



EASTMAIN

EASTMAIN RESOURCES INC.

Condensed Interim Consolidated Financial Statements

Six months ended April 30, 2013

(Unaudited)

NOTICE TO SHAREHOLDERS

Responsibility for condensed interim consolidated financial statements:

The accompanying unaudited condensed interim consolidated financial statements for Eastmain Resources Inc. have been prepared by management in accordance with International Financial Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") appropriate to the circumstances and approved by the Audit Committee. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these unaudited interim consolidated financial statements have been fairly presented.

Auditors' involvement

The auditors of Eastmain Resources Inc. have not performed any review of the unaudited interim financial statements for the six months ended April 30, 2013 and April 30, 2012.

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EASTMAIN RESOURCES INC.

Condensed Interim Consolidated Statement of Financial Position (Unaudited)

	April 30, 2013	October 31, 2012
Assets		
Current assets		
Cash and cash equivalents (Note 4)	\$ 5,964,690	\$ 2,541,819
Marketable securities maturing in one year (Note 5)	2,650,084	2,629,701
Prepaid and sundry receivables (Note 6)	144,722	883,285
	8,759,496	6,054,805
Marketable securities (Note 5)	557,554	824,989
Property and equipment (Note 7)	103,247	116,538
Exploration and evaluation (Note 8)	55,699,326	52,845,179
	\$ 65,119,623	\$ 59,841,511
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities (Note 9)	\$ 266,245	\$ 1,381,323
Deferred premium on flow-through shares (Note 10)	1,261,318	-
	1,527,563	1,381,323
Deferred income taxes	2,769,072	2,815,792
Shareholders' equity		
Share capital	65,551,080	59,747,820
Warrants	30,757	30,757
Contributed surplus	10,960,200	10,960,200
Deficit	(15,719,049)	(15,094,381)
	60,822,988	55,644,396
	\$ 65,119,623	\$ 59,841,511

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.

Condensed Interim Consolidated Statement of Income (Loss) and Comprehensive Income (Loss) (Unaudited)

	Three months ended		Six months ended	
	April 30,		April 30,	
	2013	2012	2013	2012
Operating expenses				
General and administrative (Note 14)	\$ 289,005	\$ 488,492	\$ 551,199	\$ 751,060
Write down of mineral properties (Note 8)	-	-	-	634,142
Operating loss before the following	(289,005)	(488,492)	(551,199)	(1,385,202)
Interest and other income	52,096	202,702	69,612	247,710
Loss on marketable securities	(217,947)	(134,980)	(266,618)	(159,148)
Premium on flow-through shares	36,804	721,201	76,817	1,177,450
Net income (loss) before income taxes	(418,052)	300,431	(671,388)	(119,190)
Deferred income tax recovery (expense)	3,601	(206,263)	46,720	(242,225)
Net income (loss) and comprehensive net income (loss)	\$ (414,451)	\$ 94,168	\$ (624,668)	\$ (361,415)
Income (loss) per share (Note 15):				
Basic	\$ (0.004)	\$ 0.001	\$ (0.006)	\$ (0.004)
Diluted	\$ (0.004)	\$ 0.001	\$ (0.006)	\$ (0.004)

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.

Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

	Three months ended		Six months ended	
	April 30,		April 30,	
	2013	2012	2013	2012
	\$	\$	\$	\$
Operating activities				
Comprehensive net income (loss) for the period	(414,451)	94,168	(624,668)	(361,415)
Amortization	7,396	10,343	14,791	18,906
Loss on marketable securities	217,947	134,980	266,618	159,148
Premium on flow-through shares	(36,804)	(721,201)	(76,817)	(1,177,450)
Deferred income taxes	(3,601)	206,263	(46,720)	242,225
Stock-based compensation	-	158,250	-	158,250
Write down of mineral properties	-	-	-	634,142
Other receivables and prepaids	625,293	756,908	738,563	832,679
Accounts payable and other liabilities	(197,750)	(1,191,441)	(1,115,078)	(3,234,618)
	198,030	(551,730)	(843,311)	(2,728,133)
Financing activities				
Proceeds on issue of common shares	-	-	7,605,802	5,862,520
Proceeds on exercise of stock options	-	19,500	-	58,500
Share issue costs	-	(14,798)	(464,407)	(444,582)
	-	4,702	7,141,395	5,476,438
Investing activities				
Exploration and evaluation expenditures	(382,380)	(1,623,790)	(2,854,147)	(3,990,299)
Government exploration tax credits received	-	902,164	-	902,164
Purchase of property and equipment	-	(24,090)	(1,500)	(24,090)
Purchase of marketable securities	(161,633)	(161,103)	(1,397,066)	(1,526,460)
Proceeds on sale and redemption of marketable Securities	148,400	145,300	1,377,500	1,501,800
	(395,613)	(761,519)	(2,875,213)	(3,136,885)
Change in cash and cash equivalents	(197,583)	(1,308,547)	3,422,871	(388,580)
Cash and cash equivalents, beginning of the period	6,162,273	12,449,201	2,541,819	11,529,234
Cash and cash equivalents, end of the period	5,964,690	11,140,654	5,964,690	11,140,654

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.

Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited)

	Reserves		Reserves		Shareholders' equity \$
	Common shares #	Warrants #	Contributed surplus \$	Deficit \$	
Balance as at November 1, 2012	97,917,874	156,926	10,960,200	(15,094,381)	55,644,396
Private placements	8,709,133		7,605,802		7,605,802
Share issue expenses			(464,407)		(464,407)
Premium on issue of flow-through shares			(1,338,135)		(1,338,135)
Comprehensive loss for the period				(624,668)	(624,668)
Balance as at April 30, 2013	106,627,007	156,926	10,960,200	(15,719,049)	60,822,988
	Reserves				
	Common shares #	Warrants #	Contributed surplus \$	Deficit \$	Shareholders' equity \$
Balance as at November 1, 2011	94,968,933	313,140	10,208,716	(16,004,057)	51,044,226
Private placements	2,698,941		5,862,520		5,862,520
Share issue expenses			(444,582)		(444,582)
Premium on issue of flow-through shares			(2,613,502)		(2,613,502)
Exercise of stock options	75,000		82,575	(24,075)	58,500
Stock option compensation			158,250		158,250
Warrants issued		156,926	30,757		-
Warrants expired		(229,140)	(100,440)		-
Comprehensive loss for the period				(361,415)	(361,415)
Balance as at April 30, 2012	97,742,874	240,926	10,443,331	(16,365,472)	53,703,997

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements
Second Quarter Report - April 30, 2013

1. NATURE OF OPERATIONS AND GOING CONCERN

Eastmain Resources Inc. (the "Company" or "Eastmain") and its wholly-owned subsidiary, Eastmain Mines Inc., are engaged in the acquisition and exploration of resource properties within Canada. The Company is a publicly-held company incorporated under the Business Corporations Act (Ontario) and its common shares are listed on the Toronto Stock Exchange.

The Company is in the exploration stage and has not yet determined whether its exploration and evaluation assets contain reserves that are economically recoverable. The continued operations of the Company and the recoverability of amounts shown for its exploration and evaluation assets is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its exploration and evaluation assets, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its exploration and evaluation assets. The amount shown for exploration and evaluation assets does not necessarily represent present or future value. Changes in future conditions could require a material change in the amount recorded for the exploration and evaluation assets.

These unaudited consolidated financial statements are prepared on the basis that the Company will continue as a going-concern, which assumes that the Company will be able to continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration-stage Company, the Company does not have any sources of revenue and historically has incurred recurring operating losses. As at April 30, 2013, the Company had working capital of \$7,231,933 and shareholders' equity of \$60,822,988. Management has assessed that this working capital is sufficient for the Company to continue as a going concern beyond one year. If the going-concern assumption were not appropriate for these unaudited consolidated financial statements it would be necessary to restate the Company's assets and liabilities on a liquidation basis.

The Company's registered office address is 36 Toronto Street, Suite 1000, Toronto, Ontario, Canada M5C 2C5.

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the IASB, have been condensed or omitted and these unaudited condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended October 31, 2012.

The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended October 31, 2012.

In the preparation of these unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis, based on historical experience and other factors that are considered to be relevant under the circumstances. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in Notes 5(b) 8, 11(a) and 11(b).

Basis of consolidation

These unaudited condensed interim consolidated financial statements incorporate the financial statements of the Company and its wholly-owned Canadian subsidiary Eastmain Mines Inc.

The results of subsidiaries acquired or disposed of during the periods presented are included in the consolidated statement of loss and comprehensive loss from the effective date of acquisition, and up to the effective date of disposal as appropriate. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

These unaudited condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on June 11, 2013.

3. RECENT ACCOUNTING PRONOUNCEMENTS

A number of new standards, amendments to standards and interpretations are effective for periods beginning on or after January 1, 2013. The Company has not yet assessed the impact of the standards or determined whether it will adopt the standards early.