KAZAX MINERALS INC.

Consolidated Interim Financial Statements
For the three and six months ended
September 30, 2012

(Unaudited – Expressed in Canadian dollars)

NOTICE TO READER

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

The accompanying un-audited consolidated 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 consolidated financial statements by an entity’s auditor.

Vancouver, Canada

November 29, 2012

KAZAX MINERALS INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Expressed in Canadian Dollars)

	September 30, 2012 (Unaudited)	March 31, 2012 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 3)	$ 13,602,902	$ 20,927,673
Amounts receivable	115,541	47,441
Prepaid expenses and other (Note 4 & 12)	107,354	634,631
Due from affiliates (Note 12)	1,609,328	-
	15,435,125	21,609,745
Reclamation bond (Note 5)	5,000	5,000
Equipment (Note 6)	76,761	29,993
Deferred acquisition costs	288,189	288,189
	$ 15,805,075	$ 21,932,927
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities (Note 7 & 12)	$ 1,274,414	$ 1,955,040
SHAREHOLDERS' EQUITY		
Share capital (Note 9)	25,642,807	13,605,508
Subscription receipts (Note 9(b))	-	12,020,000
Contributed surplus reserve	-	74,231
Deficit	(11,112,146)	(5,721,852)
	14,530,661	19,977,887
	$ 15,805,075	$ 21,932,927

COMMITMENT (Note 13)
SUBSEQUENT EVENT (Note 14)

Approved on Behalf of the Board of Directors:

"David Savage" Director

"Anton Drescher" Director

The accompanying notes form an integral part of these consolidated interim financial statements.

KAZAX MINERALS INC.

CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited – Expressed in Canadian Dollars)

	For the Three Months Ended September 30		For the Six Months Ended September 30	
	2012	2011	**2012**	2011
EXPENSES				
Project development expenditures (Note 8 & 12)	$ **2,714,514**	$ –	$ **4,521,978**	$ –
Accounting, audit and legal	**49,158**	15,977	**70,694**	16,698
Advertising and promotion	**26,239**	–	**57,989**	–
Amortization	**5,559**	–	**8,119**	–
Consulting fees	**27,343**	–	**84,004**	–
Directors fees	**11,250**		**11,250**	–
Filing and transfer agent fees	**3,838**	3,808	**11,928**	4,831
Foreign exchange gain	**114,505**	–	**98,289**	–
General office and admin	**79,200**	15,436	**136,402**	30,715
Insurance	**6,857**	2,151	**22,738**	4,194
Travel, meals and entertainment	**123,318**	–	**205,824**	–
Wages and benefits (Note 12)	**450,603**	–	**331,372**	–
LOSS BEFORE OTHER ITEMS	**(3,612,384)**	(37,372)	**(5,560,587)**	(56,438)
Interest income	**51,314**	–	**113,361**	–
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	$ **(3,561,070)**	$ (37,372)	$ **(5,447,226)**	$ (56,438)
BASIC AND DILUTED LOSS PER COMMON SHARE	$ **(0.03)**	$ (0.00)	$ **(0.05)**	$ (0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	**127,756,159**	8,314,300	**103,035,109**	8,260,383

The accompanying notes form an integral part of these consolidated interim financial statements.

KAZAX MINERALS INC.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(Unaudited – Expressed in Canadian Dollars)

For the six months ended September 30,		2012		2011
OPERATIONS				
Loss for the period	**$**	**(5,447,226)**	$	(56,438)
Items not affecting cash:				
Amortization		**8,119**		–
Foreign exchange		**98,289**		–
Changes in non-cash operating working capital items:				
Amounts receivable		**(68,100)**		(650)
Prepaid expenses and other		**527,277**		3,726
Due from affiliates		**(1,609,328)**		–
Accounts payable		**(680,626)**		(26,031)
		(7,269,884)		(79,393)
INVESTING				
Purchase of equipment		**(54,887)**		–
Mineral property expenditures		**–**		(6,586)
		(54,887)		(6,586)
FINANCING				
Proceeds from share issuance		**–**		49,500
CHANGE IN CASH AND CASH EQUIVALENTS		**(7,324,771)**		(36,479)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		**20,927,673**		39,964
CASH AND CASH EQUIVALENTS, END OF PERIOD	**$**	**13,602,902**	$	3,485
Supplemental cash flow information:				
Interest paid	**$**	**–**	$	–
Income taxes paid	**$**	**–**	$	–
Non-cash transactions				
Fair value of warrants exercised	**$**	**17,299**	$	–
Fair value of options forfeited	**$**	**56,932**	$	–

The accompanying notes form an integral part of these consolidated interim financial statements.

KAZAX MINERALS INC.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Unaudited – Expressed in Canadian Dollars)

	Number of Common Shares	Share Capital Amount	Subscription Receipts	Contributed Surplus Reserve	Deficit	Total Equity
As at March 31, 2011	**8,050,000**	**706,277**	**–**	**128,914**	**(391,314)**	**443,877**
Exercise of stock options	300,000	49,500	–	–	–	49,500
Fair value of options exercised	–	41,012	–	(41,012)	–	
Net loss for the period	–	–	–	–	(17,843)	(17,843)
As at September 30, 2011	**8,350,000**	**$ 796,789**	**$ –**	**$ 87,902**	**$ (409,157)**	**$ 475,534**
As at March 31, 2012	**78,025,000**	**13,605,508**	**12,020,000**	**74,231**	**(5,721,852)**	**19,977,887**
Subscription receipts converted to shares	60,100,000	12,020,000	(12,020,000)	–	–	–
Exercise of share purchase warrants	83,333		–	–	–	–
Fair value of warrants exercised	–	17,299	–	(17,299)	–	–
Fair value of forfeited options	–	–	–	(56,932)	56,932	
Net loss for the period	–	–	–	–	(5,447,226)	(5,447,226)
As at September 30, 2012	**138,208,333**	**$25,642,807**	**$ –**	**$ –**	**$ (11,112,146)**	**$14,530,661**

The accompanying notes form an integral part of these consolidated interim financial statements.

1. CORPORATE INFORMATION

KazaX Minerals Inc. (formerly Newbridge Capital Inc.) (the "Company") was incorporated under the Business Corporations Act of British Columbia on September 12, 2005. The Company's shares are listed for trading on the TSX Venture Exchange under the symbol KZX.

The address of the Company's corporate office and principal place of business is 1010 – 1130 West Pender Street, Vancouver, British Columbia, V6E 4A4.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance:

These Interim Financial Statements are unaudited and have been prepared in accordance with IAS 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The Financial Statements were approved by the board of directors of the Company on November 29, 2012.

(b) Basis of Presentation:

The Interim Financial Statements have been prepared on the historical cost basis. In addition, these Interim Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These Interim Financial Statements do not include all of the information required for annual financial statements.

The significant accounting policies for the quarter are consistent with those disclosed in the audited annual financial statements for the year-ended March 31, 2012. The Interim Financial Statements should be read in conjunction with the Company's audited consolidated financial statements for the year-ended March 31, 2012.

(c) New standards, amendments and interpretations not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards, amendments and interpretations not yet effective: (continued)

New accounting standards effective April 1, 2013

IFRS 10 *Consolidated Financial Statements* - IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 *Consolidation - Special Purpose Entities* and parts of IAS 27 *Consolidated and Separate Financial Statements.*

IFRS 11 *Joint Arrangements* - IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities - Non-monetary Contributions by Venturers*.

IFRS 12 *Disclosure of Interests in Other Entities* - IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 *Fair Value Measurement* - IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is 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. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

Amendments to other standards - In addition, there have been other amendments to existing standards, including IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*. 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 to IFRS 13.

Amendments to IAS 1 *Presentation of Financial Statements* - The IASB has amended IAS 1 to require entities to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not items may be reclassified into profit or loss in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately.

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* - IFRIC 20 addresses the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. Stripping activity may result in two types of benefits: i) inventory produced and ii) improved access to ore that will be mined in the future. Stripping costs associated with inventory production should be accounted for as a current production cost in accordance with IAS 2 Inventories, and those associated with improved access to ore should be accounted for as an addition to, or enhancement of, an existing asset.

(Unaudited – Expressed in Canadian Dollars)

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

New standards, amendments and interpretations not yet effective: (continued)

Each of the new standards, IFRS 10 to 13, IFRIC 20 and the amendments to other standards, is effective for the Company beginning on April 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new standards will have on its financial statements or whether to early adopt any of the new requirements.

New accounting standards effective April 1, 2015

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

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 9 is effective for annual periods beginning on or after January 2015 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of:

		September 30, 2012		March 31, 2012
Canadian dollar denominated deposits	$	24,448	$	20,899,936
US dollar denominated deposits		1,838,144		4,993
EUR denominated deposits	-	1,691		22,744
Canadian dollar cashable investment certificates		11,742,001		-
	$	**13,602,902**	**$**	**20,927,673**

(Unaudited – Expressed in Canadian Dollars)

4. PREPAID EXPENSES

The Company had paid for development activities for the Lomonosovskoye Project described in Note 8. The Company's previous unexpended balance paid was recorded in prepaid expenses as follows:

		September 30, 2012		March 31, 2012
Prepaid project expenditures to a related party	$	-	$	560,684
Other prepaid expenses		107,354		73,947
	$	**107,354**	**$**	**634,631**

5. RECLAMATION BOND

The $5,000 reclamation bond is in the form of a BMO Bank of Montreal Safe Keeping Agreement ("SKA"). The amount will be held by BMO Bank of Montreal until such time as the Company reclaims the surface of the land affected by the Treadwell project exploration program. At that time the Company can apply to the BC Ministry of Mines to have the amount refunded.

(Unaudited – Expressed in Canadian Dollars)

6. EQUIPMENT

Equipment consists of the following:

Cost		Computer software		Computer hardware		Furniture and fixtures		Leaseholds		Total
As at March 31, 2011	$	-		-		-		-		-
Addition		6,635		4,604		18,754		-		29,993
Disposals		-		-		-		-		-
As at March 31, 2012		6,635		4,604		18,754		-		29,993
Addition		-		18,564		15,751		20,572		54,887
Disposals		-		-		-		-		-
As at September 30, 2012	$	6,635	$	23,168	$	34,505	$	20,572	$	84,880

Accumulated amortization		Computer software		Computer hardware		Furniture and fixtures		Leaseholds		Total
As at March 31, 2011	$	-		-		-		-		-
Addition		-		-		-		-		-
Disposals		-		-		-		-		-
As at March 31, 2012		-		-		-		-		-
Addition		1,659		2,083		2,663		1,714		8,119
Disposals		-		-		-		-		-
As at September 30, 2012	$	1,659	$	2,083	$	2,663	$	1,714	$	8,119

Net book value		Computer software		Computer hardware		Furniture and fixtures		Leaseholds		Total
As at March 31, 2011	$	-	$	-	$	-	$	-	$	-
As at March 31, 2012	$	6,635	$	4,604	$	18,754	$	-	$	29,993
As at September 30, 2012	$	4,976	$	21,085	$	31,842	$	18,857	$	76,761

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Account payable and accrued liabilities are comprised of:

		September 30, 2012		March 31, 2012
Payables	$	986,385	$	183,221
Payables to related parties		288,029		1,771,819
	$	**1,274,414**	**$**	**1,955,040**

8. PROJECT DEVELOPMENT EXPENDITURES

Lomonosovskoye Iron Ore Project, Kazakhstan (the "Project")

The Project is located in the northwest corner of the Republic of Kazakhstan in the Kostanay Region, 618 kms northwest of the country's capital of Astana and 50 kms west-southwest of the regional capital of Kostanay. The Company intends to acquire 99.9% of the exploration and production rights to the iron ore Project. On October 16, 2012, the Company announced a restructuring of the Share Purchase Agreement – See Note 15 for details. Pre-acquisition project development costs of $9,078,588 have been expensed as the Company has not yet closed this transaction to acquire the Project.

Project payment terms

The payment terms below outline the original SPA amounts. Revised terms disclosed in Note 15.

The first payment is USD $18,768,000 comprising a cash payment of USD $14,152,800 and the number of common shares of the Company equal to dividing the sum of USD $4,615,200 by Cdn$0.20 per share (the "First Installment"). The payment and share issue are due on closing.

The second installment is a milestone payment and is the sum of USD $25,760,000 comprising a cash payment of USD $22,190,000 and that number of common shares of the Company equal to dividing the sum of USD $3,570,000 by the volume weighted average trading price of the Company's share for the 5 consecutive trading days ending on the trading day preceding the date the Company issues the shares as payment (the "Second Installment").

The third installment is a milestone payment and is the sum of USD $25,760,000 comprising a cash payment of USD $22,190,000 and that number of common shares of the Company equal to dividing the sum of USD $3,570,000 by the volume weighted average trading price of the Company's share for the 5 consecutive trading days ending on the trading day preceding the date the Company issues the shares (the "Third Installment").

The Second Installment is due on or before thirty (30) business days following receipt by the Company of the results of tests by an independent laboratory to confirm to the Company's satisfaction, acting reasonably, the iron ore product quality (the "Quality Test").

The Third Installment is due on or before thirty (30) business days following receipt by the Company of the results of a drilling program confirming, to the Company's satisfaction, acting reasonably, the level of certainty of the historical mineral resources and the completion by the Company of a resource estimate to be conducted by and under the supervision of an independent qualified person and senior resource geologist (collectively the "Resource Estimate").

In the event the Company is not satisfied with either the Quality Test or the Resource Estimate, the Company has the right, up to and including September 12, 2012, to sell back the Project to the vendor and the vendor is obligated to purchase the Project for the amount equal to the First Instalment (and the Second Instalment if previously paid by the Company) less certain expenses incurred.

A finder's fee is payable in installments to a third party for introducing the Project to the Company. The payments are**:**

1. USD $1,662,464 upon approval of the Project by the Kazakhstan authorities;
2. USD $1,766,368 upon the payment of the Second Installment; and
3. USD $1,766,368 upon the payment of the Third Installment.

The Company also agreed to reimburse a prior potential acquirer of the Project for earlier exploration activities and related data, and this amount is included in project development expenses and is recorded in accounts payable and accrued liabilities as at September 30, 2012.

(Unaudited – Expressed in Canadian Dollars)

8. PROJECT DEVELOPMENT EXPENDITURES (continued)

In order to close the acquisition of the Project, the Company requires the approval of the Kazakhstan authorities. All applicable submissions have been made to the appropriate authorities in Kazakhstan; however, there can be no assurance that the Company will receive the necessary approvals. In addition, the Company has completed discussions to revise the ownership structure and payment terms, which will require further approval by the parties and the TSX Venture Exchange (Note 15).

Project development expenditures during the period:

	3 Months Ended	6 Months Ended
Project management	$ 1,617,312	$ 2,841,110
Reserve confirmation	717,449	1,150,670
Travel	379,753	530,198
Total for the period ended September 30, 2012	$ 2,714,514	$ 4,521,978

9. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value.

(b) In March 2012, the Company completed a private placement financing for gross proceeds of $24,885,000 by issuing a total of 124,425,000 securities of the Company comprised of 64,325,000 shares issued at $0.20 per share and 60,100,000 subscription receipts issued at $0.20 per receipt which were converted into one share of the Company on July 16, 2012.

A share commission of 5,000,000 shares has been issued to an arms-length party as consideration for arranging a portion of the private placement.

(c) Issued and fully paid

	Number of Common Shares	Share Capital Amount
As at March 31, 2011	8,050,000	706,277
Private placement	64,325,000	12,865,000
Shares issues as finder's fees	5,000,000	1,000,000
Exercise of share purchase warrants	250,000	30,000
Exercise of stock options	400,000	66,000
Fair value of options exercised	-	54,683
Share issue costs	-	(1,116,452)
As at March 31, 2012	78,025,000	13,605,508
Subscription receipts converted to shares	60,100,000	12,020,000
Exercise of share purchase warrants	83,333	-
Fair value of warrants exercised	-	17,299
As at September 30, 2012	138,208,333	25,642,807

(Unaudited – Expressed in Canadian Dollars)

9. SHARE CAPITAL (continued)

(d) Share Purchase Warrants

A summary of the Company's share purchase warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, March 31, 2011	4,950,000	$ 0.13
Exercised	(250,000)	0.12
Balance, March 31, 2012	4,700,000	0.13
Exercised	(83,333)	0.12
Balance, September 30, 2012	4,616,667	$ 0.13

Share purchase warrants outstanding are summarized as follows:

Number of Shares	Exercise Price	Expiry Date
200,000	$ 0.40	March 12, 2013
4,416,667	$ 0.12	March 11, 2015
4,616,667		

(e) Escrow Shares

At September 30, 2012 a total of 165,000 common shares issued and outstanding were held in escrow. Pursuant to an escrow agreement effective on the initial public offering, 10% of the escrowed shares were released on the issuance of the Final Exchange Bulletin for the TSX Venture Exchange's acceptance of a Qualifying Transaction, and 15% will be released every six months thereafter for a period of thirty-six months. The last tranche will be released on March 12, 2013.

10. STOCK OPTION PLAN

The Company has adopted a stock option plan applicable to directors, employees, and consultants, under which the total outstanding stock options are limited to 10% of the outstanding common shares of the Company at any one time. Under the plan, the exercise price of an option shall not be less than the discounted market price at the time of granting, or as permitted by the policies of the Exchange, and an option's maximum term is five years from the grant date.

	Number of Options	Weighted Average Exercise Price
Balance, March 31, 2011	400,000	0.165
Exercised	(400,000)	0.165
Balance, March 31, 2012 and September 30, 2012	–	$ –

(Unaudited – Expressed in Canadian Dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are categorized in a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash and cash equivalents, receivables, reclamation bond, due from affiliates, and accounts payable.

Financial instruments

Cash and equivalents are measured at fair value using level one as the basis for measurement in the fair value hierarchy. The carrying value of accounts payables approximate fair value because of the short-term nature of these instruments.

12. RELATED PARTY TRANSACTIONS

The Company has entered into a contract with a corporation which has Directors in common with the Company to manage the Project described in Note 8. A fee of 10% of expenditures is charged to the Company by the corporation and $521,839 (2011 - $Nil) for this fee is included in project development expenditures for the six months ended September 30, 2012.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the consideration established and agreed to by the related parties and are on terms and conditions similar to non-related parties.

	September 30, 2012	September 30, 2011
Directors fees	$ 11,250	$ –
Business development	4,954	–

The liabilities of the Company include the following balances with related parties:

	September 30, 2012	March 31, 2012
Prepaid expenses	$ –	$ 560,684
Due from affiliates	1,609,328	–
Accounts payable and accrued liabilities	288,029	219,774

The key management of the Company comprises of executives, with remuneration as follows:

	September 30, 2012	September 30, 2011
Remuneration and short-term benefits	$ 286,412	$ –

13. COMMITMENT

The Company is committed to pay cash and to issue shares in connection with the Project as described in Note 8.

14. SUBSEQUENT EVENT

On October 16, 2012, the Company announced a restructuring of the Share Purchase Agreement (SPA) for the purchase of 99.9% of beneficial interest of the Lomonosovskoye Limited Liability Partnership (LLLP). After the restructure the State Agency Tobol will take a 25% interest in the Project.

As a result, the value of Kazax's transaction is US$56,383,200 (previously US$75,483,200) with the following revised payments:

- Initial SPA payment of US$13,587,040 comprised of cash payment of US$6,933,784 and number of shares of the Company equal to US$4,615,200 divided by the deemed value of $0.20 per share and a Capital Gains Tax (CGT) payment of US$2,038,056. This payment and share issue to be made upon the closure of all the conditions precedent within the SPA.
- The balance of SPA cash payment (i.e., cash + CGT) totalling UD$30,460,960 made in eight (8) equal quarterly payments commencing on 30th of March 2013. CGT payments of US$5,640,144 are included within this balance of SPA cash payments
- The balance payable in shares of the Company equal to US$7,140,000 divided by volume weighted average trading price for the five days prior to the issue

The Conditions Precedent and other material terms and conditions within the SPA remain unchanged (Note 8).

The revised Share Purchase Agreement is subject to regulatory approval.