board of Directors approved these financial statements on November 27, 2013.

4. Changes in accounting policies

IFRS 13 - Fair value measurement ("IFRS 13")

IFRS 13 was issued in May 2011 and sets out, in a single IFRS, a framework for measuring fair value. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This definition of fair value emphasizes that fair value is a market-based measurement, not an entity specific measurement. In addition, IFRS 13 also requires specific disclosures about fair value measurement. IFRS 13 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company adopted the standard with no financial impact.

5. Financial instruments and fair values

Measurement categories

Financial assets and liabilities have been classified into categories that determine their basis of measurement. All financial assets and liabilities are measured at amortized cost. The carrying value of cash, accounts payable and accrued liabilities approximate their fair value due to their short-term maturities.

Financial risk factors

(a) Market risk

i) Foreign exchange risk

The Company is not exposed to foreign exchange risk at this time.

ii) Interest rate risk

The Company's accounts payable and accrued liabilities are non-interest bearing and have contractual maturities of 30 days or less. As at September 30, 2013, the Company has non-material exposure to interest rate risk through its financial instruments.

iii) Price risk

The Company is not exposed to any direct price risk other than that associated with commodities and how fluctuations impact companies in the mineral exploration and mining industries as the Company has no significant revenues.

5. Financial instruments and fair values (continued)

Financial risk factors (continued)

(b) Credit risk

Credit risk is the risk that a customer or third party to a financial instrument fails to meet its commercial obligations.

The carrying amount of financial assets represents the maximum credit exposure. The Company manages credit risk by holding the majority of its cash and cash equivalents with AA rated banks in Canada, where management believes the risk of loss to be low.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk by maintaining sufficient cash balances to meet liabilities when due. As at September 30, 2013, the Company had cash and cash equivalents of \$156,646 (March 31, 2013 - \$405,380) to settle current liabilities of \$81,491 (March 31, 2013 - \$25,548).

6. Exploration and evaluation assets

	September 30, 2013	March 31, 2013
Mineral claims acquired	\$70,000	70,000
Exploration costs incurred	97,700	40,000
	\$ 167,700	110,000

Elcora entered into an arm's length binding letter of intent with Mantis Mineral Corp. ("Mantis") dated October 4, 2012 for the right to acquire a fifty-one percent (51%) undivided interest in the Cree Lake Gold Property located in Swayze Township, Ontario, consisting of 18 mining claims covering approximately 3,904 hectares (the "Cree Lake Claims"), which claims are subject to a 1.5% net smelter return royalty on mining claim numbers 4203295, 4203275, 4203296 and 4209811.

On December 20, 2012 Elcora entered into an option agreement with Mantis. Pursuant to the terms of the option agreement, Elcora may earn a 51% interest in the Cree Lake Claims by making cash payments totaling \$50,000, issuing 3,000,000 common shares and completing work programs on the Cree Lake Claims with a total value of a minimum of \$1,213,600 over a four year period.

Pursuant to the terms of the option agreement Elcora may accelerate the cash payments, delivery of common shares and work programs in order to exercise the option at any time. Elcora may terminate its obligations and forfeit its rights under the Letter of Intent at its sole discretion at any time on 30 days' notice to Mantis after completing the initial requirements of making a cash payment of an aggregate of \$25,000 to Mantis, the delivery of 300,000 common shares of Elcora to Mantis and the completion of a work program of a minimum of \$200,000 on the Cree Lake Claims. On March 8, 2013, the Company made payments to the amount of \$25,000 and delivered 300,000 common shares of Elcora to Mantis.

6. Exploration and evaluation assets (continued)

On July 19, 2013 the Company commenced its Phase I exploration program at the Cree Lake Gold Property located in Swayze Township, Ontario.

The Phase I program includes the following particular activities:

1. Induced Polarization surveys to trace the extent of the known mineralization and the host shear;
2. Strip anomalous areas to evaluate their potential; and
3. Prospect and compile data on the South Cree Lake occurrence.

Elcora has entered into a Memorandum of Understanding with Flying Post First Nation(s) whereby Elcora will be permitted to complete mineral exploration on traditional territory of Flying Post First Nation(s) pursuant to inherent and treaty rights. In consideration for the grant of exploration rights, Elcora issued 50,000 common shares of the Company valued at \$7,000 to the Flying Post First Nation(s) as well as 50,000 warrants of the Company, each warrant entitling the holder to acquire one common share of the Company for \$0.20 for one year from July 15, 2013. Elcora will also pay 2% of all costs of the exploration program incurred to date and after this agreement takes effect (June 24, 2013), to the Flying Post First Nation. This amounted to \$700 for the period ending September 30, 2013.

7. Accounts payable and accrued liabilities

	September 30, 2013	March 31, 2013
Accounts payable	\$ 26,308	11,548
Accrued liabilities	55,183	14,000
	\$81,491	25,548

As at September 30, 2013, \$53,933 (March 31, 2013 – \$8,736) of accounts payable and accrued liabilities is due to related parties.

8. Related party transactions

All transactions with related parties are in the normal course of business.

Two non-executive directors of the Company provided consulting services aggregating \$132,500 (September 30, 2012 - \$1,125) for the period which were expensed as consulting & management fees.

The salaries of the President and Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) were reduced by \$28,334 and \$21,000 respectively for the period ending September 30, 2013. The salary reductions are effective until the earlier of March 31, 2014 and the closing of an equity financing greater than \$1,000,000 (“Reinstatement Date”).

Included in accounts payable and accrued liabilities at September 30, 2013 were \$28,334 payable to the CEO and \$21,000 to the CFO for foregone salaries (March 31, 2013 – \$NIL).

The accrued foregone salary components, with effect from April 1, 2013, shall be repaid in cash at the Reinstatement Date.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
EXPRESSED IN CANADIAN DOLLARS EXCEPT WHERE OTHERWISE INDICATED
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

9. Compensation of key management

Key management includes the Company's Directors, President and Chief Executive Officer and Chief Financial Officer. Compensation awarded to key management is summarized as follows:

<i>Period ended</i>	September 30, 2013	September 30, 2012
Consulting fees	132,500	1,125
Share-based compensation*	-	91,225
	132,500	92,350

* The estimated fair value of the stock options granted during the period was determined using the Black-Scholes option pricing model.

10. Share capital and contributed surplus and other

Authorized capital stock

Unlimited common shares without nominal or par value

Escrowed shares

As of September 30, 2013 there were 4,918,750 common shares (March 31, 2013 – 5,902,500) subject to an escrow agreement.

Issuance of shares and warrants

- During the year ended March 31, 2012, the Company issued 6,500,000 common shares at \$0.05 per share, which are subject to an escrow agreement.
- During the year ended March 31, 2013, the Company issued 3,750,000 common shares at \$0.10 per share pursuant to the Initial Public Offering. The capital stock value is net of total share issuance costs of \$97,066 of which \$15,818 relates to the valuation of the agent options issued and constitutes a non-cash item.
- During the year ended March 31, 2013, Elcora completed a further non-brokered private placement of 1,018,163 common shares priced at \$0.15 per share during the year for \$152,725 by issuing 1,018,163 common shares and 925,000 flow-through common shares at \$0.20 per share for \$185,000 by issuing 925,000 flow-through common shares. The total number of common shares of Elcora issued pursuant to this non-brokered private placement is 1,943,163 common shares and the capital stock value is net of total share issuance costs of \$49,167.
- During the period ending September 30, 2013, on July 19, 2013 Elcora has closed a non-brokered private placement financing of \$245,500. The private placement comprises the sale of 4,910,000 common shares of the Company at a price of \$0.05 per share and the issuance of 4,910,000 warrants of the Company, with each warrant entitling the holder to acquire one common share of the Company for two years at a price of \$0.15 per common share. The securities issued in this Private Placement will be subject to a 4 month hold period and share issuance costs amounted to \$9,974.

Flow-through shares

The gross proceeds of the 925,000 flow-through shares were \$185,000. The Company agreed to incur \$185,000 of qualified Canadian mineral exploration expenditures, as defined by Canadian income tax legislation. As at September 30, 2013 the Company had incurred \$90,000 of these expenditures. The Company attributed a total of \$22,500 to the associated tax deduction.

Qualifying transaction

The company acquired an option on the Cree Lake Property in consideration for the issuance of 300,000 common shares to the Vendors. The shares were valued at \$0.15.

10. Share capital and contributed surplus and other (continued)

Warrant transactions outstanding for the six month period ending September 30, 2013 were as follows:

	Number of warrants	Weighted average exercise price
Balance, April 1, 2013	-	
Issued – private placement	4,910,000	\$ 0.15
Issued – exploration rights	50,000	\$ 0.20
Exercised	-	-
Expired	-	-
Balance, September 30, 2013	4,960,000	

The Company also issued 50,000 warrants of the Company to the Flying Post First Nation(s), each warrant entitling the holder to acquire one common share of the Company for \$0.20 for one year from July 15, 2013 (See Note 6)

Stock options

The Board of Directors of the Company has adopted an incentive stock option plan (“Option Plan”). Under the Option Plan, the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements and applicable securities legislation, grant to directors, officers, employees and consultants of the Company, non-transferable options to purchase Common Shares, exercisable for a period of up to 10 years from the date of grant. The number of Common Shares reserved for issuance under the Option Plan will not exceed 10% of the issued and outstanding Common Shares of the Company. The number of Common Shares reserved for issuance to any one individual Director or Officer may not exceed 5% of the issued and outstanding Common Shares and the aggregate number of Common Shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding Common Shares. Vesting terms are determined by the Board of Directors at the time of grant.

The following table summarizes the changes in the outstanding stock options:

For the six-month period ended	September 30, 2013		September 30, 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance - beginning of period	800,000	\$0.11	-	-
Issued	-	-	950,000	0.11
Cancelled	-	\$0.11	-	-
Balance - end of period	800,000	\$0.11	950,000	0.11
Options exercisable - end of period	800,000	\$0.11	950,000	0.11

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
EXPRESSED IN CANADIAN DOLLARS EXCEPT WHERE OTHERWISE INDICATED
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

10. Share capital and contributed surplus and other (continued)

Stock options (continued)

The range of exercise prices of stock options outstanding and exercisable as at September 30, 2013 is as follows:

Exercise prices	Outstanding options			Exercisable options	
	Number of options outstanding	Weighted average remaining term (years)	Weighted average exercise price	Number of options exercisable	Weighted average exercise price
\$0.01 - \$0.10	725,000	8.63	\$0.10	725,000	\$0.10
\$0.11 - \$0.20	75,000	8.79	\$0.19	75,000	\$0.19
	800,000	8.64	\$0.11	800,000	\$0.11

The following table summarizes the changes in the outstanding Agent options:

For the six-month period ended	September 30, 2013		September 30, 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance - beginning of period	300,000	\$0.10	-	-
Issued	-	-	300,000	0.10
Balance - end of period	300,000	\$0.10	300,000	0.10
Options exercisable - end of period	300,000	\$0.10	300,000	0.10

The fair value of options granted is estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

Period ended	September 30, 2013	September 30, 2012
Average Dividend per share	-	-
Average share price	-	\$0.11
Average forecasted volatility	-	100%
Average risk-free interest rate	-	2%
Average expected life	-	10 years
Fair value - weighted average of options issued	-	\$ 0.10

For the six-month period ended September 30, 2013, the Company recorded share-based compensation expense with an offsetting increase to contributed surplus of \$NIL (September 30, 2012 - \$91,225).

10. Share capital and contributed surplus and other (continued)

Stock options (continued)

The fair value of the Agent options granted is estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

<i>For the period ended</i>	September 30, 2013	September 30, 2012
Average Dividend per share	-	-
Average share price	-	\$0.10
Average forecasted volatility	-	100%
Average risk-free interest rate	-	1.42%
Average expected life	-	2 years
Fair value - weighted average of options issued	-	\$ 0.05

The fair value calculated for the agent options for the period, which is offset against share capital as share issuance costs together with an equal increase to contributed surplus is \$NIL (September 30, 2012 - \$15,818).

11. Subsequent events

1. In accordance with the terms of Exchange Policy 4.3, Shares for Debt, Elcora issued common shares of the Company to Troy Grant, the Company's President and CEO, to settle outstanding debt in the amount of \$25,000 (250,000 shares) for management fees and to Theo van der Linde, the Company's CFO, in the amount of \$15,000 (150,000 shares) for management fees. This issuance of common shares for debt received disinterested shareholder approval and was approved by the Exchange on October 31, 2013.
2. On October 08, 2013 the Company announced that it has retained Ronald Struthers, carrying on business in Arden, Ontario as Resource Stock Advisory as a consultant to provide investor relations services on behalf of Elcora. Elcora will pay Struthers a total fee of \$6,000, for the consulting services provided during the twelve month term of the agreement, cancellable upon 30 days' notice in writing at any time. The agreement may be renewed by mutual consent following the completion of the initial term. Pursuant to the consulting agreement, the company has also agreed to grant 325,000 incentive stock options to Ronald Struthers, exercisable at a price of \$0.15 for a period of five years. The options will expire at the end of 12 months if the consulting services agreement is not renewed. The consulting agreement with Struthers and the grant of the options has been accepted for filing by the TSX Venture Exchange.