

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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**TORON INC.**

CIK: **1484674** | IRS No.: **000000000** | State of Incorpor.: **NV** | Fiscal Year End: **0131**  
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SIC: **7389** Business services, nec

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended

October 31, 2012

or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

to

Commission File Number

333-165539

TORON, INC.

(Exact name of registrant as specified in its charter)

Nevada

N/A

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

1000 de La Gauchetiere Street West – 24<sup>th</sup> Floor, Montreal, Quebec

H3B 4W5

(Address of principal executive offices)

(Zip Code)

(514) 448-1508

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

YES  NO

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

YES  NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

201,290,000 common shares issued and outstanding as of December 24, 2012.

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**PART I - FINANCIAL INFORMATION**

**Item 1. Financial Statements**

Our unaudited consolidated interim financial statements for the three and nine month periods ended October 31, 2012 form part of this quarterly report. They are stated in United States Dollars (US\$) and are prepared in accordance with United States generally accepted accounting principles.

**TORON, INC. AND SUBSIDIARY**

(An Exploration Stage Company)

**CONSOLIDATED FINANCIAL STATEMENTS**

October 31, 2012

(UNAUDITED)

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**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
CONSOLIDATED BALANCE SHEETS

|   | (Unaudited)         |                     |
|---|---------------------|---------------------|
|   | October 31,<br>2012 | January 31,<br>2012 |
| <b>ASSETS</b>   |                     |                     |
| Current Assets  |                     |                     |
| Cash  | \$ –                | \$ 490              |
| Deferred financing costs (refer to Note 6)  | 1,532               | –                   |
| <b>Total Assets</b>   | <b>\$ 1,532</b>     | <b>\$ 490</b>       |
| <b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>  |                     |                     |
| Current Liabilities   |                     |                     |
| Bank indebtedness   | \$ 27               | \$ –                |
| Accounts payable and accrued liabilities  | 59,554              | 21,764              |
| Advances (refer to Note 4)  | 232,625             | 125,000             |
| Due to related parties (refer to Note 5)  | 23,790              | 29,034              |
| Derivative liability  | 31,811              | –                   |
| Convertible debt, less unamortized discount of \$26,185 (refer to Note 6)   | 11,315              | –                   |
| <b>Total Liabilities</b>  | <b>359,122</b>      | <b>175,798</b>      |
| Stockholders' Deficit   |                     |                     |
| Common stock, 250,000,000 shares authorized, \$0.001 par value;<br>201,290,000 and 187,790,000 shares issued and outstanding at October 31, 2012 and January 31, 2011, respectively | 201,290             | 187,790             |
| Additional paid-in capital  | 1,457,360           | 54,610              |
| Deficit accumulated during the development stage  | (53,843)            | (53,843)            |
| Deficit accumulated during the exploration stage  | (1,962,397)         | (363,865)           |
| <b>Total Stockholders' Deficit</b>  | <b>(357,590)</b>    | <b>(175,308)</b>    |
| <b>Total Liabilities and Stockholders' Deficit</b>  | <b>\$ 1,532</b>     | <b>\$ 490</b>       |

The accompanying notes are an integral part of these consolidated financial statements

**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

|   | For the three months ended<br>October 31, |                     | For the nine months ended<br>October 31, |                     | From January 3,<br>2008 (Inception) to<br>October 31, 2012 |
|---|---|---------------------|--|---------------------|--|
|   | 2012                                      | 2011                | 2012                                     | 2011                |  |
| <b>Operating Expenses</b>                     |   |                     |  |                     |  |
| Consulting fees                               | \$ 15,400                                 | \$ 11,712           | \$ 56,200                                | \$ 11,712           | \$ 93,377  |
| Professional fees                             | 2,792                                     | 15,085              | 35,429                                   | 15,085              | 69,992   |
| Transfer agent and filing fees                | 7,756                                     | 579                 | 14,552                                   | 579                 | 17,212   |
| General and administrative                    | 51  | 1,264               | 1,041                                    | 1,264               | 3,247  |
| Foreign currency loss                         | 60  | –                   | 405                                      | –                   | 864  |
| Exploration costs                             | –   | –                   | 7,149                                    | –                   | 7,149  |
| Impairment loss on mineral properties         | –   | 103,000             | 1,438,750                                | 103,000             | 1,725,550  |
| <b>Total Operating Expenses</b>               | <b>26,059</b>                             | <b>131,640</b>      | <b>1,553,526</b>                         | <b>131,640</b>      | <b>1,917,391</b>   |
| <b>Other Expenses</b>                         |   |                     |  |                     |  |
| Loss on derivative liability                  | 23,026                                    | –                   | 31,811                                   | –                   | 31,811   |
| Accretion of discount on convertible debt     | 5,379                                     | –                   | 11,315                                   | –                   | 11,315   |
| Amortization of deferred financing costs      | 834                                       | –                   | 968                                      | –                   | 968  |
| Interest expense                              | 756                                       | –                   | 912                                      | –                   | 912  |
| <b>Total Other Expenses</b>                   | <b>29,995</b>                             | <b>–</b>            | <b>45,006</b>                            | <b>–</b>            | <b>45,006</b>  |
| <b>Loss From Continuing Operations</b>        | <b>(56,054)</b>                           | <b>(131,640)</b>    | <b>(1,598,532)</b>                       | <b>(131,640)</b>    | <b>(1,962,397)</b>   |
| <b>Loss from Discontinued Operations</b>      | <b>–</b>                                  | <b>–</b>            | <b>–</b>                                 | <b>(34,643)</b>     | <b>(53,843)</b>  |
| <b>Net Loss</b>                               | <b>\$ (56,054)</b>                        | <b>\$ (131,640)</b> | <b>\$ (1,598,532)</b>                    | <b>\$ (166,283)</b> | <b>\$ (2,016,240)</b>                                      |
| <b>Net Loss Per Share</b>                     |   |                     |  |                     |  |
| Continuing Operations                         | \$ (0.00)                                 | \$ (0.00)           | \$ (0.01)                                | \$ (0.00)           |  |
| Discontinued Operations                       | \$ (0.00)                                 | \$ (0.00)           | \$ (0.00)                                | \$ (0.00)           |  |
| <b>Net Loss Per Share – Basic and Diluted</b> | <b>\$ (0.00)</b>                          | <b>\$ (0.00)</b>    | <b>\$ (0.01)</b>                         | <b>\$ (0.00)</b>    |  |
| <b>Weighted Average Shares Outstanding</b>    |   |                     |  |                     |  |
| – Basic and Diluted                           | 201,290,000                               | 186,026,000         | 199,004,000                              | 185,869,000         |  |

The accompanying notes are an integral part of these consolidated financial statements





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The accompanying notes are an integral part of these consolidated financial statements

F-3

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**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
**October 31, 2012**  
(Unaudited)

**NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION**

Toron Inc. (the "Company") was incorporated in the State of Nevada on January 3, 2008. The Company was originally organized to develop and operate a web based resale business for domain names. On September 15, 2011, the Company incorporated its wholly-owned subsidiary, Toron Resources Inc. As a result, as of September 15, 2011 the Company is now engaged in the acquisition and exploration of mineral properties, and is in the Exploration Stage.

These consolidated financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States and are expressed in United States (US) dollars. The Company has not produced any revenue from its principal business and is an exploration stage company. Refer to Note 8 for factors affecting the Company's ability to continue as a going concern.

The balance sheet as of October 31, 2012 and the statements of operations and cash flows for the periods presented have been prepared by the Company and are unaudited. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows for all periods presented have been made.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

Principles of Consolidation

These consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States and are expressed in US dollars. The Company's fiscal year end is January 31. The consolidated financial statements include the accounts of Toron Inc. and its 100% owned subsidiary, Toron Resources Inc. All significant intercompany balances and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of these financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Long-Lived Assets

In accordance with ASC 360, *Property, Plant, and Equipment*, the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value.

Asset Retirement Obligations

The Company follows the provisions of ASC 410 – 20, *Asset Retirement Obligations* which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment or other disposal of long-lived tangible assets arising from the acquisition, construction or development and for normal operations of such assets. As at October 31, 2012, the Company does not have any asset retirement obligations.

**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
**October 31, 2012**  
(Unaudited)

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

Mineral property acquisition and exploration costs

The cost of acquiring mineral properties or claims is initially capitalized and then tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Mineral exploration costs are expensed as incurred.

Comprehensive Income

ASC 220, *Comprehensive Income* establishes standards for the reporting and display of comprehensive income and its components in the financial statements. During the nine months ended October 31, 2012 and 2011, the Company had no items that represent other comprehensive income.

Foreign Currency Translation

The Company's functional and reporting currency is the US dollar as substantially all of the Company's operations are in United States.

Assets and liabilities that are denominated in a foreign currency are translated at the exchange rate in effect at the year end and capital accounts are translated at historical rates.

Income statement accounts are translated at the average rates of exchange prevailing during the period. Translation adjustments from the use of different exchange rates from period to period are included in the Comprehensive Income statement account in Stockholder's Equity, if applicable.

Transactions undertaken in currencies other than the functional currency of the entity are translated using the exchange rate in effect as of the transaction date. If applicable, exchange gains and losses are included in general and administrative expense on the Statement of Operations.

Basic and Diluted Loss Per Share

The Company computes basic loss per share by dividing the net loss by the weighted average common shares outstanding during the period. There are no potential common shares; accordingly, diluted and basic loss per share amounts are the same.

Fair Value of Financial Instruments

The Company's financial instruments consists of cash, bank indebtedness, accounts payable and accrued liabilities, advances, due to related parties and convertible debt. Due to the short maturities of these financial instruments, their fair value approximates their carrying value.

Stock-based Compensation

In accordance with ASC 718, *Compensation – Stock Based Compensation* and ASC 505, *Equity Based Payments to Non-Employees*, the Company accounts for share-based payments using the fair value method. Common shares issued to third parties for non-cash consideration are valued based on the fair market value of the services provided or the fair market value of the common stock on the measurement date, whichever is more readily determinable.

Income Taxes

Deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. The Company has cumulative net operating losses of \$2,016,240 as of October 31, 2012, with an approximate deferred tax asset of \$705,684 which has been fully offset by a valuation allowance. These net operating losses begin to expire in 2028.

**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
**October 31, 2012**  
(Unaudited)

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recent Authoritative Pronouncements

The Company does not expect that the adoption of any recent accounting standards to have a material impact on its financial statements.

**NOTE 3 – STOCKHOLDERS’ EQUITY**

On February 29, 2012, the Company issued 8,500,000 shares of common stock at a fair value of \$0.1005 per common share pursuant to the mining property acquisition agreement referred to in Note 7(b).

On April 16, 2012, the Company issued 5,000,000 shares of common stock at a fair value of \$0.1049 per common share pursuant to the mining property acquisition agreement referred to in Note 7(c).

**NOTE 4 – ADVANCES**

|  | October 31,<br>2012<br>\$ | January 31,<br>2012<br>\$ |
|--|---------------------------|---------------------------|
| Quarry Bay, unsecured, non-interest bearing and due on demand      | 117,625                   | 75,000                    |
| Madison Capital, unsecured, non-interest bearing and due on demand | 115,000                   | 50,000                    |
| <b>Total advances</b>  | <b>232,625</b>            | <b>125,000</b>            |

**NOTE 5 – RELATED PARTY TRANSACTIONS**

As at October 31, 2012, the Company was indebted to the former President of the Company in the amount of \$1,087 (January 31, 2012 - \$20,000) for consulting fees and owes \$1,103 (January 31, 2012 - \$3,634) for an advance of working capital and expenses paid on behalf of the Company. The amounts are unsecured, non-interest bearing and due on demand.

As at October 31, 2012, the Company was indebted to a director of the Company in the amount of \$21,600 (January 31, 2012 - \$5,400) for consulting fees. The amounts are unsecured, non-interest bearing and due on demand.

**NOTE 6 – CONVERTIBLE DEBT**

On July 12, 2012, the Company entered into a Convertible Promissory Note agreement for \$37,500. The Note bears interest at 8% per annum, and the principal amount and any interest thereon are due on April 16, 2013. Any principal or interest not paid when due, shall bear interest at 22% per annum. Pursuant to the agreement, the Note is convertible 180 days after issuance into shares of common stock at a variable conversion price equal to 55% of the average of the lowest three closing bid prices for the common stock during the 10 trading days prior to the date of the conversion notice.

Pursuant to ASC 815, the Company has determined the embedded conversion option is a derivative liability. The Company valued this derivative liability at \$48,553 using the Black-Scholes model. Accordingly, the Company has recorded a discount on the convertible note of \$37,500, a derivative liability of \$11,053, and a loss on derivative liability of \$11,053. The discount on the convertible note is accreted over the term of the convertible note. The derivative liability was revalued at October 31, 2012 at \$31,811, using the Black-Scholes model. Accordingly, a related loss on derivative liability of \$31,811 was recorded in the statement of operations.

As at October 31, 2012, \$11,315 of the debt discount had been accreted, increasing the carrying value of the convertible note to \$11,315. The Company paid \$2,500 of deferred finance costs relating to the issuance of the Note. At October 31, 2012, the Company had recorded amortization of \$968 and the remaining \$1,532 will be charged to operation over the life of the note.

**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
**October 31, 2012**  
(Unaudited)

**NOTE 7 – MINERAL PROPERTIES**

- a) Effective August 23, 2011, the Company entered into a mining property acquisition agreement (the "Acquisition Agreement") whereby the Company has agreed to acquire an undivided 100% interest in and to an aggregate of 62 mineral claims located in the Province of Quebec, Canada (the "Claims"). Pursuant to the Acquisition Agreement, the Company agreed to pay \$100,000 and issue an aggregate of 2,000,000 shares of common stock as follows:
- i. Deposit: a non-refundable deposit of \$5,000 to be paid to the Vendor upon signing of the Acquisition Agreement; (paid).
  - ii. Stage 1: in consideration of the 22 claims constituting "Block 1" (as defined in the Acquisition Agreement) the Company shall issue 700,000 shares of common stock and pay \$35,000 on or before September 30, 2011; (these shares were issued and money paid on September 30, 2011).
  - iii. Stage 2: in consideration of the 20 claims constituting "Block 2" (as defined in the Acquisition Agreement) the Company shall issue 700,000 shares of common stock and \$35,000 within 45 days following the completion of Stage 1; (these shares were issued and money paid on November 14, 2011).
  - iv. Stage 3: in consideration of the 20 claims constituting "Block 3" (as defined in the Acquisition Agreement") the Company shall issue 600,000 shares of common stock and \$25,000 in within 45 days following the completion of Stage 2; (these shares were issued and money paid on December 29, 2011).

The Claims shall be subject to a 2% net smelter royalty payable to the Vendor of which 1% may be purchased back from the Vendor in consideration of \$500,000.

On January 31, 2012, the Company determined the acquisition costs for these mineral properties were impaired and recorded a related impairment loss in the statement of operations of \$231,600.

- b) Effective January 25, 2012, the Company entered into a mining property acquisition agreement (the "Acquisition Agreement") whereby the Company has agreed to acquire an undivided 100% interest in and to an aggregate of 193 mineral claims located in the Province of Quebec, Canada (the "Claims"). Pursuant to the Acquisition Agreement, the Company agreed to pay \$40,000 and issue an aggregate of 8,500,000 shares of common stock as follows:
- i. Stage 1: The Company shall pay \$15,000 on or before January 31, 2012 (paid on January 31, 2012)
  - ii. Stage 2: The Company shall issue 8,500,000 shares and pay \$25,000 on or before February 29, 2012 (these shares were issued and money paid on February 29, 2012).

The Claims shall be subject to a 2% net smelter royalty payable to the Vendor.

On April 30, 2012, the Company determined the acquisition costs for these mineral properties were impaired and recorded a related impairment loss in the statement of operations of \$894,250. During the six months ended October 31, 2012, the Company incurred exploration costs related to these claims of \$7,149 for geologist fees related to a 43-101 report.

- c) Effective February 6, 2012, the Company entered into a mining property acquisition agreement (the "Acquisition Agreement") whereby the Company has agreed to acquire an undivided 100% interest in and to an aggregate of 140 mineral claims located in the Province of Quebec, Canada (the "Claims"). The Claims are subject to a 2% net smelter royalty payable to the Vendor. Pursuant to the agreement, the Company agreed to pay \$20,000 and issue 5,000,000 shares of common stock on or before April 16, 2012. (these shares were issued and money paid on April 16, 2012)

On April 30, 2012, the Company determined the acquisition costs for these mineral properties were impaired and recorded a related impairment loss in the statement of operations of \$544,500.

**TORON, INC. AND SUBSIDIARY**  
(An Exploration Stage Company)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
**October 31, 2012**  
(Unaudited)

**NOTE 8 – GOING CONCERN**

These financial statements are presented on the basis that the Company is a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business over a reasonable length of time. As of October 31, 2012 the Company had incurred accumulated losses since inception of \$2,016,240. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Its continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis, to obtain additional financing or refinancing as may be required, and ultimately to establish profitable operations.

Management's plans for the continuation of the Company as a going concern include financing the Company's operations through issuance of its common stock. If the Company is unable to complete its financing requirements or achieve revenue as projected, it will then modify its expenditures and plan of operations to coincide with the actual financing completed and actual operating revenues. There are no assurances, however, with respect to the future success of these plans.

**NOTE 9 – DISCONTINUED OPERATIONS**

Upon entering into the Acquisition Agreement described in Note 7(a), the Company changed its operations. All operations prior to the acquisition have been classified as discontinued operations. Cash flows from discontinued operations were not material and were combined with cash flows from continuing operations within the consolidated statement of cash flows categories.

The results of discontinued operations are summarized as follows:

|  | Three months ended<br>October 31, |      | Nine months ended<br>October 31, |          | From January 3,<br>2008 (Inception) to<br>October 31, 2012 |
|--|-----------------------------------|------|----------------------------------|----------|--|
|  | 2012                              | 2011 | 2012                             | 2011     |  |
| Operating Expenses                           |                                   |      |                                  |          |  |
| General and administrative                   | –                                 | –    | –                                | 34,643   | 47,843   |
| Impairment loss on intangible asset          | –                                 | –    | –                                | –        | 6,000  |
| <b>Total Operating Expenses</b>              | –                                 | –    | –                                | 34,643   | 53,843   |
| <b>Net Loss from Discontinued Operations</b> | –                                 | –    | –                                | (34,643) | (53,843)   |

**NOTE 10 – SUBSEQUENT EVENTS**

In accordance with ASC 855, Subsequent Events, the Company has evaluated subsequent events through the date of issuance of the unaudited interim consolidated financial statements. Subsequent to the fiscal period ended October 31, 2012, the Company did not have any material recognizable subsequent events.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our unaudited consolidated financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this quarterly report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this quarterly report.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars. All references to "US\$" refer to United States dollars and all references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report, the terms "we", "us", "our" and "our company" refer to Toron Inc., a Nevada corporation, and our wholly-owned subsidiary, Toron Resources Inc., a Canadian federally incorporated company, unless otherwise indicated.

#### *Corporate Overview*

We were originally organized under the laws of the State of Nevada, on January 3, 2008. From our inception, we were engaged in the, marketing, sales and re-sales via the Internet of web domain names or URL's under the website [www.manageyoururl.com](http://www.manageyoururl.com). Recently, our management decided to redirect our business focus towards identifying and pursuing options regarding the acquisition of mineral exploration properties. We have one subsidiary, Toron Resources Inc., a Canadian federally incorporated company. Our fiscal year end is January 31, our address is 1000 de La Gauchetiere Street West – 24<sup>th</sup> Floor, Montreal, Quebec, H3B 4W5, and our phone number is 514-448-1508.

#### *Our Current Business*

On August 23, 2011, we entered into a property acquisition agreement with Stephan Leblanc and Glenn Griesbach, whereby we have agreed to acquire an undivided 100% interest in and to an aggregate of 62 mineral claims (Blocks 1, 2 and 3) located in the Province of Quebec, Canada (the "Tiblemont Claims"). The entire area known as the Tiblemont Claims is subdivided into four Blocks and 102 total claims. We have not entered into any agreements for Block 4.

From January 3, 2008 through to the date of the acquisition of the Block 1 claims discussed below, we were a designated shell company with minimal operations. On August 23, 2011, we entered into the acquisition agreement and as a result of the transfer of title to the Block 1 claims to our wholly owned subsidiary, we began operations in the acquisition of mineral exploration properties. We are no longer designated as a shell company.

On September 12, 2011, our board of directors approved a forward stock split of our common stock by way of a stock dividend on a 32 (new) common shares for 1 (old) common share basis. The pay-out date was September 29, 2011.

Upon completion of the stock split, our issued and outstanding shares increased from 5,630,000 shares of common stock to 185,790,000 shares of common stock with a par value of \$0.001.

#### Tiblemont Claims

On August 23, 2011, we entered into an acquisition agreement with Leblanc and Griesbach whereby we agreed to acquire an undivided 100% interest in and to the Tiblemont Claims.

Pursuant to the acquisition agreement, we agreed to pay to the vendor, in consideration of an undivided 100% interest in and to the Tiblemont Claims, an aggregate of 2,000,000 post-split common shares of our common stock at \$0.10 per share and \$100,000 in cash consideration to be paid in four installments.

We completed our obligations under the acquisition agreement by issuing an aggregate of 2,000,000 post-split shares of our common stock and paying \$100,000. Through the transfer of this consideration we closed the acquisition of the Tiblemont Claims.

The Tiblemont Claims shall be subject to a 2% net smelter royalty payable to the Leblanc and Griesbach of which 1% may be purchased back from the Leblanc and Griesbach in consideration of \$500,000. We have completed our acquisition of the Tiblemont Claims.

#### 193 Quebec Claims

Effective January 25, 2012, we entered into a mineral property acquisition agreement with Glenn Griesbach and 9248-7792 Quebec Inc. whereby we have agreed to acquire from Griesbach and 9248-7792 Quebec an undivided 100% interest in and to an aggregate of 193 mineral claims located in the Province of Quebec, Canada ("193 Quebec Claims").

Pursuant to the terms of the acquisition agreement, we have agreed to pay to Griesbach and 9248-7792 Quebec, in consideration of an undivided 100% interest in and to the 193 Quebec Claims, an aggregate of 8,500,000 shares of our common stock and \$40,000 in cash consideration paid in two installments. Our company has completed the issuance of all of the shares and payment of cash consideration to Griesbach and 9248-7792 Quebec with respect to the 193 Quebec Claims.

Griesbach and 9248-7792 Quebec agreed to transfer the 193 Quebec Claims, five days after receiving the full and final payment. Our company will be responsible for all costs and administrative actions required to renew any of the 193 Quebec Claims identified in the acquisition agreement.

On February 29, 2012, we completed our obligations under the acquisition agreement by issuing an aggregate of 8,500,000 shares of our common stock and paying \$40,000. Through the transfer of this consideration we closed the acquisition of the 193 Quebec Claims.

The 193 Quebec Claims are located in the southern-east part of the Abitibi Greenstone Belt of the Canadian Shield's Superior Province, approximately 40 km northeast of the mining centre of Val D'Or, Quebec. The property is located mainly in Tiblemont and Senneterre townships, with some claims in Courville and Pascalis townships.



## 140 Quebec Claims

Effective February 6, 2012, we entered into a mineral property acquisition agreement with Glenn Griesbach and 9248-7792 Quebec, whereby our company agreed to acquire from Griesbach and 9248-7792 Quebec an undivided 100% interest in and to an aggregate of 140 mineral claims located in the Province of Quebec, Canada (the "140 Quebec Claims").

Pursuant to the terms of the acquisition agreement, we have agreed to pay to Griesbach and 9248-7792 Quebec, in consideration of an undivided 100% interest in and to the 140 Quebec Claims, an aggregate of 5,000,000 shares of our common stock and \$20,000 in cash consideration, with the issuance and payment. Griesbach and 9248-7792 Quebec shall jointly retain a 2% net smelter royalty on the 140 Quebec Claims

Griesbach and 9248-7792 Quebec agreed to transfer the 140 Quebec Claims, five days after receiving the full and final payment. Our company will be responsible for all costs and administrative actions required to renew any of the 140 Quebec Claims indentified in the acquisition agreement.

On April 16, 2012, we completed our obligations under the acquisition agreement by issuing an aggregate of 5,000,000 shares of our common stock and paying \$20,000. Through the transfer of this consideration, we closed the acquisition of the 140 Quebec Claims.

The property is made up of 140 mineral claims. The property is located approximately 40 kilometers north east of Val Dor in the province of Quebec in Canada. The 140 Quebec Claims cover an area of 19,563 acres and are in a region that has seen extensive exploration work over the last 80 years. These claims are also very close and adjacent to the existing 255 claims that our company already owns.

### Results of Operations for the Three and Nine Months Ended October 31, 2012 and 2011

The following summary of our results of operations should be read in conjunction with our unaudited interim consolidated financial statements for the quarter ended October 31, 2012 which are included herein.

We have not generated any revenue since inception and are dependent upon obtaining financing to pursue our business activities. For these reasons, our auditors believe that there is substantial doubt that we will be able to continue as a going concern.

Our operating results for the three and nine month periods ended October 31, 2012 and 2011 and from January 3, 2008 (date of inception) to October 31, 2012 are summarized as follows:

|   | Three Month<br>Period Ended<br>October 31, |              | Nine Month<br>Period Ended<br>October 31, |              | For the Period From<br>January 3,<br>2008<br>(Inception)<br>through<br>October 31,<br>2012 |              |
|---|--|--------------|---|--------------|--|--------------|
|   | 2012                                       | 2011         | 2012                                      | 2011         | 2012   | 2011         |
| Revenue                                   | \$ Nil                                     | \$ Nil       | \$ Nil                                    | \$ Nil       | \$ Nil   | \$ Nil       |
| Operating expenses                        | \$ 26,059                                  | \$ 131,640   | \$ 1,553,526                              | \$ 131,640   | \$ 1,917,390   | \$ 131,640   |
| Loss on derivative liability              | \$ 23,026                                  | \$ Nil       | \$ 31,811                                 | \$ Nil       | \$ 31,811  | \$ Nil       |
| Accretion of discount on convertible debt | \$ 5,379                                   | \$ Nil       | \$ 11,315                                 | \$ Nil       | \$ 11,315  | \$ Nil       |
| Amortization of deferred financing costs  | \$ 834                                     | \$ Nil       | \$ 968                                    | \$ Nil       | \$ 968   | \$ Nil       |
| Interest expense                          | \$ 756                                     | \$ Nil       | \$ 912                                    | \$ Nil       | \$ 912   | \$ Nil       |
| Loss from discontinued operations         | \$ Nil                                     | \$ Nil       | \$ Nil                                    | \$ 34,643    | \$ 34,643  | \$ Nil       |
| Net loss                                  | \$ (56,054)                                | \$ (131,640) | \$ (1,598,532)                            | \$ (166,283) | \$ (2,016,240)   | \$ (166,283) |

Our expenses decreased during the three month period ended October 31, 2012 compared to the same period in 2011 primarily as a result of decreases in operating expenses. Our expenses increased during the nine month period ended October 31, 2012 compared to the same period in 2011 primarily as a result of increased operating expenses, loss on derivative liability, accretion of discount on convertible debt, amortization of deferred financing costs and interest expense.

#### Revenues

We have had no operating revenues since our inception on January 3, 2008 through to October 31, 2012. Our activities have been financed from the proceeds of share subscriptions. From our inception, on January 3, 2008 to October 31, 2012 we have raised a total of \$250,000 from private offerings of our common stock by way of a series of convertible debentures. For the period from January 3, 2008 (inception) to October 31, 2012 we incurred total expenses of \$2,016,240.

#### Expenses

Our expenses for the three and nine months ended October 31, 2012 and 2011 and for the period from January 3, 2008 (inception) through October 31, 2012 are outlined in the table below:

|                                       | Three Month<br>Period Ended<br>October 31, |            | Nine Month<br>Period Ended<br>October 31, |            | For the Period From<br>January 3,<br>2008<br>(Inception)<br>through<br>October 31,<br>2012 |
|---------------------------------------|--|------------|---|------------|--|
|                                       | 2012                                       | 2011       | 2012                                      | 2011       |  |
|                                       |  |            |   |            |  |
| Consulting fees                       | \$ 15,400                                  | \$ 11,712  | \$ 56,200                                 | \$ 11,712  | \$ 93,377  |
| Professional fees                     | \$ 2,792                                   | \$ 15,085  | \$ 35,429                                 | \$ 15,085  | \$ 69,992  |
| Transfer agent and filing fees        | \$ 7,756                                   | \$ 579     | \$ 14,552                                 | \$ 579     | \$ 17,212  |
| General and administrative            | \$ 51                                      | \$ 1,264   | \$ 1,041                                  | \$ 1,264   | \$ 3,247   |
| Foreign currency loss                 | \$ 60                                      | \$ Nil     | \$ 405                                    | \$ Nil     | \$ 864   |
| Exploration costs                     | \$ Nil                                     | \$ Nil     | \$ 7,149                                  | \$ Nil     | \$ 7,149   |
| Impairment loss on mineral properties | \$ Nil                                     | \$ 103,000 | \$ 1,438,750                              | \$ 103,000 | \$ (1,725,550)   |

Our operating expenses decreased during the three month period ended October 31, 2012 compared to the same period in 2011 primarily as a result of decreases in professional fees, general and administrative expenses and impairment loss on mineral properties. Our operating expenses increased during the nine month period ended October 31, 2012 compared to the same period in 2011 primarily as a result of increased consulting fees, professional fees, transfer agent and filing fees, foreign currency loss, exploration costs and impairment loss on mineral properties.

#### ***Liquidity and Financial Condition***

##### Working Capital

Working Capital

|                           | At<br>October 31,<br>2012 | At<br>January 31,<br>2012 |
|---------------------------|---------------------------|---------------------------|
| Current Assets            | \$ 1,532                  | \$ 490                    |
| Current Liabilities       | \$ 359,122                | \$ 175,798                |
| Working Capital (Deficit) | \$ (357,590)              | \$ (175,308)              |

Cash Flows

|  | <b>Nine<br/>Months<br/>Ended<br/>October 31,<br/>2012</b> | <b>Nine<br/>Months<br/>Ended<br/>October<br/>31,<br/>2011</b> |
|--|---|---|
| Net Cash (used in) provided by Operating Activities  | \$ (77,898)   | \$ (47,900)   |
| Net Cash (used in) provided by Investing Activities  | \$ (60,000)   | \$ (40,000)   |
| Net Cash (used in) provided by Financing Activities  | \$ 137,408  | \$ 51,500   |
| <b>Increase (Decrease) in Cash During the Period</b> | <b>\$ (490)</b>   | <b>\$ (36,400)</b>  |

The increase in our working capital deficit at October 31, 2012 from the period ended October 31, 2011 is reflective of the current state of our business development, primarily due to increases in accounts payable and accrued liabilities, advances, derivative liability and convertible debt and the increase in operating expenses associated with acquisition costs in connection with our ongoing development efforts.

As of October 31, 2012, our total assets were \$1,532 and our total liabilities were \$359,122 and we had a working capital deficit of \$357,590. Our unaudited financial statements report a net loss of \$56,040 for the three months ended October 31, 2012 compared to a net loss of \$131,640 for the same period in 2011 and a net loss of \$1,598,532 for the nine months ended October 31, 2012 compared to a net loss of \$166,283 for the same period in 2011. We incurred a net loss of \$2,016,240 for the period from January 3, 2008 (inception) to October 31, 2012.

As of, October 31, 2012, we had cash on hand of \$Nil. Since our inception, we have used our common stock to raise money for our operations and for our property acquisitions. We have not attained profitable operations and are dependent upon obtaining financing to pursue our plan of operation. For these reasons, our auditors stated in their report to our audited financial statements for the year ended January 31, 2012, that there is substantial doubt that we will be able to continue as a going concern.

***Plan of Operation***

You should read the following discussion of our financial condition and results of operations together with our unaudited financial statements and the notes thereto included elsewhere in this filing. Our unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. This discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those anticipated in these forward-looking statements.

Since we entered into the acquisition agreement, we have changed our plan of operations to focus on the exploration of our claims around Tiblemont, Quebec, Canada.

Anticipated Cash Requirements

We will require additional funds to fund our budgeted expenses over the next 12 months. These funds may be raised through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of our shares. There is still no assurance that we will be able to maintain operations at a level sufficient for an investor to obtain a return on his investment in our common stock. Further, we may continue to be unprofitable. We need to raise additional funds in the immediate future in order to proceed with our budgeted expenses.

Specifically, we estimate our operating expenses and working capital requirements for the next 12 months to be as follows:

| <b>Description</b>                  | <b>Estimated<br/>Expenses<br/>(\$)</b> |
|-------------------------------------|--|
| General and administrative overhead | 90,000                                 |
| Management and Consulting           | 100,000                                |
| Legal                               | 40,000                                 |
| Accounting                          | 20,000                                 |
| Exploration on mining claims        | 500,000                                |
| <b>Total</b>                        | <b>750,000</b>                         |

We intend to meet our cash requirements for the next 12 months through a combination of debt financing and equity financing by way of private placements. We currently do not have any arrangements in place to complete any private placement financings and there is no assurance that we will be successful in completing any such financings on terms that will be acceptable to us.

#### ***Going Concern***

The interim consolidated financial statements accompanying this report have been prepared on a going concern basis, which implies that our company will continue to realize its assets and discharge its liabilities and commitments in the normal course of business. Our company has not generated revenues since inception and is unlikely to generate earnings in the immediate or foreseeable future. The continuation of our company as a going concern is dependent upon the continued financial support from our shareholders, the ability of our company to obtain necessary equity financing to achieve our operating objectives, and the attainment of profitable operations. As of October 31, 2012, our company has accumulated losses of \$2,016,240 since inception. We do not have sufficient working capital to enable us to carry out our stated plan of operation for the next twelve months. These interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should our company be unable to continue as a going concern.

Our interim consolidated financial statements contain additional note disclosures describing the circumstances related to the uncertainty of our ability to continue as a going concern.

The continuation of our business is dependent upon us raising additional financial support. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

#### **Future Financings**

Our future is dependent upon our ability to obtain financing and upon future profitable operations. We anticipate continuing to rely on equity sales of our common stock in order to continue to fund our business operations. Issuances of additional shares will result in dilution to our existing stockholders. There is no assurance that we will achieve any of additional sales of our equity securities or arrange for debt or other financing for to fund our planned business activities.

#### ***Off-Balance Sheet Arrangements***

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

### ***Critical Accounting Policies***

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with the accounting principles generally accepted in the United States of America. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financial statements.

#### *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of these financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### *Long-Lived Assets*

In accordance with ASC 360, *Property, Plant, and Equipment*, our company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value.

#### *Asset Retirement Obligations*

Our company follows the provisions of ASC 410 – 20, *Asset Retirement Obligations* which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment or other disposal of long-lived tangible assets arising from the acquisition, construction or development and for normal operations of such assets. As at October 31, 2012, our company does not have any asset retirement obligations.

#### *Cash and Cash Equivalents*

Our company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

#### *Mineral Property Acquisition and Exploration Costs*

The cost of acquiring mineral properties or claims is initially capitalized and then tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Mineral exploration costs are expensed as incurred.

#### *Comprehensive Income*

ASC 220, *Comprehensive Income* establishes standards for the reporting and display of comprehensive income and its components in the financial statements. During the nine months ended October 31, 2012 and 2011, our company had no items that represent other comprehensive income.

#### *Foreign Currency Translation*

Our company's functional and reporting currency is the US dollar as substantially all of our company's operations are in United States.

Assets and liabilities that are denominated in a foreign currency are translated at the exchange rate in effect at the year end and capital accounts are translated at historical rates. Income statement accounts are translated at the average rates of exchange prevailing during the period. Translation adjustments from the use of different exchange rates from period to period are included in the Comprehensive Income statement account in Stockholder's Equity, if applicable.

Transactions undertaken in currencies other than the functional currency of the entity are translated using the exchange rate in effect as of the transaction date. If applicable, exchange gains and losses are included in general and administrative expense on the Statement of Operations.

#### *Basic and Diluted Loss Per Share*

Our company computes basic loss per share by dividing the net loss by the weighted average common shares outstanding during the period. There are no potential common shares; accordingly, diluted and basic loss per share amounts are the same.

#### *Fair Value of Financial Instruments*

Our company's financial instruments consists of cash, bank indebtedness, accounts payable and accrued liabilities, advances, due to related parties and convertible debt. Due to the short maturities of these financial instruments, their fair value approximates their carrying value.

#### *Stock-based Compensation*

In accordance with ASC 718, *Compensation – Stock Based Compensation* and ASC 505, *Equity Based Payments to Non-Employees*, our company accounts for share-based payments using the fair value method. Common shares issued to third parties for non-cash consideration are valued based on the fair market value of the services provided or the fair market value of the common stock on the measurement date, whichever is more readily determinable.

#### *Income Taxes*

Deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. Our company has cumulative net operating losses of \$2,016,240 as of October 31, 2012, with an approximate deferred tax asset of \$705,684 which has been fully offset by a valuation allowance. These net operating losses begin to expire in 2028.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

As a "small reporting company", we are not required to provide the information required by this Item.

#### **Item 4. Controls and Procedures**

##### *Management's Report on Disclosure Controls and Procedures*

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the *Securities Exchange Act of 1934*, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer (our principal executive officer and our principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure.

As of the end of our quarter covered by this report, we carried out an evaluation, under the supervision and with the participation of our chief executive officer and chief financial officer (our principal executive officer and our principal financial officer and principle accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our chief executive officer and chief financial officer (our principal executive officer and our principal financial officer and principle accounting officer) concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this quarterly report.

*Changes in Internal Control over Financial Reporting*

During the quarter covered by this report there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II – OTHER INFORMATION**

**Item 1. Legal Proceedings**

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

**Item 1A. Risk Factors**

As a “small reporting company”, we are not required to provide the information required by this Item.

**Item 2. Unregistered Sales of Equity Securities**

None.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

On November 1, 2012, we received the resignation of Michael Whitehead as president, chief executive officer, treasurer, chief financial officer and director of our company. Mr. Whitehead’s resignation was not the result of any disagreements with our company regarding its operations, policies, practices or otherwise.

Concurrently with Mr. Whitehead’s resignation, we appointed Ramzan Savji, our secretary and director, as president, chief executive officer, treasurer and chief financial officer, effective November 1, 2012.

**Item 6. Exhibits****Exhibit Description  
Number****(3) Articles of Incorporation and Bylaws**

- 3.1 Articles of Incorporation (incorporated by reference to our Registration Statement on Form S-1 filed on March 18, 2010)
- 3.2 Bylaws (incorporated by reference to our Registration Statement on Form S-1 filed on March 18, 2010)
- 3.3 Certificate of Amendment filed September 16, 2011 (incorporated by reference our Current Report on Form 8-K filed on September 21, 2011)

**(10) Material Contracts**

- 10.1 Mining Property Acquisition Agreement between our company and Stephane LeBlanc and Glenn Griesbach dated August 23, 2011 (incorporated by reference to our Current Report on Form 8-K filed on August 31, 2011)
- 10.2 Mineral Property Acquisition Agreement between our company and Glenn Griesbach and 9248-7792 Quebec Inc. dated January 25, 2012 (incorporated by reference to our Current Report on Form 8-K filed on January 26, 2012)
- 10.3 Mineral Property Acquisition Agreement between our company and Glenn Griesbach and 9248-7792 Quebec Inc. dated February 6, 2012 (incorporated by reference to our Current Report on Form 8-K filed on February 6, 2012)
- 10.4 Mineral Property Acquisition Agreement between our company and Glenn Griesbach and 9248-7792 Quebec Inc. dated February 6, 2012 (incorporated by reference to our Current Report on Form 8-K filed on February 6, 2012)

**(14) Code of Ethics**

- 14.1 Code of Ethics (incorporated by reference to our Annual Report on Form 10-KSB filed on May 9, 2008)

**(21) Subsidiaries of the Registrant**

- 21.1 Toron Resources Inc., a wholly owned, federally incorporated, Canadian company,

**(31) Rule 13a-14(a) / 15d-14(a) Certifications**

- 31.1\* Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer.

**(32) Section 1350 Certifications**

- 32.1\* Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer.

**101\*\* Interactive Data File**

- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

\* Filed herewith.

\*\* Furnished herewith. Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of any registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, and otherwise are not subject to liability under those sections.



**SIGNATURES**

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**TORON, INC.**

(Registrant)

Dated: January 11, 2013

/s/ RAMZAN SAVJI

**Ramzan Savji**

President, Chief Executive Officer, Chief

Financial Officer,

Secretary, Treasurer and Director

(Principal Executive Officer, Principal Financial

Officer and Principal Accounting Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. ss 1350, AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ramzan Savji, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Toron, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 11, 2013

/s/ RAMZAN SAVJI

Ramzan Savji

President, Chief Executive Officer, Chief Financial  
Officer, Secretary, Treasurer and Director

(Principal Executive Officer, Principal Financial Officer  
and Principal Accounting Officer)

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CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Ramzan Savji, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Quarterly Report on Form 10-Q of Toron, Inc. for the period ended October 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Toron, Inc.

Dated: January 11, 2013

/s/ RAMZAN SAVJI

Ramzan Savji

President, Chief Executive Officer, Chief Financial Officer,  
Secretary, Treasurer and Director

(Principal Executive Officer, Principal Financial Officer and  
Principal Accounting Officer)

Toron, Inc.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Toron, Inc. and will be retained by Toron, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

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| <b>NOTE 8 - GOING<br/>CONCERN (Detail) (USD \$)</b> | <b>Oct. 31, 2012</b> | <b>Jul. 31, 2012</b> |
|---|----------------------|----------------------|
| <u>Cumulative Operating Loss</u>                    | \$ 2,016,240         | \$ 2,016,240         |

**NOTE 4 - ADVANCES**

**9 Months Ended  
Oct. 31, 2012**

[Debt Disclosure \[Text Block\]](#)

**NOTE 4 – ADVANCES**

|  | October 31,<br>2012<br>\$ | January 31,<br>2012<br>\$ |
|--|---------------------------|---------------------------|
| Quarry Bay, unsecured, non-interest bearing and due on demand      | 117,625                   | 75,000                    |
| Madison Capital, unsecured, non-interest bearing and due on demand | 115,000                   | 50,000                    |
| <b>Total advances</b>  | <b>232,625</b>            | <b>125,000</b>            |

**NOTE 3 -  
STOCKHOLDERS'  
EQUITY**

**9 Months Ended**

**Oct. 31, 2012**

[Stockholders' Equity Note  
Disclosure \[Text Block\]](#)

**NOTE 3 – STOCKHOLDERS' EQUITY**

On February 29, 2012, the Company issued 8,500,000 shares of common stock at a fair value of \$0.1005 per common share pursuant to the mining property acquisition agreement referred to in Note 7(b).

On April 16, 2012, the Company issued 5,000,000 shares of common stock at a fair value of \$0.1049 per common share pursuant to the mining property acquisition agreement referred to in Note 7(c).

**TORON, INC. - Unaudited  
Balance Sheets (USD \$)**

|   | <b>Oct. 31,<br/>2012</b> | <b>Jan. 31,<br/>2012</b> |
|---|--------------------------|--------------------------|
| <b><u>Current Assets</u></b>  |                          |                          |
| <u>Cash</u>   |                          | \$ 490                   |
| <u>Deferred financing costs (refer to Note 6)</u>   | 1,532                    |                          |
| <u>Total Assets</u>   | 1,532                    | 490                      |
| <b><u>Current Liabilities</u></b>   |                          |                          |
| <u>Bank indebtedness</u>  | 27                       |                          |
| <u>Accounts payable and accrued liabilities</u>   | 59,554                   | 21,764                   |
| <u>Advances (refer to Note 4)</u>   | 232,625                  | 125,000                  |
| <u>Due to related parties (refer to Note 5)</u>   | 23,790                   | 29,034                   |
| <u>Derivative liability</u>   | 31,811                   |                          |
| <u>Convertible debt, less unamortized discount of \$26,185 (refer to Note 6)</u>  | 11,315                   |                          |
| <u>Total Liabilities</u>  | 359,122                  | 175,798                  |
| <u>Common stock, 250,000,000 shares authorized, \$0.001 par value; 201,290,000 and 187,790,000 shares issued and outstanding at October 31, 2012 and January 31, 2011, respectively</u> | 201,290                  | 187,790                  |
| <u>Additional paid-in capital</u>   | 1,457,360                | 54,610                   |
| <u>Deficit accumulated during the development stage</u>   | (53,843)                 | (53,843)                 |
| <u>Deficit accumulated during the exploration stage</u>   | (1,962,397)              | (363,865)                |
| <u>Total Stockholders' Deficit</u>  | (357,590)                | (175,308)                |
| <u>Total Liabilities and Stockholders' Deficit</u>  | \$ 1,532                 | \$ 490                   |



**NOTE 1 - ORGANIZATION  
AND BASIS OF  
PRESENTATION**

[Business Description and  
Basis of Presentation \[Text  
Block\]](#)

**9 Months Ended  
Oct. 31, 2012**

**NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION**

Toron Inc. (the "Company") was incorporated in the State of Nevada on January 3, 2008. The Company was originally organized to develop and operate a web based resale business for domain names. On September 15, 2011, the Company incorporated its wholly-owned subsidiary, Toron Resources Inc. As a result, as of September 15, 2011 the Company is now engaged in the acquisition and exploration of mineral properties, and is in the Exploration Stage.

These consolidated financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States and are expressed in United States (US) dollars. The Company has not produced any revenue from its principal business and is an exploration stage company. Refer to Note 8 for factors affecting the Company's ability to continue as a going concern.

The balance sheet as of October 31, 2012 and the statements of operations and cash flows for the periods presented have been prepared by the Company and are unaudited. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows for all periods presented have been made.

**NOTE 5 - RELATED  
PARTY TRANSACTIONS  
(Detail) (USD \$)**

**9 Months Ended  
Oct. 31, 2012    Jan. 31, 2012**

|  |           |          |
|--|-----------|----------|
| <u>Due to Related Parties</u>                            | \$ 1,087  |          |
| <u>Related Party Transaction, Amounts of Transaction</u> | 1,103     |          |
| MichaelWhitehead   |           |          |
| <u>Due to Related Parties</u>                            |           | 20,000   |
| <u>Related Party Transaction, Amounts of Transaction</u> | 3,634     |          |
| RamzanSavji  |           |          |
| <u>Due to Related Parties</u>                            | \$ 21,600 | \$ 5,400 |

NOTE 7 - MINERAL  
PROPERTIES (Detail) (USD  
\$)

|   | 0 Months Ended |               |               |               | 1 Months Ended |               |               | 3 Months Ended |               |               | 1 Months Ended |        |        | 2 Months Ended |               |               | 3 Months Ended |               |               | 0 Months Ended |               | 1 Months Ended |               |               | 2 Months Ended |               |               | 3 Months Ended |               |               | 0 Months Ended |               |           |
|---|----------------|---------------|---------------|---------------|----------------|---------------|---------------|----------------|---------------|---------------|----------------|--------|--------|----------------|---------------|---------------|----------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|----------------|---------------|---------------|----------------|---------------|---------------|----------------|---------------|-----------|
|   | Apr. 30, 2012  | Feb. 06, 2012 | Jan. 25, 2012 | Aug. 23, 2011 | Jan. 31, 2012  | Jul. 31, 2012 | Apr. 30, 2012 | Dec. 29, 2011  | Sep. 30, 2011 | Nov. 14, 2011 | Dec. 29, 2011  | Block1 | Block2 | Block3         | Jan. 25, 2012 | Jan. 25, 2012 | Jan. 25, 2012  | Jan. 25, 2012 | Jan. 25, 2012 | Jan. 25, 2012  | Jan. 25, 2012 | Jan. 25, 2012  | Jan. 25, 2012 | Jan. 25, 2012 | Jan. 25, 2012  | Jan. 25, 2012 | Jan. 25, 2012 | Jan. 25, 2012  | Jan. 25, 2012 | Jan. 25, 2012 | Jan. 25, 2012  | Jan. 25, 2012 |           |
| <a href="#">Business Acquisition, Percentage of Voting Interests Acquired</a> |                |               |               |               | 100.00%        |               |               |                |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Mineral Claims Acquired</a>                                       |                |               |               |               | 62             |               |               |                |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Acquisition Costs, Period Cost</a>                                |                | \$ 20,000     |               | \$ 100,000    |                |               |               | \$ 35,000      | \$ 35,000     | \$ 25,000     | \$ 40,000      |        |        |                | \$ 15,000     | \$ 25,000     |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Stock Issued During Period, Shares Acquisitions (in Shares)</a>   | 5,000,000      |               |               | 2,000,000     |                |               |               |                |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               | 8,500,000 |
| <a href="#">Acquisition Agreement Terms Amount To Be Deposited</a>            |                |               |               | 5,000         |                |               |               |                |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Business Acquisition Mineral Claims Acquired</a>                  | 140            | 193           |               |               |                |               |               | 22             | 20            | 20            |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Acquisition Completion Period</a>                                 |                |               |               |               |                |               |               | 45             | 45            |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Smelter Royalty Payable Percentage</a>                            | 2.00%          | 2.00%         |               |               |                |               |               | 2.00%          |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Smelter Royalty Percentage Repurchased From Vendor</a>            |                |               |               |               |                |               |               | 1.00%          |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Consideration Of Repurchase Smelter Royalties</a>                 |                |               |               |               |                |               |               | 500,000        |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Goodwill, Impairment Loss</a>                                     | 544,500        |               |               |               | 2,316          |               |               | 894,250        |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Parent Controlling Interest Subsidiary</a>                        | 100.00%        | 100.00%       |               |               |                |               |               | 100.00%        |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |
| <a href="#">Exploration Costs, Period Cost</a>                                |                |               |               |               |                |               |               | \$ 7,149       |               |               |                |        |        |                |               |               |                |               |               |                |               |                |               |               |                |               |               |                |               |               |                |               |           |

**NOTE 2 - SIGNIFICANT  
ACCOUNTING POLICIES**

**9 Months Ended  
Oct. 31, 2012**

[Significant Accounting  
Policies \[Text Block\]](#)

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES**

Principles of Consolidation

These consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States and are expressed in US dollars. The Company's fiscal year end is January 31. The consolidated financial statements include the accounts of Toron Inc. and its 100% owned subsidiary, Toron Resources Inc. All significant intercompany balances and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of these financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Long-Lived Assets

In accordance with ASC 360, *Property, Plant, and Equipment*, the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value.

Asset Retirement Obligations

The Company follows the provisions of ASC 410 – 20, *Asset Retirement Obligations* which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment or other disposal of long-lived tangible assets arising from the acquisition, construction or development and for normal operations of such assets. As at October 31, 2012, the Company does not have any asset retirement obligations.

### Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

### Mineral property acquisition and exploration costs

The cost of acquiring mineral properties or claims is initially capitalized and then tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Mineral exploration costs are expensed as incurred.

### Comprehensive Income

ASC 220, *Comprehensive Income* establishes standards for the reporting and display of comprehensive income and its components in the financial statements. During the nine months ended October 31, 2012 and 2011, the Company had no items that represent other comprehensive income.

### Foreign Currency Translation

The Company's functional and reporting currency is the US dollar as substantially all of the Company's operations are in United States.

Assets and liabilities that are denominated in a foreign currency are translated at the exchange rate in effect at the year end and capital accounts are translated at historical rates. Income statement accounts are translated at the average rates of exchange prevailing during the period. Translation adjustments from the use of different exchange rates from period to period are included in the Comprehensive Income statement account in Stockholder's Equity, if applicable.

Transactions undertaken in currencies other than the functional currency of the entity are translated using the exchange rate in effect as of the transaction date. If applicable, exchange gains and losses are included in general and administrative expense on the Statement of Operations.

### Basic and Diluted Loss Per Share

The Company computes basic loss per share by dividing the net loss by the weighted average common shares outstanding during the period. There are no potential common shares; accordingly, diluted and basic loss per share amounts are the same.

### Fair Value of Financial Instruments

The Company's financial instruments consists of cash, bank indebtedness, accounts payable and accrued liabilities, advances, due to related parties and convertible debt. Due to the short maturities of these financial instruments, their fair value approximates their carrying value.

#### Stock-based Compensation

In accordance with ASC 718, *Compensation – Stock Based Compensation* and ASC 505, *Equity Based Payments to Non-Employees*, the Company accounts for share-based payments using the fair value method. Common shares issued to third parties for non-cash consideration are valued based on the fair market value of the services provided or the fair market value of the common stock on the measurement date, whichever is more readily determinable.

#### Income Taxes

Deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. The Company has cumulative net operating losses of \$2,016,240 as of October 31, 2012, with an approximate deferred tax asset of \$705,684 which has been fully offset by a valuation allowance. These net operating losses begin to expire in 2028.

#### Recent Authoritative Pronouncements

The Company does not expect that the adoption of any recent accounting standards to have a material impact on its financial statements.

**TORON, INC. - Unaudited**  
**Balance Sheets**  
**(Parentheticals) (USD \$)**

**Oct. 31, 2012 Jan. 31, 2012**

|   |             |             |
|---|-------------|-------------|
| <u>Convertible debt, less unamortized discount of \$26,185 (refer to Note 6) (in Dollars)</u> | \$ 26,185   | \$ 0        |
| <u>Common stock, shares authorized (in Shares)</u>  | 250,000,000 | 250,000,000 |
| <u>Common stock, \$0.001 par value (in Dollars per share)</u>                                 | \$ 0.001    | \$ 0.001    |
| <u>Common stock, 201,290,000 and 187,790,000 shares issued (in Shares)</u>                    | 201,290,000 | 187,790,000 |
| <u>Common stock, 201,290,000 and 187,790,000 shares outstanding (in Shares)</u>               | 201,290,000 | 187,790,000 |

**NOTE 4 - ADVANCES  
(Tables)**

**9 Months Ended  
Oct. 31, 2012**

[Schedule of Debt \[Table Text  
Block\]](#)

|  | October 31,<br>2012<br>\$ | January 31,<br>2012<br>\$ |
|--|---------------------------|---------------------------|
| Quarry Bay, unsecured, non-interest bearing and due on demand      | 117,625                   | 75,000                    |
| Madison Capital, unsecured, non-interest bearing and due on demand | 115,000                   | 50,000                    |
| Total advances   | 232,625                   | 125,000                   |



**Document And Entity  
Information**

**9 Months Ended  
Oct. 31, 2012**

**Dec. 24, 2012**

**[Document and Entity Information \[Abstract\]](#)**

|  |                           |             |
|--|---------------------------|-------------|
| <u><a href="#">Entity Registrant Name</a></u>                  | Toron Inc.                |             |
| <u><a href="#">Document Type</a></u>                           | 10-Q                      |             |
| <u><a href="#">Current Fiscal Year End Date</a></u>            | --01-31                   |             |
| <u><a href="#">Entity Common Stock, Shares Outstanding</a></u> |                           | 201,290,000 |
| <u><a href="#">Amendment Flag</a></u>                          | false                     |             |
| <u><a href="#">Entity Central Index Key</a></u>                | 0001484674                |             |
| <u><a href="#">Entity Current Reporting Status</a></u>         | Yes                       |             |
| <u><a href="#">Entity Voluntary Filers</a></u>                 | No                        |             |
| <u><a href="#">Entity Filer Category</a></u>                   | Smaller Reporting Company |             |
| <u><a href="#">Entity Well-known Seasoned Issuer</a></u>       | No                        |             |
| <u><a href="#">Document Period End Date</a></u>                | Oct. 31, 2012             |             |
| <u><a href="#">Document Fiscal Year Focus</a></u>              | 2013                      |             |
| <u><a href="#">Document Fiscal Period Focus</a></u>            | Q3                        |             |

**NOTE 9 - DISCONTINUED OPERATIONS (Tables)**

**9 Months Ended  
Oct. 31, 2012**

[Schedule of Disposal Groups, Including Discontinued Operations, Income Statement, Balance Sheet and Additional Disclosures \[Table Text Block\]](#)

|  | Three months ended<br>October 31, |      | Nine months ended<br>October 31, |          | From January 3,<br>2008 (Inception) to<br>October 31, 2012 |
|--|-----------------------------------|------|----------------------------------|----------|--|
|  | 2012                              | 2011 | 2012                             | 2011     |  |
| Operating Expenses                           |                                   |      |                                  |          |  |
| General and administrative                   | -                                 | -    | -                                | 34,643   | 47,843   |
| Impairment loss on intangible asset          | -                                 | -    | -                                | -        | 6,000  |
| <b>Total Operating Expenses</b>              | -                                 | -    | -                                | 34,643   | 53,843   |
| <b>Net Loss from Discontinued Operations</b> | -                                 | -    | -                                | (34,643) | (53,843)   |

| TORON, INC. - Unaudited<br>Statements of Operations<br>(USD \$)            | 3 Months Ended   |                  | 9 Months Ended   |                  | 58 Months<br>Ended |
|--|------------------|------------------|------------------|------------------|--------------------|
|  | Oct. 31,<br>2012 | Oct. 31,<br>2011 | Oct. 31,<br>2012 | Oct. 31,<br>2011 | Oct. 31,<br>2012   |
| <b><u>Operating Expenses</u></b>   |                  |                  |                  |                  |                    |
| <u>Consulting fees</u>   | \$ 15,400        | \$ 11,712        | \$ 56,200        | \$ 11,712        | \$ 93,377          |
| <u>Professional fees</u>   | 2,792            | 15,085           | 35,429           | 15,085           | 69,992             |
| <u>Transfer agent and filing fees</u>                                      | 7,756            | 579              | 14,552           | 579              | 17,212             |
| <u>General and administrative</u>  | 51               | 1,264            | 1,041            | 1,264            | 3,247              |
| <u>Foreign currency loss</u>   | 60               |                  | 405              |                  | 864                |
| <u>Exploration costs</u>   |                  |                  | 7,149            |                  | 7,149              |
| <u>Impairment loss on mineral properties</u>                               |                  | 103,000          | 1,438,750        | 103,000          | 1,725,550          |
| <u>Total Operating Expenses</u>  | 26,059           | 131,640          | 1,553,526        | 131,640          | 1,917,391          |
| <b><u>Other Expenses</u></b>   |                  |                  |                  |                  |                    |
| <u>Loss on derivative liability</u>  | 23,026           |                  | 31,811           |                  | 31,811             |
| <u>Accretion of discount on convertible debt</u>                           | 5,379            |                  | 11,315           |                  | 11,315             |
| <u>Amortization of deferred financing costs</u>                            | 834              |                  | 968              |                  | 968                |
| <u>Interest expense</u>  | 756              |                  | 912              |                  | 912                |
| <u>Total Other Expenses</u>  | 29,995           |                  | 45,006           |                  | 45,006             |
| <u>Loss From Continuing Operations</u>                                     | (56,054)         | (131,640)        | (1,598,532)      | (131,640)        | (1,962,397)        |
| <u>Loss from Discontinued Operations</u>                                   |                  |                  |                  | (34,643)         | (53,843)           |
| <u>Net Loss</u>  | \$ (56,054)      | \$ (131,640)     | \$ (1,598,532)   | \$ (166,283)     | \$ (2,016,240)     |
| <b><u>Net Loss Per Share</u></b>   |                  |                  |                  |                  |                    |
| <u>Continuing Operations (in Dollars per share)</u>                        | \$ 0.00          | \$ 0.00          | \$ (0.01)        | \$ 0.00          |                    |
| <u>Discontinued Operations (in Dollars per share)</u>                      | \$ 0.00          | \$ 0.00          | \$ 0.00          | \$ 0.00          |                    |
| <u>Net Loss Per Share – Basic and Diluted (in Dollars per share)</u>       | \$ 0.00          | \$ 0.00          | \$ (0.01)        | \$ 0.00          |                    |
| <u>Weighted Average Shares Outstanding – Basic and Diluted (in Shares)</u> | 201,290,000      | 186,026,000      | 199,004,000      | 185,869,000      |                    |

**NOTE 7 - MINERAL  
PROPERTIES**

**9 Months Ended  
Oct. 31, 2012**

[Schedule of Capitalized Costs  
of Unproved Properties  
Excluded from Amortization](#)  
[\[Table Text Block\]](#)

**NOTE 7 – MINERAL PROPERTIES**

- a) Effective August 23, 2011, the Company entered into a mining property acquisition agreement (the "Acquisition Agreement") whereby the Company has agreed to acquire an undivided 100% interest in and to an aggregate of 62 mineral claims located in the Province of Quebec, Canada (the "Claims"). Pursuant to the Acquisition Agreement, the Company agreed to pay \$100,000 and issue an aggregate of 2,000,000 shares of common stock as follows:
- i. Deposit: a non-refundable deposit of \$5,000 to be paid to the Vendor upon signing of the Acquisition Agreement; (paid).
  - ii. Stage 1: in consideration of the 22 claims constituting "Block 1" (as defined in the Acquisition Agreement) the Company shall issue 700,000 shares of common stock and pay \$35,000 on or before September 30, 2011; (these shares were issued and money paid on September 30, 2011).
  - iii. Stage 2: in consideration of the 20 claims constituting "Block 2" (as defined in the Acquisition Agreement) the Company shall issue 700,000 shares of common stock and \$35,000 within 45 days following the completion of Stage 1; (these shares were issued and money paid on November 14, 2011).
  - iv. Stage 3: in consideration of the 20 claims constituting "Block 3" (as defined in the Acquisition Agreement) the Company shall issue 600,000 shares of common stock and \$25,000 in within 45 days following the completion of Stage 2; (these shares were issued and money paid on December 29, 2011).

The Claims shall be subject to a 2% net smelter royalty payable to the Vendor of which 1% may be purchased back from the Vendor in consideration of \$500,000.

On January 31, 2012, the Company determined the acquisition costs for these mineral properties were impaired and recorded a related impairment loss in the statement of operations of \$231,600.

- b) Effective January 25, 2012, the Company entered into a mining property acquisition agreement (the "Acquisition Agreement") whereby the Company has agreed to acquire an undivided 100% interest in and to an aggregate of 193 mineral claims located in the Province of Quebec, Canada (the "Claims"). Pursuant to the Acquisition Agreement, the Company agreed to pay \$40,000 and issue an aggregate of 8,500,000 shares of common stock as follows:

- i. Stage 1: The Company shall pay \$15,000 on or before January 31, 2012 (paid on January 31, 2012)
- ii. Stage 2: The Company shall issue 8,500,000 shares and pay \$25,000 on or before February 29, 2012 (these shares were issued and money paid on February 29, 2012).

The Claims shall be subject to a 2% net smelter royalty payable to the Vendor.

On April 30, 2012, the Company determined the acquisition costs for these mineral properties were impaired and recorded a related impairment loss in the statement of operations of \$894,250. During the six months ended October 31, 2012, the Company incurred exploration costs related to these claims of \$7,149 for geologist fees related to a 43-101 report.

- c) Effective February 6, 2012, the Company entered into a mining property acquisition agreement (the "Acquisition Agreement") whereby the Company has agreed to acquire an undivided 100% interest in and to an aggregate of 140 mineral claims located in the Province of Quebec, Canada (the "Claims"). The Claims are subject to a 2% net smelter royalty payable to the Vendor. Pursuant to the agreement, the Company agreed to pay \$20,000 and issue 5,000,000 shares of common stock on or before April 16, 2012. (these shares were issued and money paid on April 16, 2012)

On April 30, 2012, the Company determined the acquisition costs for these mineral properties were impaired and recorded a related impairment loss in the statement of operations of \$544,500.

**NOTE 6 - CONVERTIBLE  
DEBT**

**9 Months Ended  
Oct. 31, 2012**

[Debt Instrument, Convertible,  
Terms of Conversion Feature](#)

**NOTE 6 – CONVERTIBLE DEBT**

On July 12, 2012, the Company entered into a Convertible Promissory Note agreement for \$37,500. The Note bears interest at 8% per annum, and the principal amount and any interest thereon are due on April 16, 2013. Any principal or interest not paid when due, shall bear interest at 22% per annum. Pursuant to the agreement, the Note is convertible 180 days after issuance into shares of common stock at a variable conversion price equal to 55% of the average of the lowest three closing bid prices for the common stock during the 10 trading days prior to the date of the conversion notice.

Pursuant to ASC 815, the Company has determined the embedded conversion option is a derivative liability. The Company valued this derivative liability at \$48,553 using the Black-Scholes model. Accordingly, the Company has recorded a discount on the convertible note of \$37,500, a derivative liability of \$11,053, and a loss on derivative liability of \$11,053. The discount on the convertible note is accreted over the term of the convertible note. The derivative liability was revalued at October 31, 2012 at \$31,811, using the Black-Scholes model. Accordingly, a related loss on derivative liability of \$31,811 was recorded in the statement of operations.

As at October 31, 2012, \$11,315 of the debt discount had been accreted, increasing the carrying value of the convertible note to \$11,315. The Company paid \$2,500 of deferred finance costs relating to the issuance of the Note. At October 31, 2012, the Company had recorded amortization of \$968 and the remaining \$1,532 will be charged to operation over the life of the note.

| <b>NOTE 6 - CONVERTIBLE<br/>DEBT (Detail) (USD \$)</b>   | <b>4 Months<br/>Ended<br/>Oct. 31,<br/>2012</b> | <b>9 Months<br/>Ended<br/>Oct. 31,<br/>2012</b> | <b>12 Months<br/>Ended<br/>Apr. 16,<br/>2014</b> | <b>58 Months<br/>Ended<br/>Oct. 31,<br/>2012</b> | <b>Jul. 12,<br/>2012</b> |
|--|---|---|--|--|--------------------------|
| <a href="#"><u>Convertible Promissory Note Value</u></a>   |   |   |  |  | \$<br>37,500             |
| <a href="#"><u>Derivative, Average Fixed Interest Rate</u></a>   |   |   |  |  | 8.00%                    |
| <a href="#"><u>Convertible Promissory Note Default Rate</u></a>  |   |   | 22.00%   |  |                          |
| <a href="#"><u>Convertible Promissory Note Terms</u></a>   |   |   | 180  |  |                          |
| <a href="#"><u>Convertible Promissory Note Conversion Percent</u></a>                                    |   |   | 55.00%   |  |                          |
| <a href="#"><u>Convertible Promissory Note Average Value Period</u></a>                                  |   |   | three  |  |                          |
| <a href="#"><u>Convertible Promissory Note Average Value Duration Period</u></a>                         |   |   | 10   |  |                          |
| <a href="#"><u>Derivative Liability, Fair Value, Gross Liability</u></a>                                 |   |   |  |  | 48,553                   |
| <a href="#"><u>Debt Instrument, Unamortized Discount</u></a>   | 11,315  | 11,315  |  | 11,315   | 37,500                   |
| <a href="#"><u>Derivative, Loss on Derivative</u></a>  | 11,053  |   |  |  |                          |
| <a href="#"><u>Derivative, Net Liability Position, Aggregate Fair Value</u></a>                          | 31,811  | 31,811  |  | 31,811   |                          |
| <a href="#"><u>Derivative, Gain on Derivative</u></a>  | 31,811  |   |  |  |                          |
| <a href="#"><u>Convertible Promissory Note Carry Value</u></a>   | 11,315  | 11,315  |  | 11,315   |                          |
| <a href="#"><u>Deferred Finance Costs, Own-share Lending Arrangement, Issuance Costs, Adjustment</u></a> | 2,500   |   |  |  |                          |
| <a href="#"><u>Amortization of Debt Discount (Premium)</u></a>   | 968   | 11,315  |  | 11,315   |                          |
| <a href="#"><u>Debt Instrument, Unamortized Discount (Premium), Net</u></a>                              | \$ 1,532  | \$ 1,532  |  | \$ 1,532   |                          |

**NOTE 2 - SIGNIFICANT  
ACCOUNTING POLICIES  
(Detail) (USD \$)**

**Oct. 31, 2012 Jul. 31, 2012 Feb. 06, 2012 Jan. 25, 2012**

|  |              |              |         |         |
|--|--------------|--------------|---------|---------|
| <u>ParentControllingInterestSubsidiary</u>   |              | 100.00%      | 100.00% | 100.00% |
| <u>CumulativeOperatingLoss (in Dollars)</u>  | \$ 2,016,240 | \$ 2,016,240 |         |         |
| <u>Deferred Tax Assets, Net (in Dollars)</u> |              | \$ 705,684   |         |         |



**NOTE 10 - SUBSEQUENT  
EVENTS**

**9 Months Ended  
Oct. 31, 2012**

[Subsequent Events \[Text  
Block\]](#)

**NOTE 10 – SUBSEQUENT EVENTS**

In accordance with ASC 855, Subsequent Events, the Company has evaluated subsequent events through the date of issuance of the unaudited interim consolidated financial statements. Subsequent to the fiscal period ended October 31, 2012, the Company did not have any material recognizable subsequent events.

**NOTE 8 - GOING  
CONCERN**

[Going Concern Note](#)

**9 Months Ended  
Oct. 31, 2012**

**NOTE 8 – GOING CONCERN**

These financial statements are presented on the basis that the Company is a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business over a reasonable length of time. As of October 31, 2012 the Company had incurred accumulated losses since inception of \$2,016,240. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Its continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis, to obtain additional financing or refinancing as may be required, and ultimately to establish profitable operations.

Management's plans for the continuation of the Company as a going concern include financing the Company's operations through issuance of its common stock. If the Company is unable to complete its financing requirements or achieve revenue as projected, it will then modify its expenditures and plan of operations to coincide with the actual financing completed and actual operating revenues. There are no assurances, however, with respect to the future success of these plans.

**NOTE 9 - DISCONTINUED OPERATIONS**

**9 Months Ended  
Oct. 31, 2012**

[Disposal Groups, Including Discontinued Operations, Disclosure \[Text Block\]](#)

**NOTE 9 – DISCONTINUED OPERATIONS**

Upon entering into the Acquisition Agreement described in Note 7(a), the Company changed its operations. All operations prior to the acquisition have been classified as discontinued operations. Cash flows from discontinued operations were not material and were combined with cash flows from continuing operations within the consolidated statement of cash flows categories.

The results of discontinued operations are summarized as follows:

|  | Three months ended<br>October 31, |          | Nine months ended<br>October 31, |                 | From January 3,<br>2008 (Inception) to<br>October 31, 2012 |
|--|-----------------------------------|----------|----------------------------------|-----------------|--|
|  | 2012                              | 2011     | 2012                             | 2011            |  |
| Operating Expenses                           |                                   |          |                                  |                 |  |
| General and administrative                   | –                                 | –        | –                                | 34,643          | 47,843   |
| Impairment loss on intangible asset          | –                                 | –        | –                                | –               | 6,000  |
| <b>Total Operating Expenses</b>              | <b>–</b>                          | <b>–</b> | <b>–</b>                         | <b>34,643</b>   | <b>53,843</b>  |
| <b>Net Loss from Discontinued Operations</b> | <b>–</b>                          | <b>–</b> | <b>–</b>                         | <b>(34,643)</b> | <b>(53,843)</b>  |

**Accounting Policies, by  
Policy (Policies)**

[Consolidation, Policy \[Policy Text Block\]](#)

[Use of Estimates, Policy \[Policy Text Block\]](#)

[Impairment or Disposal of Long-Lived Assets,  
Policy \[Policy Text Block\]](#)

[Asset Retirement Obligations, Policy \[Policy  
Text Block\]](#)

**9 Months Ended  
Oct. 31, 2012**

Principles of Consolidation

These consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States and are expressed in US dollars. The Company's fiscal year end is January 31. The consolidated financial statements include the accounts of Toron Inc. and its 100% owned subsidiary, Toron Resources Inc. All significant intercompany balances and transactions have been eliminated upon consolidation

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of these financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates

Long-Lived Assets

In accordance with ASC 360, *Property, Plant, and Equipment*, the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value

Asset Retirement Obligations

The Company follows the provisions of ASC 410 – 20, *Asset Retirement Obligations* which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment or other disposal of long-lived tangible assets arising from

the acquisition, construction or development and for normal operations of such assets. As at October 31, 2012, the Company does not have any asset retirement obligations

[Cash and Cash Equivalents, Policy \[Policy Text Block\]](#)

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents

[Mineral Property Acquisition And Exploration Costs](#)

Mineral property acquisition and exploration costs

The cost of acquiring mineral properties or claims is initially capitalized and then tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Mineral exploration costs are expensed as incurred

[Comprehensive Income \(Loss\) Note \[Text Block\]](#)

Comprehensive Income

ASC 220, *Comprehensive Income* establishes standards for the reporting and display of comprehensive income and its components in the financial statements. During the nine months ended October 31, 2012 and 2011, the Company had no items that represent other comprehensive income

[Foreign Currency Transactions and Translations Policy \[Policy Text Block\]](#)

Foreign Currency Translation

The Company's functional and reporting currency is the US dollar as substantially all of the Company's operations are in United States.

Assets and liabilities that are denominated in a foreign currency are translated at the exchange rate in effect at the year end and capital accounts are translated at historical rates. Income statement accounts are translated at the average rates of exchange prevailing during the period. Translation adjustments from the use of different exchange rates from period to period are included in the Comprehensive Income statement account in Stockholder's Equity, if applicable.

Transactions undertaken in currencies other than the functional currency of the entity are translated using the exchange rate in effect as of the transaction date. If applicable, exchange gains and losses are included in general and administrative expense on the Statement of Operations

[Earnings Per Share, Policy \[Policy Text Block\]](#)

Basic and Diluted Loss Per Share

The Company computes basic loss per share by dividing the net loss by the weighted average common shares outstanding during the period. There are no potential common shares; accordingly, diluted and basic loss per share amounts are the same

[Fair Value of Financial Instruments, Policy \[Policy Text Block\]](#)

Fair Value of Financial Instruments

The Company's financial instruments consists of cash, bank indebtedness, accounts payable and accrued liabilities, advances, due to related parties and convertible debt. Due to the short maturities of these financial instruments, their fair value approximates their carrying value

[Share-based Compensation, Option and Incentive Plans Policy \[Policy Text Block\]](#)

Stock-based Compensation

In accordance with ASC 718, *Compensation – Stock Based Compensation* and ASC 505, *Equity Based Payments to Non-Employees*, the Company accounts for share-based payments using the fair value method. Common shares issued to third parties for non-cash consideration are valued based on the fair market value of the services provided or the fair market value of the common stock on the measurement date, whichever is more readily determinable

[Income Tax, Policy \[Policy Text Block\]](#)

Income Taxes

Deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. The Company has cumulative net operating losses of \$2,016,240 as of October 31, 2012, with an approximate deferred tax asset of \$705,684 which has been fully offset by a valuation allowance. These net operating losses begin to expire in 2028

[Revenue Recognition, New Accounting Pronouncement, Timing](#)

Recent Authoritative Pronouncements The Company does not expect that the adoption of any recent accounting standards to have a material impact on its financial statements

**NOTE 4 - ADVANCES  
(Detail) - NOTE 4 –  
ADVANCES (USD \$)**

**Oct. 31, 2012 Jan. 31, 2012**

|                       |            |            |
|-----------------------|------------|------------|
| <u>Total advances</u> | \$ 232,625 | \$ 125,000 |
| QuarryBay             |            |            |
| <u>Loan Payable</u>   | 117,625    | 75,000     |
| MadisonCapital        |            |            |
| <u>Loan Payable</u>   | \$ 115,000 | \$ 50,000  |

**NOTE 9 - DISCONTINUED OPERATIONS (Detail) -**  
The results of discontinued operations are summarized as follows: (USD \$)

**9 Months Ended 58 Months Ended**

|  | <b>Oct. 31, 2011</b> | <b>Oct. 31, 2012</b> |
|--|----------------------|----------------------|
| <b><u>Operating Expenses</u></b>             |                      |                      |
| <u>General and administrative</u>            | \$ 34,643            | \$ 47,843            |
| <u>Impairment loss on intangible asset</u>   |                      | 6,000                |
| <u>Total Operating Expenses</u>              | 34,643               | 53,843               |
| <u>Net Loss from Discontinued Operations</u> | \$ (34,643)          | \$ (53,843)          |



**TORON, INC. - Unaudited**  
**Statement of Cash Flows**  
**(USD \$)**

|   | <b>9 Months Ended</b> |                 | <b>58 Months</b>     |
|---|-----------------------|-----------------|----------------------|
|   | <b>Oct. 31,</b>       | <b>Oct. 31,</b> | <b>Ended</b>         |
|   | <b>2012</b>           | <b>2011</b>     | <b>Oct. 31, 2012</b> |
| <b><u>Cash Flows from Operating Activities</u></b>  |                       |                 |                      |
| <u>Net loss</u>   | \$ (1,598,532)        | \$ (166,283)    | \$ (2,016,240)       |
| <b><u>Adjustments to reconcile net loss to net cash used in operating activities:</u></b> |                       |                 |                      |
| <u>Impairment loss on intangible asset, related to discontinued operations</u>            |                       |                 | 6,000                |
| <u>Impairment loss on mineral properties</u>  | 1,438,750             | 103,000         | 1,725,550            |
| <u>Change in fair value of derivative liability</u>                                       | 31,811                |                 | 31,811               |
| <u>Amortization of deferred financing costs</u>   | 968                   |                 | 968                  |
| <u>Accretion of discount on convertible note</u>  | 11,315                |                 | 11,315               |
| <b><u>Changes in operating assets and liabilities:</u></b>                                |                       |                 |                      |
| <u>Accounts payable and accrued liabilities</u>   | 37,790                | 15,383          | 59,554               |
| <u>Net Cash Used in Operating Activities</u>  | (77,898)              | (47,900)        | (181,042)            |
| <b><u>Cash Flows from Investing Activities</u></b>  |                       |                 |                      |
| <u>Payments to acquire mineral properties</u>   | (60,000)              | (40,000)        | (160,000)            |
| <u>Acquisition of intangible asset</u>  |                       |                 | (6,000)              |
| <u>Net Cash Used in Investing Activities</u>  | (60,000)              | (40,000)        | (166,000)            |
| <b><u>Cash Flows from Financing Activities</u></b>  |                       |                 |                      |
| <u>Bank indebtedness</u>  | 27                    |                 | 27                   |
| <u>Deferred financing costs</u>   | (2,500)               |                 | (2,500)              |
| <u>Proceeds from advances</u>   | 107,625               |                 | 232,625              |
| <u>Proceeds from loan payable</u>   |                       | 40,000          |                      |
| <u>Due to related parties</u>   | (5,244)               | 11,500          | 23,790               |
| <u>Proceeds from issuance of convertible debt</u>   | 37,500                |                 | 37,500               |
| <u>Proceeds from the issuance of common stock, related to discontinued operations</u>     |                       |                 | 55,600               |
| <u>Net Cash Provided by Financing Activities</u>  | 137,408               | 51,500          | 347,042              |
| <u>(Decrease) Increase in Cash</u>  | (490)                 | (36,400)        |                      |
| <u>Cash - Beginning of Period</u>   | 490                   | 36,400          |                      |
| <u>Cash - End of Period</u>   | 0                     | 0               | 0                    |
| <b><u>Supplemental Information:</u></b>   |                       |                 |                      |
| <u>Interest paid</u>  | 0                     | 0               | 0                    |
| <u>Income taxes paid</u>  | 0                     | 0               | 0                    |
| <b><u>Supplemental disclosure of noncash investing and financing activities:</u></b>      |                       |                 |                      |
| <u>Common stock issued for mineral properties</u>   | 1,378,750             |                 | 1,565,550            |
| <u>Fair value of beneficial conversion option of convertible debt</u>                     | \$ 37,500             |                 | \$ 37,500            |

**NOTE 5 - RELATED  
PARTY TRANSACTIONS**

**9 Months Ended  
Oct. 31, 2012**

[Related Party Transactions  
Disclosure \[Text Block\]](#)

**NOTE 5 – RELATED PARTY TRANSACTIONS**

As at October 31, 2012, the Company was indebted to the former President of the Company in the amount of \$1,087 (January 31, 2012 - \$20,000) for consulting fees and owes \$1,103 (January 31, 2012 - \$3,634) for an advance of working capital and expenses paid on behalf of the Company. The amounts are unsecured, non-interest bearing and due on demand.

As at October 31, 2012, the Company was indebted to a director of the Company in the amount of \$21,600 (January 31, 2012 - \$5,400) for consulting fees. The amounts are unsecured, non-interest bearing and due on demand.

**NOTE 3 -  
STOCKHOLDERS'  
EQUITY (Detail) (USD \$)**

**0 Months Ended**

**Apr. 16, 2012 Feb. 29, 2012 Oct. 31, 2012 Jan. 31, 2012**

|  |           |           |          |          |
|--|-----------|-----------|----------|----------|
| <u>Proceeds from Issuance or Sale of Equity (in Dollars)</u> | \$ 0      | \$ 0      |          |          |
| <u>Common Stock, Par or Stated Value Per Share</u>           | \$ 0.1049 | \$ 0.1005 | \$ 0.001 | \$ 0.001 |