Star Minerals Group Ltd.

(formerly Star Uranium Corp.)

Annual Audited Financial Statements

For the year ended October 31, 2013

(Expressed in Canadian Dollars)

CSE:SUV info@starminerals.ca

272-2366 Avenue C North
Saskatoon, SK S7L 5X5

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Star Minerals Group Ltd.

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of 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 financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 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.

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, B.C., Canada V7Y 1G6
Telephone (604) 687-0947 Fax (604) 687-6172

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Star Minerals Group Ltd. as at October 31, 2013 and 2012 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Star Minerals Group Ltd.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

February 26, 2014

STAR MINERALS GROUP LTD.

STATEMENTS OF FINANCIAL POSITION
AS AT
(Expressed in Canadian Dollars)

	October 31, 2013	October 31, 2012
ASSETS		
Current		
Cash	$ 565,252	$ 1,225,652
Receivables	8,266	10,058
Prepaid expenses	16,496	5,894
	590,014	1,241,604
Equipment (Note 5)	23,044	10,348
Exploration and evaluation assets (Note 6)	2,405,097	2,529,532
	$ 3,018,155	$ 3,781,484
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 9)	$ 47,871	$ 157,884
	47,871	157,884
SHAREHOLDERS' EQUITY		
Capital stock (Note 7)	17,097,563	17,097,563
Other equity reserve (Note 7)	628,380	628,380
Deficit	(14,755,659)	(14,102,343)
	2,970,284	3,623,600
	$ 3,018,155	$ 3,781,484

Nature of Operations (Note 1)
Going concern (Note 2)
Subsequent Events (Note 13)
The accompanying notes are an integral part of the financial statements.

Approved and authorized by the Board of Directors on February 26, 2014.
On behalf of the Board:

"JIM ENGDAHL"
Director

"KYLE KOZUSKA"
Director

STAR MINERALS GROUP LTD.

STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
For the years ended

	October 31, 2013	October 31, 2012
Bank fees	$ 342	$ 246
Consulting	10,362	19,652
Depreciation (Note 5)	4,765	2,588
Filing fees	10,329	7,870
Insurance	12,672	12,002
Management fees	344,915	77,983
Meals and entertainment	2,955	2,577
Office expense	28,144	24,775
Premises expense	16,122	4,757
Professional fees	64,871	57,093
Property examination	72,984	-
Share-based compensation (Note 7)	-	10,880
Transfer agent	3,367	9,558
Travel and promotion	16,561	7,236
	(588,389)	(237,217)
Property write offs (Note 6)	(71,655)	-
Finance income	6,728	14,777
Net loss and comprehensive loss for the year	(653,316)	(222,440)
Loss per share – basic and diluted	$ (0.03)	$ (0.01)
Weighted average common shares	22,485,085	22,485,085

The accompanying notes are an integral part of the financial statements.

STAR MINERALS GROUP LTD.

STATEMENTS OF CASH FLOWS
For the years ended
(Expressed in Canadian Dollars)

		October 31, 2013		October 31, 2012
Cash flows used in operating activities				
Net loss for the year	$	(653,316)	$	(222,440)
Items not involving cash:				
Depreciation		4,765		2,588
Share-based compensation		-		10,880
Property write offs		71,655		-
Non-cash working capital item changes:				
Receivables		1,792		(9,072)
Prepaid expenses		(10,602)		5,106
Accounts payable and accrued liabilities		(9,614)		11,210
		(595,320)		(201,728)
Cash flows used in investing activities				
Exploration and evaluation assets		(47,619)		(240,883)
Acquisition of equipment		(17,461)		-
		(65,080)		(240,883)
Decrease in cash		(660,400)		(442,611)
Cash, beginning of year		1,225,652		1,668,263
Cash, end of year	$	565,252	$	1,225,652
Cash (paid)/received during the year for taxes	$	-	$	-
Cash (paid)/received during the year for interest	$	-	$	-

As at October 31, 2013, $Nil (October 31, 2012 - $100,398) of exploration and evaluation assets are included in accounts payable and accrued liabilities.

There were no other non-cash transactions for the year ended October 31, 2013 and 2012 affecting cash flows from operating, financing, or investing activities.

The accompanying notes are an integral part of the financial statements.

STAR MINERALS GROUP LTD.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED OCTOBER 31, 2013 AND 2012
(Expressed in Canadian Dollars)

	Number of Shares	Capital Stock	Other Equity Reserve	Deficit	Total Shareholders' Equity
Balance October 31, 2011	**22,485,085**	**$ 17,097,563**	**$ 617,500**	**($13,879,903)**	**$ 3,835,160**
Share-based compensation	-	-	10,880	-	10,880
Loss for the year	-	-	-	(222,440)	(222,440)
Balance October 31, 2012	**22,485,085**	**17,097,563**	**628,380**	**(14,102,343)**	**3,623,600**
Loss for the year	-	-	-	(653,316)	(653,316)
Balance October 31, 2013	**22,485,085**	**$ 17,097,563**	**$ 628,380**	**($14,755,659)**	**$ 2,970,284**

The accompanying notes are an integral part of the financial statements.

1. Nature of Operations

Star Minerals Group Ltd. (previously known as Star Uranium Corp.) (the “Company”) was incorporated in British Columbia and extra provincially registered in Alberta. The Company subsequently continued as a corporation under the jurisdiction of Saskatchewan and is a reporting issuer in Ontario due to having shares listed on the Canadian Securities Exchange (the “CSE”).

The Company is in the process of exploring its mineral interests and has not determined whether these properties contain ore reserves that are economically recoverable.

Ownership in mineral interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral interests. The Company has investigated ownership of its mineral interests and, to the best of its knowledge, such ownership interests are in good standing.

To date, the Company has not earned significant revenues and is considered to be in the exploration stage.

Subsequent to year end, the Company completed a share consolidation. All common shares, warrants and stock options reported in these financial statements have been adjusted to reflect post-consolidated balances. See Note 13 for further discussion.

2. Going Concern

These financial statements of the Company have been prepared on a going-concern basis, which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than normal course of business and at amounts which may differ from those shown in the financial statements.

The Company has not yet realized profitable operations, has relied on non-operational sources of financing to fund operations, has accumulated deficit of $14,755,659 and has working capital of $542,143 as at October 31, 2013. These conditions may cast significant doubt on the validity of the going concern assumption. The Company’s ability to continue as a going concern is dependent on its ability to obtain the necessary financing and to ultimately generate profitable operations. The Company must secure additional financing to fund its operations.

The amounts shown as exploration and evaluation assets represent costs net of recoveries to date, less amounts written off, and do not represent present or future values. Recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable mineral reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain financing necessary to complete the exploration and evaluation of its mineral property interests, and on future profitable production or proceeds from the disposition of the mineral property interests.

3. Basis of Preparation and Statement of Compliance

These financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as adopted by Canada on January 1, 2011 and by the Company on November 1, 2011. This represents the Company's application of IFRS as at and for the year ended October 31, 2013, including the 2012 comparative year. The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These financial statements are presented in Canadian dollars, which is also the Company's functional currency.

Critical accounting estimates and judgements

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Critical Judgments

The preparation of these financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 2.

Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the financial statements include:

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's mineral properties.

3. Basis of Preparation and Statement of Compliance – continued

To the extent that any of management’s assumptions change, there could be a significant impact on the Company’s future financial position, operating results and cash flows.

Fair value of stock options

Determining the fair value of stock options requires judgments related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Company’s future operating results or on other components of shareholders’ equity.

Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company’s ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management’s assessment of the Company’s ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

4. Significant Accounting Policies

Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss (“FVTPL”), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in the statement of operations. Financial assets “available-for-sale” are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax.

Financial assets and liabilities “held-to-maturity”, “loans and receivables”, and “other financial liabilities” are subsequently measured at amortized cost using the effective interest method.

The Company has classified its cash as fair value through profit and loss. The Company’s receivables are classified as loans and receivables. The Company’s accounts payable and accrued liabilities are classified as other financial liabilities.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

4. Significant Accounting Policies - continued

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, accounts payable and accrued liabilities, approximate carrying value due to their short terms to maturity, which is the amount payable on the statement of financial position. The Company's other financial instruments and cash are measured at fair value, under the fair value hierarchy, and are based on level one quoted prices in active markets for identical assets or liabilities. See Note 10 for disclosures on risks associated with financial instruments.

Exploration and evaluation assets

Once the legal right to explore a property has been acquired, costs related to the acquisition, exploration and evaluation of the property are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. Each of the Company's exploration and evaluation assets are considered to be a cash-generating unit. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation asset. If payments received exceed the capitalized cost of the exploration and evaluation asset, the excess is recognized in the statement of operations and comprehensive loss in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Future reclamation costs

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

4. Significant Accounting Policies - continued

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to the statement of operations and comprehensive loss.

For the years presented, the Company does not have any future reclamation costs.

Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. Depreciation is recognized using the declining balance method at the following annual rates:

Exploration and office equipment	20%
Computer hardware	55%

Equipment that is withdrawn from use, or has no reasonable prospect of being recovered through use or sale, are regularly identified and written off. The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Subsequent expenditures relating to an item of equipment are capitalized when it is probable that future economic benefits from the use of the assets will be increased. All other subsequent expenditures are recognized as repairs and maintenance.

Cash and equivalents

Cash and equivalents are comprised of cash on deposit and highly liquid short-term interest bearing investments, which are readily convertible into a known amount of cash and subject to insignificant risk of changes in value. As at October 31, 2013 and 2012, the Company had no cash equivalents.

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The 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 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 the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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 to an amount that 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.

4. Significant Accounting Policies - continued

Loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Share-based payments

The Company recognizes share-based compensation expense based on the estimated fair value of the options granted. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based compensation expense and other equity reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserves account is subsequently reduced if the options are exercised and the amount initially recorded is then credited to capital stock.

Income taxes

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 in equity. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recorded using the 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 following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

4. Significant Accounting Policies - continued

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined to be the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions.

Exchange gains and losses arising on translation are included in the statement of operations and comprehensive loss.

Comprehensive Loss

Comprehensive loss consists of net loss and other comprehensive income (loss) and represents the change in shareholders' equity that results from transactions and events from sources other than the Company's shareholders. For the periods presented, net loss was the same as comprehensive loss.

New Standards and Interpretations not yet adopted:

Amendments to IFRS 7, Financial Instruments: Disclosures ("IFRS 7") are effective for annual periods beginning on or after January 1, 2013 and introduce enhanced disclosure around the transfer of financial assets and associated risks. The Company is currently evaluating any impact that this new guidance may have on its financial statements.

In November 2009 and October 2010, the IASB issued IFRS 9, Financial Instruments ("IFRS 9"), which represents the completion of the first part of a three-part project to replace IAS 39, Financial Instruments: Recognition and Measurement, with a new standard. Per the new standard, an entity choosing to measure a liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income or loss section of the entity's statement of comprehensive loss, rather than within profit or loss. Additionally, IFRS 9 includes revised guidance related to the derecognition of financial instruments. IFRS 9 applies to financial statements for annual periods beginning on or after January 1, 2015, with early adoption permitted. The Company currently is evaluating any impact that this new guidance may have on its financial statements.

In May 2011, the IASB issued IFRS 10, Consolidated Financial Statements ("IFRS 10"), which builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of a parent company. IFRS 10 also provides additional guidance to assist in the determination of control where this is difficult to assess. IFRS 10 applies to financial statements for annual periods beginning on or after January 1, 2013, with early adoption permitted. The Company currently is evaluating any impact that this new guidance may have on its financial statements.

4. Significant Accounting Policies - continued

In May 2011, the IASB issued IFRS 11, Joint Arrangements ("IFRS 11"), which enhances accounting for joint arrangements, particularly by focusing on the rights and obligations of the arrangement, rather than the arrangement's legal form. IFRS 11 also addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities and prohibits proportionate consolidation. IFRS 11 applies to financial statements for annual periods beginning on or after January 1, 2013, with early adoption permitted. The Company currently is evaluating any impact that this new guidance may have on its financial statements.

In May 2011, the IASB issued IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"), which is a comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance sheet vehicles. IFRS 12 applies to financial statements for annual periods beginning on or after January 1, 2013, with early adoption permitted. The Company currently is evaluating any impact that this new guidance may have on its financial statements.

In May 2011, the IASB issued IFRS 13, Fair Value Measurement ("IFRS 13"), which defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions). IFRS 13 applies to financial statements for annual periods beginning on or after January 1, 2013, with early adoption permitted. The Company currently is evaluating any impact that this new guidance may have on its financial statements.

In addition, there have been amendments to existing standards, including IAS 27, Separate Financial Statements (IAS 27), and IAS 28, Investments in Associates and Joint Ventures (IAS 28) effective January 1, 2013. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10-13. The Company is currently evaluating any impact that this amendment may have on its financial statements.

Amendments to IAS 32, Financial Instruments: Presentation, are effective for annual periods beginning on or after January 1, 2014. This provides for amendments relating to offsetting financial assets and financial liabilities. The Company is currently evaluating any impact that this new guidance may have on its financial statements.

(Expressed in Canadian Dollars)

5. Equipment

Equipment consists of the following:

	Exploration and Office Equipment	Computer Hardware	Total
Cost at October 31, 2011	$ 52,928	$ -	$ 52,928
Additions	-	-	-
Cost at October 31, 2012	$ 52,928	$ -	$ 52,928
Additions	12,034	5,427	$ 17,461
Cost at October 31, 2013	$ 64,962	$ 5,427	$ 70,389
Accumulated depreciation at October 31, 2011	$ 39,992	$ -	$ 39,992
Depreciation	2,588	-	$ 2,588
Accumulated depreciation at October 31, 2012	$ 42,580	$ -	$ 42,580
Depreciation	3,273	1,492	4,765
Accumulated depreciation at October 31, 2013	$ 45,853	$ 1,492	$ 47,345
Net book value at October 31, 2012	$ 10,348	$ -	$ 10,348
Net book value at October 31, 2013	$ 19,109	$ 3,935	$ 23,044

6. Exploration and Evaluation Assets

The Company has acquired certain mineral properties and rights, the costs of which are as follows:

	Anglo Rouyn	Black Lake	Collins Bay	Fort a la Corne	Pistol Lake	Povol Lake	Wrangler West	Total
Balance October 31, 2011	**$ 181,537**	**$ 260,879**	**$ 860,982**	**$ 224,071**	**$ 26,370**	**$ 45,285**	**$ 632,113**	**$ 2,231,237**
Acquisition costs	-	-	-	9,710	-	-	-	9,710
Administration fees	-	-	-	-	-	-	5,934	5,934
Drilling	-	-	-	139,080	-	-	(8,686)	130,394
Geology	-	-	-	78,366	-	-	-	78,366
SEM Deposits	-	-	-	73,891	-	-	-	73,891
Total additions for year	-	-	-	301,047	-	-	(2,752)	298,295
Balance October 31, 2012	**181,537**	**260,879**	**860,982**	**525,118**	**26,370**	**45,285**	**629,361**	**2,529,532**
Administration fees	-	-	-	-	-	-	3,305	3,305
Geology	-	-	-	17,806	-	-	-	17,806
SEM Deposits	-	-	-	(73,891)	-	-	-	(73,891)
Property write offs	-	-	-	-	(26,370)	(45,285)	-	(71,655)
Total additions for the year	-	-	-	(56,085)	(26,370)	(45,285)	3,305	(124,435)
Balance October 31, 2013	**$181,537**	**$260,879**	**$860,982**	**$469,033**	**$ -**	**$ -**	**$ 632,666**	**$2,405,097**

(Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets – continued

Cumulative Totals	Anglo Rouyn	Black Lake	Collins Bay	Fort a la Corne	Pistol Lake	Povol Lake	Wrangler West	Total
Acquisition costs	$ 373	$ 3,112	$ 40,000	$ 19,325	$ 25,602	$ 2,055	$ 100,000	$ 190,467
Administration fees	1,506	225	-	-	-	100	14,583	16,414
Consulting	-	16,247	14,997	-	1,910	-	-	33,154
Drilling	152,035	371,536	730,170	354,762	77,971	133,698	1,107,937	2,928,109
Geology	27,623	-	75,395	96,172	-	-	40,361	239,551
Permits	-	199	420	3,056	-	-	-	3,675
Recovery	-	-	-	(4,282)	-	-	-	(4,282)
Write-off	-	(130,440)	-	-	(105,483)	(135,853)	(630,215)	(1,001,991)
Balance October 31, 2013	**$181,537**	**$260,879**	**$860,982**	**$469,033**	**$ -**	**$ -**	**$ 632,666**	**$2,405,097**

(a) **Anglo Rouyn**

The Company holds a 50% interest in two mineral claims, S-106390 and S-106391, comprising 565 hectares, located in the vicinity of Stanley Mission in Northern Saskatchewan. The other 50% interest is held by Karoo Exploration Corp. (formerly United Uranium Corp.), a related party. The target here is a deposit similar to the Anglo-Rouyn mine, which is situated on an adjoining claim on strike to the southwest. The Anglo-Rouyn mine, approximately 4 km southwest of the property, operated from 1966 to 1972 producing copper, gold, and silver. The same rock units that contain the mineralization at the Anglo-Rouyn mine extend northeasterly through the central portion of the claims. Management is currently considering options to further advance development of the property.

(b) **Black Lake**

The Company has 100% interest in two staked claims, S-107355 comprising 865 hectares and S-107356 comprising 227 hectares, along the Northern rim of the Athabasca Basin, in the vicinity of Stony Rapids in Northern Saskatchewan. The target here is the usual unconformity-type uranium deposit found in the Athabasca basin. In November 2013, the Company entered into a joint venture agreement with Lakeland Resources Inc. Under the terms of the joint venture agreement, Lakeland has the right to earn a 100-per-cent interest in the two claims by making cash payments totalling $60,000 and issuing 600,000 common shares over a 12-month period. Star will retain the option of a 25-per-cent buyback for four times the exploration moneys spent by Lakeland to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90-day period following the completion and publication of an NI 43-101-compliant resource estimate.

(c) **Collins Bay**

The Company acquired a 100% interest in a claim, S-108354 comprising 1,619 hectares, located in the vicinity of Collins Bay and Wollaston Lake, which is on the edge of the Athabasca Basin of Northern Saskatchewan. The terms of the purchase agreement include a 1% net smelter return which can be purchased by the Company for $1,000,000. The target here is a basement-type uranium deposit of the sort known at the nearby Rabbit Lake mine. Management is considering options to further advance development of the property.

6. Exploration and Evaluation Assets - continued

(d) **Fort a la Corne**

The Company has multiple claims within the Fort a la Corne region of Northern Saskatchewan. A total of 49 claims are in good standing, which together form a land package totalling 39,856 hectares. The Company holds a 100% interest in the 39 of the claims and the remaining 10 claims are under joint venture where the Company holds a 50% interest with the other 50% interest being held by Karoo Exploration Corp. (formerly United Uranium Corp.), a related party. The Company is exploring the claims for potential kimberlite and banded iron formations.

(e) **Pistol Lake**

The Company had a 100% interest in a claim in the Pistol Lake area of Northern Saskatchewan. The Company expended $25,602 on staking and a total of $79,881 on exploration of the claim. The claim lapsed on January 10, 2014 and the Company has written off the entire project.

(f) **Povol Lake**

The Company had a 100% interest in a claim in the Povol Lake area of Northern Saskatchewan. The Company expended $2,055 in acquisition costs and a total of $133,798 on exploration of the claim. The claim lapsed on August 7, 2013 and the Company has written off the entire project.

(g) **Wrangler West Farm-out**

The Company has entered into a multi farm-out agreement with Wrangler West Energy Corp. of Calgary, Alberta. Under the terms of the farm-out agreement, the Company was required to drill, complete, test or abandon test wells on or before December 31, 2009. The Company earned a 50% interest in the drilling of two wells. During the 2011 fiscal year, the operator elected to abandon one of the wells. As a result, the costs associated with that well were written off to operations.

7. Capital Stock and Other Equity Reserve

The authorized capital stock of the Company is an unlimited number of common shares and unlimited number of preferred shares issuable in series. As at October 31, 2013, the Company had 22,485,085 common shares outstanding.

The Company did not issue any shares during the years ending October 31, 2013 and October 31, 2012.

<u>Stock Options</u>

The Company has established a stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, and contractors of the Company as well as persons providing ongoing services to the Company. The aggregate number of shares issuable under the plan shall not exceed 10% of the issued and outstanding common shares of the Company. Unless otherwise determined by the board of directors of the Company (the “Board”), the exercise price of options equals at least the closing price of the common shares on the day prior to the date of the grant. Stock options vest in accordance with the determination of the Board at the time of the grant and may be granted for up to a ten year term.

(Expressed in Canadian Dollars)

7. Capital Stock and Other Equity Reserve – continued

A summary of the Company's outstanding stock options as at October 31, 2013 is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding October 31, 2011	1,016,667	$ 0.48
Expired	(200,000)	0.30
Issued	333,333	0.30
Outstanding October 31, 2012	1,150,000	$ 0.45
Expired	(150,000)	1.44
Forfeited	(500,000)	0.30
Outstanding and exercisable, October 31, 2013	500,000	$ 0.30

Number of Shares Under Option	Exercisable	Exercise Price	Remaining life (years)	Expiry Date
500,000	500,000	$ 0.30	6.33	February 29, 2020
500,000	500,000			

<u>Options Granted</u>

During the year ended October 31, 2013, the Company granted no stock options.

During the year ended October 31, 2012 the Company granted 333,333 stock options exercisable at a price of $0.30 per share for a period of 5 years from the date of grant, and recorded $10,880 in share-based compensation expense during the year ended October 31, 2012. The fair value per option granted during the year was $0.01. These options were forfeited on August 7, 2012 and expired November 7, 2012.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the year:

	October 31 2013	October 31 2012
Risk-free interest rate	N/A	1.40%
Expected life of options	N/A	5 years
Annualized volatility	N/A	75%
Weighted average share price	N/A	0.03
Expected forfeitures	N/A	0%
Dividend rate	N/A	0%

<u>Warrants</u>

The Company had no warrants issued or outstanding as at October 31, 2013 and October 31, 2012.

(Expressed in Canadian Dollars)

8. Income Taxes

A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

	For the years ended October 31, 2013	October 31, 2012
Net loss before income taxes	$ (653,316)	$ (222,400)
Expected income tax (recovery)	$ (167,000)	$ (56,000)
Changes in statutory rates and other	(20,000)	(33,000)
Permanent difference	-	3,000
Changes in unrecognized deductible temporary difference	187,000	86,000
Total deferred tax recovery	$ -	$ -

The Canadian income tax rate declined during the year due to changes in the law that reduced corporate income tax in Canada.

The significant components of the Company's deferred tax assets and liabilities that have not been included on the financial statements are as follows:

Deferred Tax Assets (Liabilities)	**October 31, 2013**	**October 31, 2012**
Exploration and evaluation assets	$ 141,000	$ 120,000
Allowable capital losses	12,000	12,000
Non-Capital losses	533,000	368,000
	686,000	500,000
Unrecognized deferred tax assets	(686,000)	(500,000)
Net deferred tax assets	$ -	$ -

Significant components of deductible and taxable temporary differences, unused tax losses and unused tax credits that have not been included on the statement of financial position are as follows:

	October 31, 2013	**Expiry dates**	**October 31, 2012**	**Expiry dates**
Exploration & evaluation assets	$ 374,000	No expiry	$ 303,000	No expiry
Investment tax credit	59,000	2020-2033	59,000	2020-2032
Equipment	2,000	No expiry	-	No expiry
Allowable capital losses	46,000	No expiry	46,000	No expiry
Non-capital losses available for future periods	2,051,000	2014-2032	1,475,000	2014-2032

(Expressed in Canadian Dollars)

9. Related Party Transactions

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies owned by these individuals.

Remuneration attributed to key management personnel can be summarized as follows:

	For the years ended October 31, 2013	2012
Short-term benefits*	$ 317,090	$ 78,086
	$ 317,090	**$ 78,086**

*include base salaries, pursuant to contractual employment or consultancy and management arrangements, included in consulting fees and management fees

Other related parties

Related parties include Shane Resources Ltd. and Karoo Exploration Corp. (formerly United Uranium Corp.), which share a common director with the Company. Paradigm Portfolio Management Corp. is owned by a director of the Company.

Transactions entered into with related parties other than key management personnel include the following:

	For the years ended October 31, 2013	2012
Premise and office expenses paid or accrued to Paradigm Portfolio Management Corp.	$ 7,782	$ 13,333
Capital assets purchased from Paradigm Portfolio Management Corp.	5,775	-
Premise and office expenses paid or accrued to Shane Resources Ltd.	3,667	1,423
	$ 17,224	$ 14,756

As at October 31, 2013, accounts payable and accrued liabilities includes $Nil (October 31, 2012 - $1,750) due to Shane Resources Ltd., and $Nil due to other related parties (October 31, 2012 - $16,745).

The amounts due to and from related parties are non-interest bearing, with no fixed terms of repayment.

10. Financial and Capital Risk Management

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

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash is all held at large Canadian financial institution in interest bearing accounts. The Company has no investment in asset-backed commercial paper.

The Company's receivables consist mainly of GST receivable due from the government of Canada. The Company does not believe it is exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company endeavors to manage liquidity risk by maintaining sufficient cash and short-term investment balances for settlement of its obligations. Liquidity requirements are managed based on expected cash flow to ensure there is sufficient capital in order to meet short-term obligations.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is low because the Company no longer has any marketable securities or short-term investments.

b) Foreign currency risk

As at October 31, 2013, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As a result, the Company believes its currency risk to be minimal.

10. Financial and Capital Risk Management - continued

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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 and evaluation of its exploration and evaluation assets, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its 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, issue debt or acquire or dispose of assets.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

11. Segment Information

The Company operates in one reportable segment, being the acquisition, exploration and evaluation of mineral resources. All of the Company's equipment and exploration and evaluation assets are located in Canada.

12. Commitment

The Company entered into a lease agreement for its office premises. The lease will expire on June 30, 2014. The lease commitment for 2014 is $20,500.

13. Subsequent Events

On November 27, 2013 the Company signed a Joint Venture Agreement with Lakeland Resources Inc. ("Lakeland") granting Lakeland an option to acquire a 100% interest in the Black Lake property. Under the terms of the joint venture agreement, Lakeland has the right to earn a 100% interest in the two claims by making cash payments totaling $60,000 and issuing 600,000 common shares over a 12 month period. The Company will retain the option of a 25% buyback for 4 times the exploration monies spent by Lakeland to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90-day period following the completion and publication of a 43-101 compliant resource estimate.

13. Subsequent Events - continued

On December 4, 2013 the Company entered into a definitive option and joint venture agreement (the "Agreement") with Great Western Minerals Group Ltd. ("GWMG") pursuant to which the Company has the right and option to acquire up to a 51% participating interest (the "Interest") in the mineral and other related rights in and to GWMG's Hoidas Lake Rare Earth Project (the "Hoidas Lake Project"), an area comprised of fourteen mineral claims totaling approximately 12,522 hectares and related property in northern Saskatchewan. The Company's right to acquire the Interest is segregated into two tranches. The Company has the right to acquire a 25% participating interest in the Hoidas Lake Project by funding and completing a preliminary economic assessment in respect of the Hoidas Lake Project within two years. Upon successfully exercising the first tranche and acquiring a 25% participating interest, the Company will have the right to acquire a 26% participating interest in the Hoidas Lake Project by funding and completing a "bankable" feasibility study in respect of the Hoidas Lake Project within four years of the acquisition by the Company of the initial 25% participating interest in the Hoidas Lake Project.

On December 17, 2013 the Company entered into an asset purchase agreement (the "Purchase and Sale Agreement") with Shane Resources Ltd. ("Shane"), whereby the Company agreed to purchase the Don's Lake, Munroe and Brownell claims held by Shane, as well as a 1% net smelter royalty granted by Golden Band Resources Inc. (the "Purchased Assets"). Under the terms of the Purchase and Sale Agreement, the Company has agreed to purchase the Purchased Assets for an aggregate consideration of $655,000, payable as to $55,000 in cash and the balance in common shares of the Company (the "Consideration Shares").

On December 24, 2013 the Company received the TSX Venture Exchange's ("TSXV") approval to voluntarily delist from the TSXV effective as of the close of business on December 24, 2013. The Company will commence trading on the Canadian Stock Exchange (the "CSE") as of the open of business on December 27, 2013 under the trading symbol "SUV".

On December 27, 2013 prior to listing on the CSE, the Company completed its share consolidation, on the basis of three (3) pre-consolidation common shares for one (1) post-consolidation common share (the "Consolidation"), as was approved by shareholders at the Annual and Special meeting held on August 27, 2013. All common share, warrant and stock option balances reported in these financial statements have been adjusted to reflect post share-consolidation balances.

On December 31, 2013 the Company completed a non-brokered private placement offering of Units at a price of $0.24 per Unit for aggregate gross proceeds of $476,392.08. Each Unit is comprised of three (3) Flow Through Shares, one (1) Non-Flow Through Share and one half of one (1/2) Common Share purchase warrant. The private placement involved the issue of 7,939,868 common shares and 992,484 warrants. Each Warrant is exercisable for a period of two (2) years from the date of issuance at an exercise price of $0.09 for the first year and $0.105 for the second year.

The Company issued incentive stock options to directors and management totaling 2,100,000 common shares, effective February 11, 2014. The options are priced at $0.08 per share and are vesting on June 11, 2014, and expire on February 11, 2019.