

SONORO METALS CORP.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2013 and 2012

(Expressed in Canadian Dollars)

(Unaudited)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed interim consolidated financial statements for the periods ended March 31, 2013 and 2012.

SONORO METALS CORP.

Consolidated statements of financial position
 (Expressed in Canadian Dollars)
 As at

	March 31, 2013 (unaudited)	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$ 1,130,262	\$ 1,174,403
Receivables	32,436	36,470
Prepaid expenses	16,267	9,563
	1,178,965	1,220,436
Non-current assets		
Capital assets (note 4)	-	-
Exploration and evaluation assets (note 5)	1,484,524	1,484,524
	\$ 2,663,489	\$ 2,704,960
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	\$ 49,398	\$ 63,309
Due to related parties (note 7)	105,280	101,360
	154,678	164,669
Shareholders' Equity		
Share capital (note 8)	3,836,530	3,836,530
Reserves	394,851	394,851
Deficit	(1,722,570)	(1,691,090)
	2,508,811	2,540,291
	\$ 2,663,489	\$ 2,704,960

Approved on behalf of the Board on May 23, 2013:

Signed "Gary Freeman"

Signed "Ronald Husband"

SONORO METALS CORP.

Condensed interim consolidated statements of comprehensive loss
(Expressed in Canadian Dollars)
For the three months ended March 31

	2013	2012
Expenses		
Consulting fees (note 7)	\$ 18,000	\$ 46,051
Depreciation	-	525
Legal and audit	8,473	21,960
Office and administration (note 7(a))	7,615	10,201
Transfer agent fees	9,589	11,727
Travel and promotion	446	695
	44,123	91,159
Other Items		
Interest income	(2,153)	(2,179)
Foreign exchange loss (gain)	(10,490)	13,424
	(12,643)	11,245
Loss and Comprehensive Loss for the Year	\$ 31,480	\$ 102,404
Loss Per Common Share, basic and diluted	\$ 0.002	\$ 0.01
Weighted Average Number of Common Shares Outstanding	21,241,453	20,148,782

SONORO METALS CORP.

Condensed interim consolidated statements of changes in equity
 (Expressed in Canadian Dollars)
 For the three months ended March 31, 2013 and 2012

	Share Capital		Share-Based Payment Reserve	Deficit	Shareholders' Equity
	Shares	Amount			
Balance, January 1, 2012	19,916,453	\$3,508,714	\$ 218,796	\$(1,202,713)	\$ 2,524,797
Private placements, net of issuance costs (note 7(b)(i))	1,325,000	327,816	-	-	327,816
Net loss for the year	-	-	-	(102,404)	(102,404)
Balance, March 31, 2012	21,241,453	3,836,530	218,796	(1,305,117)	2,750,209
Share-based compensation	-	-	176,055	-	176,055
Net loss for the year	-	-	-	(385,973)	(385,973)
Balance, December 31, 2012	21,241,453	3,836,530	394,851	(1,691,090)	2,540,291
Net loss for the year	-	-	-	(31,480)	(31,480)
Balance, March 31, 2013	21,241,453	\$3,836,530	\$ 394,851	\$(1,722,570)	\$ 2,508,811

SONORO METALS CORP.

Condensed interim consolidated statements of cash flows
 (Expressed in Canadian Dollars)
 For the three months ended March 31

	2013	2012
Operating Activities		
Net loss	\$ (31,480)	\$ (102,404)
Items not involving cash		
Depreciation	-	525
Deferred income tax	-	(450)
Changes in non-cash working capital		
Receivables	4,034	(2,773)
Prepaid expenses	(6,704)	(1,607)
Accounts payable and accrued liabilities	(13,911)	22,503
Due to related parties	3,920	-
Cash Used in Operating Activities	(44,141)	(84,206)
Investing Activities		
Expenditures on exploration and evaluation assets	-	(60,000)
Cash Provided from (Used in) Investing Activities	-	(60,000)
Financing Activities		
Common shares issued for cash	-	331,250
Share issuance costs	-	(3,434)
Cash Provided from (Used in) Financing Activities	-	327,816
Inflow of Cash and Cash Equivalents	(44,141)	183,610
Cash and Cash Equivalents, Beginning of Year	1,174,403	1,294,952
Cash and Cash Equivalents, End of Year	\$ 1,130,262	\$ 1,478,562
Cash and Cash Equivalents Consists of		
Cash	\$ 1,130,262	\$ 1,478,562
	\$ 1,130,262	\$ 1,478,562

Supplemental disclosure with respect to cash flows (note 9).

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements

(Expressed in Canadian Dollars)

Three months ended March 31, 2013 and 2012

1. NATURE OF OPERATIONS AND GOING CONCERN

Sonoror Metals Corp. ("Sonoro" or the "Company") was incorporated in Ontario on November 30, 1944 under the *Company Act* of Ontario. On January 15, 2007, the Company was issued a Certificate of Continuation by the Province of British Columbia. On December 20, 2011, the Company changed its name from Becker Gold Mines Ltd. to Sonoro Metals Corp, which took effect on January 6, 2012. The Company's principal business activity is the acquisition, exploration and development of exploration and evaluation assets. The Company is a publicly-traded company listed on the TSX Venture Exchange ("TSX-V") under the symbol "SMO".

The head office, registered address and records office of the Company is located at 480 – 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

The Company incurred a net loss of \$31,480 for the three months ended March 31, 2013 (2012 - \$102,404). As at March 31, 2013, the Company had an accumulated deficit of \$1,722,570 with a working capital of \$1,024,287.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes the Company will realize its assets and discharge its liabilities in the normal course of business. These condensed interim consolidated financial statements do not include any adjustments related to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and to finance mineral property acquisitions and future exploration. The Company does not generate cash flow from operations to adequately fund its activities and has therefore relied principally upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Although these condensed interim consolidated financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's business, results of operations and financial condition.

These condensed interim consolidated financial statements were approved by the board of directors for issue on May 23, 2013.

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements
(Expressed in Canadian Dollars)
Three months ended March 31, 2013 and 2012

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements have been prepared by management in accordance with IAS 34 'Interim Financial Reporting' ("IAS 34") using accounting principles consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The significant accounting policies applied in preparing these condensed interim consolidated financial statements are consistent with the accounting policies as disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2012 with the exception of the new accounting policies disclosed in note 3 below.

These condensed interim consolidated financial statements do not include all of the required disclosures for annual consolidated financial statements. Accordingly, they should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2012 and the notes thereto.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for cash and cash equivalents and other financial instruments classified as fair value through profit or loss or available-for-sale that have been measured at fair value, and are presented in Canadian dollars.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Cap Capital and Minera Mar Plata S.A. de C.V ("MMP"). All significant intercompany transactions and balances have been eliminated.

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements
(Expressed in Canadian Dollars)
Three months ended March 31, 2013 and 2012

3. SIGNIFICANT ACCOUNTING POLICIES

Changes to accounting policies

The following accounting standards and amendments to existing standards were adopted effective January 1, 2013:

- IFRS 10 Consolidated Financial Statements;
- IFRS 11 Joint Arrangements;
- IFRS 12 Disclosure of Interests in Other Entities;
- IFRS 13 Fair Value Measurement;
- IAS 19 Employee Benefits
- IAS 27 Separate Financial Statements;
- IAS 28 Investments in Associates and Joint Ventures; and
- IAS 1 Presentation of Financial Statements.

The adoption of these standards has not had a significant impact on the Company's financial position or financial performance.

Changes in accounting standards not yet effective

Accounting Standards Issued and Effective January 1, 2014

IAS 32 *Financial Instruments: Presentation* clarifies certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- The meaning of "currently has a legal enforceable rights of set-off";
- The application of simultaneous realization and settlement;
- The offsetting of collateral amounts; and
- The unit account for applying the offsetting requirements.

Accounting Standards Issued and Effective January 1, 2015

IFRS 9 *Financial Instruments* addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 *Financial Instruments: Recognition and Measurement* that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

For financial liabilities, the standard retains most of the IAS 39 requirements, except that fair value changes due to credit risk for liabilities designated as fair value through profit or loss would generally be recorded in other comprehensive income.

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements

(Expressed in Canadian Dollars)

Three months ended March 31, 2013 and 2012

4. CAPITAL ASSETS

Leasehold improvements		
Cost		
Balance, January 1, 2012		\$ 10,490
Additions		-
Balance, March 31, 2012		10,490
Additions		-
Balance, December 31, 2012 and March 31, 2013		\$ 10,490
Accumulated depreciation		
Balance, January 1, 2012		\$ 684
Depreciation		525
Balance, March 31, 2012		1,209
Depreciation		9,281
Balance, December 31, 2012 and March 31, 2013		\$ 10,490
Carrying amounts		
As at December 31, 2012		\$ -
As at March 31, 2013		\$ -

5. EXPLORATION AND EVALUATION ASSETS

	Chipriona	Santa Clara	Los Pinos	Total
Balance, January 1, 2012	\$ 927,147	\$ 118,291	\$ 269,773	\$ 1,315,211
Acquisition costs	-	60,000	-	60,000
Balance, March 31, 2012	927,147	178,291	269,773	1,375,211
Acquisition costs	-	59,526	49,787	109,313
Balance, December 31, 2012	927,147	237,817	319,560	1,484,524
Acquisition costs	-	-	-	-
Total	\$ 927,147	\$ 237,817	\$ 319,560	\$ 1,484,524

The Chipriona property is subject to a 2% royalty on net operating profits and the Los Pinos property is subject to a 2% net smelter return royalty.

SONORO METALS CORP.

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5. EXPLORATION AND EVALUATION ASSETS (Continued)

Santa Clara

On January 10, 2011, the Company entered into an option agreement whereby the Company can acquire a 100% interest in the Santa Clara concession, which is contiguous to the Company's current mineral concessions, for total cash payments of US \$240,000 over a three-year period and the issuance of 120,000 common shares due as follows:

<u>Cash</u>	
Payable by January 2011	US \$40,000 (paid - \$39,096)
Payable by February 2011	US \$20,000 (paid - \$19,153)
Payable by July 2011	US \$60,000 (paid - \$56,411)
Payable by January 2012	US \$60,000 (paid - \$60,000)
Payable by July 2013	US \$60,000 (paid - \$59,526 - August 20, 2012)
	US \$240,000

<u>Shares</u>	
Issuable by July 2013	120,000 common shares

The Santa Clara property is subject to a 2.5% royalty on net operating profits.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities for the Company are broken down as follows:

	March 31, 2013	December 31, 2012
Trade payables	\$ 28,773	\$ 28,309
Accrued liabilities	20,625	35,000
Total	\$ 49,398	\$ 63,309

All accounts payable and accrued liabilities for the Company are due within the next 12 months.

7. RELATED PARTY TRANSACTIONS

The consolidated financial statements include the financial statements of Sonoro and its 100% owned subsidiaries, Cap Capital and MMP.

The Company entered into the following transactions with related parties during the period:

- (a) Rent of \$4,347 (2012 - \$5,250) was paid to a company with directors in common and is included in office and administration.

At March 31, 2013, \$105,280 (2012 - \$83,800) is owing to related parties without interest or stated terms of repayment.

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Notes to the condensed interim consolidated financial statements
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Three months ended March 31, 2013 and 2012

7. RELATED PARTY TRANSACTIONS (Continued)

Compensation of key management

Key management comprises directors and executive officers. Compensation awarded to key management for the three months ended March 31 is as follows:

	2013	2012
Short-term employee benefits	\$ 15,000	\$ 38,071
Share-based payments	-	-
	\$ 15,000	\$ 38,071

The Company incurred no post-employment benefits, no long-term benefits and no termination benefits.

8. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued

- (i) On January 27, 2012, the Company completed a private placement and issued 1,325,000 units at a price of \$0.25 per unit for gross proceeds of \$331,250. Each unit is comprised of one common share and one common share purchase warrant entitling the holder to purchase one common share of the Company at an exercise price of \$0.35 per share until January 27, 2013. The Company incurred expenses of \$3,434 in connection with the private placement. There was no finder's fee paid in connection with this private placement.

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Notes to the condensed interim consolidated financial statements
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8. SHARE CAPITAL AND RESERVES (Continued)

c) Stock options

Pursuant to the policies of the TSX-V, under the Company's stock option plan, options to purchase common shares are granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of grant for a maximum term of five years. The board of directors may grant options for the purchase of up to a total of 10% of the outstanding shares at the time of the option grant less the aggregate number of existing options and number of common shares subject to issuance under outstanding rights that have been issued under any other share compensation arrangement. Options granted under the plan may vest over a period of time at the discretion of the board of directors.

A summary of the Company's outstanding and exercisable stock options at March 31, 2013 and December 31, 2012 and changes during the first quarter ended March 31, 2013 is as follows:

	Outstanding	Exercisable	Weighted Average Exercise Price
Balance, December 31, 2012	1,800,000	1,800,000	\$ 0.28
Granted	-	-	-
Exercised	-	-	-
Cancelled	-	-	-
Balance, March 31, 2013	1,800,000	1,800,000	\$ 0.28

As at March 31, the following share purchase options were outstanding:

Expiry Date	Exercise Price	2013	2012
May 20, 2014	\$ 0.20	300,000	300,000
December 23, 2016	\$ 0.30	1,500,000	1,500,000
		1,800,000	1,800,000

The weighted average remaining contractual life for the outstanding options at March 31, 2013 is 3.3 years.

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Notes to the condensed interim consolidated financial statements

(Expressed in Canadian Dollars)

Three months ended March 31, 2013 and 2012

8. SHARE CAPITAL AND RESERVES (Continued)

d) Warrants

As at March 31, 2013, the Company had share purchase warrants outstanding entitling the holders to acquire common shares as follows:

Exercise Price	Expiry Date	Outstanding, December 31, 2012	Issued	Exercised	Expired	Outstanding, March 31, 2013
\$ 0.30	December 20, 2013	4,500,000	-	-	-	4,500,000
\$ 0.35	January 27, 2013	1,325,000	-	-	(1,325,000)	-
		5,825,000	-	-	(1,325,000)	4,500,000

As at March 31, 2013, the Company had finder's warrants outstanding as follows:

Exercise Price	Expiry Date	Outstanding, December 31, 2012	Issued	Exercised	Expired	Outstanding, March 31, 2013
\$ 0.20	December 20, 2013	122,500	-	-	-	122,500

Finder's warrants entitle the holders to acquire one unit whereby each unit is comprised of one common share and one share purchase warrant, and one share purchase warrant entitles the holder to purchase one common share of the Company for an exercise price of \$0.30 exercisable until December 20, 2013.

The fair value of the finder's warrants was calculated at \$0.28 per unit.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2013	2012
Interest received	\$ 2,153	\$ 2,179
Interest paid	-	-

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements
(Expressed in Canadian Dollars)
Three months ended March 31, 2013 and 2012

10. SEGMENTED INFORMATION

The Company has one business segment, the exploration of mineral properties. The Company's significant assets are distributed by geographic locations as follows:

As at March 31, 2013	Capital assets	Exploration and evaluation assets	Total non-current assets
Canada	\$ -	\$ -	\$ -
Mexico	-	1,484,524	1,484,524
Total	\$ -	\$ 1,484,524	\$ 1,484,524

As at March 31, 2012	Capital assets	Exploration and evaluation assets	Total non-current assets
Canada	\$ 9,281	\$ -	\$ 9,281
Mexico	-	1,375,211	1,375,211
Total	\$ 9,281	\$ 1,375,211	\$ 1,384,492

11. FINANCIAL INSTRUMENTS

The Company has classified its cash and cash equivalents as fair value through profit and loss; receivables, as loans and receivables; and accounts payable and accrued liabilities and due to related parties, as other financial liabilities.

Fair value

The carrying values of accounts payable and accrued liabilities and due to related parties approximate their fair values due to the short-term nature of these financial instruments.

Financial Risk Management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

The Company is exposed to credit risk with respect to its cash. Cash has been placed on deposit with major Canadian and Mexican financial institutions. The risk arises from the non-performance of counterparties of contracted financial obligations. The Company is not exposed to significant credit risk on receivables as these amounts are due from government agencies.

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements
(Expressed in Canadian Dollars)
Three months ended March 31, 2013 and 2012

11. FINANCIAL INSTRUMENTS (Continued)

Credit risk (continued)

Concentration of credit risk exists with respect to the Company's cash as the majority of the amount is held with only a few Canadian and Mexican financial institutions. The Company's concentration of credit risk and maximum exposure thereto at March 31 is as follows:

	2013	2012
Cash held at major Canadian financial institutions	\$ 1,116,281	\$ 1,435,526
Cash held at major Mexican financial institutions	13,981	43,036
Total cash	\$ 1,130,262	\$ 1,478,562

As at March 31, 2013, the Company held a guaranteed investment certificate of \$850,000 earning interest at prime less 1.95%, maturing December 19, 2013, and cashable at any time.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company had working capital at March 31, 2013 in the amount of \$1,024,287 (2012 - \$1,383,036).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Company's cash and cash equivalents consist of cash held in bank accounts. 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, 2013.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars.

The Company is exposed to foreign currency risk with respect to cash and cash equivalents, receivables, due to related parties, and accounts payable and accrued liabilities as a portion of these amounts are denominated in US dollars and Mexican pesos. The Company has not entered into any foreign currency contracts to mitigate this risk.

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements
(Expressed in Canadian Dollars)
Three months ended March 31, 2013 and 2012

11. FINANCIAL INSTRUMENTS (Continued)

Market risk (continued)

(ii) *Foreign currency risk* (continued)

As at March 31, 2013 and 2012, the Company's significant exposure to foreign currency risk, based on consolidated statement of financial position carrying values, were to the Mexican peso and the US dollar, as follows:

	March 31, 2013	
	MXP	USD
Cash	148,696	1,843
Receivables	265,869	-
Accounts payable and accrued liabilities	(149,466)	-
	265,099	1,843
Canadian dollar equivalent	\$ 21,810	\$ 1,815

	March 31, 2012	
	MXP	USD
Cash	27,406	40,811
Receivables	446,526	-
Accounts payable and accrued liabilities	(199,466)	-
	273,466	40,811
Canadian dollar equivalent	\$ 21,325	\$ 40,848

The sensitivity analysis of the Company's exposure to foreign currency risk at the reporting date has been determined based upon hypothetical changes taking place at March 31, 2013 and 2012, which includes a hypothetical change in the foreign exchange rate between the Canadian dollar and Mexican peso and the Canadian dollar and US dollar and the effect on loss and comprehensive loss.

	Reasonably Possible Changes	
	2013	2012
CDN \$: MXN peso exchange rate variance	+/- 5%	+/-5%
Impact on loss and comprehensive loss	\$ 1,148	\$ 1,122

SONORO METALS CORP.

Notes to the condensed interim consolidated financial statements
(Expressed in Canadian Dollars)
Three months ended March 31, 2013 and 2012

11. FINANCIAL INSTRUMENTS (Continued)

Market risk (continued)

(ii) *Foreign currency risk* (continued)

	Reasonably Possible Changes	
	2013	2012
CDN \$: US dollar exchange rate variance	+/- 5%	+/- 5%
Impact on loss and comprehensive loss	\$ 96	\$ 2,150

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.