FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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FILER

Panex Resources Inc.

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SIC: **1000** Metal mining

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Business Address
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41-41-711-0281

FINANCIAL STATEMENTS (EXPRESSED IN U.S. DOLLARS)

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

FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED NOVEMBER 30, 2012

☒ QUARTERLY REPORT UNDER SECTION 13 0R 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

☐TRANSITION REPORT UNDER SECTION 13 0R 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ________________ to ________________
Commission file number 000-51707

PANEX RESOURCES INC.
(Exact name of registrant as specified in its charter)

Incorporated in the State of Nevada
(State or other jurisdiction of incorporation or organization)
00-0000000
(I.R.S. Employer Identification No.)
Coresco AG, Level 3, Gotthardstrasse 20, 6304 Zug, Switzerland
(Address of principal executive offices)
+41 7887 96966
(Issuer's telephone number)
-
(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 past 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 smaller reporting company. See definition of "accelerated filer", "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Larger accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a 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 CORPORATE ISSUERS
State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at January 11, 2013

Common Stock – $0.001 par value	103,261,507

PART I – FINANCIAL INFORMATION

ITEM 1 – FINANCIAL STATEMENTS

BALANCE SHEETS

PANEX RESOURCES INC.
(An exploration stage enterprise)
Balance Sheets

(Expressed in U.S. Dollars)

	As at November 30 2012 (Unaudited) $	As at August 31 2012 $
ASSETS		
Current assets		
Cash	20,432	65,799
Total current assets	20,432	65,799
Total assets (all current)	20,432	65,799
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
Current liabilities		
Accounts payable and accrued expenses	266,218	302,047
Accounts payable and accrued expenses – related parties (Note 5)	46,306	31,594
Loans and borrowings (Note 6)	100,000	-
Total current liabilities	412,524	333,641
Stockholders' Equity (Deficiency)		
Common stock		
Authorized: 500,000,000 (2011: 500,000,000) common shares with par value of $0.001 each		
Issued and outstanding: 103,261,507 (2012: 103,261,507) common shares	103,261	103,261
Additional paid-in capital	13,020,699	13,020,699
Donated capital	77,627	77,627
Accumulated deficit during the exploration stage	(13,593,679)	(13,469,429)
Stockholder' equity (deficiency)	(392,092)	(267,842)
Total liabilities and stockholders' equity (deficiency)	20,432	65,799

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

STATEMENTS OF OPERATIONS

PANEX RESOURCES INC. (An exploration stage enterprise) Statements of Operations (Unaudited) (Expressed in U.S. Dollars)	Cumulative May 28, 2004 (inception) to November 30 2012 $	For the Three Months Ended November 30 2012 $	For the Three Months Ended November 30 2011 $
Operating Expenses			
Donated rent	5,250	-	-
Donated services	72,377	-	15,260
General and administrative	700,871	46,394	316
Foreign currency transaction loss (gain)	104,266	708	(23,523)
Mineral property and exploration costs	4,739,777	-	-
Management fees	756,226	34,403	-
Professional fees	1,367,837	42,709	19,272
Travel costs	335,415	-	-
Write-off deferred acquisition cost	400,000	-	-
Provision against Minanca loan	6,100,000	-	-
	14,582,019	124,214	11,325
Other income (expense)			
Interest income and other	42,707	-	-
Interest expense	(304,413)	(36)	(10,368)
Loss on sale of investment	(126,182)	-	-
Gain on sale of mineral property right	1,376,228	-	-
	988,340	(36)	(10,368)
Net Loss	(13,593,679)	(124,250)	(21,693)
Net Loss Per Share – Basic and Diluted		*	*
Weighted Average Shares Outstanding		103,261,507	79,349,908

* Amount is less than $0.01 per share

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

STATEMENTS OF CASH FLOWS

PANEX RESOURCES INC. (An exploration stage enterprise) Statements of Cash Flows (Unaudited) (Expressed in U.S. Dollars)	Cumulative May 28, 2004 (inception) to November 30 2012 $	For the Three Months Ended November 30 2012 $	For the Three Months Ended November 30 2011 $
Cash Flows From Operating Activities			
Net loss	(13,593,679)	(124,250)	(21,693)
Adjustments to reconcile net loss to cash used in Operating activities			
Foreign currency transaction loss (gain)	104,266	708	(23,523)
Gain on sale of mineral property rights	(586,228)	-	-
Loss on sale of investment	126,181	-	-
Gain on extinguishment of debt	(10,426)	-	-
Donated services and expenses	77,627	-	15,260
Expenses paid by issue of common stock	500	-	-
Stock option compensation expense	221,756	-	-
Write-off deferred acquisition costs	400,000	-	-
Provision against Minanca loan	6,100,000	-	-
Change in operating assets and liabilities			
Increase (decrease) in accounts payable and accrued liabilities	1,010,451	(35,829)	25,554
Increase (decrease) in amounts due to related parties	176,822	14,712	(6,804)
Net Cash Used in Operating Activities	(5,972,730)	(144,659)	(11,206)
Cash Flows From Investing Activities			
Cash received from sale of investment	250,047	-	-
Cash received from sale of mineral property rights	210,000	-	-
Deferred acquisition costs	(400,000)	-	-
Loan advances	(7,100,000)	-	-
Repayment of loan advance	1,000,000	-	-
Net Cash Used in Investing Activities	(6,039,953)	-	-
Cash Flows From Financing Activities			
Loan from related parties	594,313	-	-
Loan repaid to related parties	(576,483)	-	-
Loan from unrelated third parties	330,000	100,000	-
Deposits received for common shares to be issued	40,000	-	-
Common shares issued for cash	11,647,739	-	-
Net Cash Provided by Financing Activities	12,035,569	100,000	-
Effect of Exchange Rates on Cash	(2,454)	(708)	(876)
Increase (decrease) in Cash	20,432	(45,367)	(12,082)
Cash at Beginning of Period	-	65,799	19,357
Cash at End of Period	20,432	20,432	7,275

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

PANEX RESOURCES INC.
FINANCIAL STATEMENTS (EXPRESSED IN U.S. DOLLARS)
QUARTERLY REPORT FOR THE PERIOD ENDED NOVEMBER 30, 2012 (UNAUDITED)

STATEMENTS OF STOCKHOLDER'S EQUITY (DEFICIENCY)

PANEX RESOURCES INC. (An exploration stage enterprise) Statements of Stockholder's Equity (Deficiency) and Comprehensive Income (Loss) May 28, 2004 (inception) to November 30, 2012 (Expressed in U.S. Dollars)	Common Stock Shares #	Amount $	Additional paid-in capital $	Donated Capital $	Accumulated (deficit) during exploration stage $	Total stockholders' equity (deficiency) $
Balances, May 28, 2004 (Date of inception)						
Common stock issued for services to president	6,000,000	6,000	(5,500)	-	-	500
Return and cancellation of shares	(6,000,000)	(6,000)	6,000	-	-	-
Net loss					(500)	(500)
Balances, August 31, 2004	-	-	500	-	(500)	-
Common stock issued for cash	64,500,000	64,500	(17,750)	-	-	46,750
Return and cancellation of shares	(30,000,000)	(30,000)	30,000	-	-	-
Donated rent	-	-	-	3,000	-	3,000
Donated services	-	-	-	6,000	-	6,000
Net loss					(15,769)	(15,769)
Balances, August 31, 2005	34,500,000	34,500	12,750	9,000	(16,269)	39,981
Common stock issued for cash	1,964,285	1,964	4,498,036	-	-	4,500,000
Donated rent	-	-	-	2,250	-	2,250
Donated services	-	-	-	4,500	-	4,500
Net loss					(848,560)	(848,560)
Balances, August 31, 2006	36,464,285	36,464	4,510,786	15,750	(864,829)	3,698,171
Common stock issued for cash	7,632,500	7,632	6,098,368			6,106,000
Net loss					(10,943,990)	(10,943,990)

Balances, August 31, 2007	44,096,785	44,096	10,609,154	15,750	(11,808,819)	(1,139,819)
Net loss					(66,651)	(66,651)
Balances, August 31, 2008	44,096,785	44,096	10,609,154	15,750	(11,875,470)	(1,206,470)
Common stock issued for cash	1,600,000	1,600	14,400			16,000
Common stock issued for settlement of debt	14,000,000	14,000	126,000			140,000
Shares to be issued	-	-	30,000			30,000
Net loss					(154,585)	(154,585)
Balances, August 31, 2009	59,696,785	59,696	10,779,554	15,750	(12,030,055)	(1,175,055)
Common stock issued for cash received in December 2008	4,000,000	4,000	6,000	-	-	10,000
Common stock issued for settlement of debt	3,350,000	3,350	30,150	-	-	33,500
Net loss					(213,860)	(213,860)
Balances, August 31, 2010	67,046,785	67,046	10,815,704	15,750	(12,243,915)	(1,345,415)
Common stock issued for settlement of accounts payable, accrued liabilities and debt	12,303,123	12,303	602,853	-	-	615,156
Donated services	-	-	-	31,617	-	31,617
Net loss					(299,498)	(299,498)
Balances, August 31, 2011	79,349,908	79,349	11,418,557	47,367	(12,543,413)	(998,140)
Donated services	-	-	-	30,260	-	30,260
Issuance of common stock for settlement of debt and accounts payable in February 20126)	8,477,553	8,478	161,073	-	-	169,551
Common stock issued for cash at $0.08 per share	12,237,075	12,237	966,752	-	-	978,989
Common stock issued for settlement of debt and accounts payable in March 2012	3,196,971	3,197	252,561	-	-	255,758
Stock option compensation expense	-	-	221,756	-	-	221,756
Net loss	-	-	-	-	(926,016)	(926,016)
Balances, August 31, 2012	103,261,507	103,261	13,020,699	77,627	(13,469,429)	(267,842)
Net loss	-	-	-	-	(124,250)	(124,250)
Balances, November 30, 2012	103,261,507	103,261	13,020,699	77,627	(13,593,679)	(392,092)

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

NOTES TO FINANCIAL STATEMENTS

1. Organization, Nature of Business, Going Concern and Management's Plans

Panex Resources Inc. ('Panex" or the "Company") was incorporated in the State of Nevada on May 28, 2004. The Company is considered to be an Exploration Stage Company. The Company's principal business is the acquisition and exploration of mineral resources.

Going concern and management's plans:

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Since its inception on May 28, 2004, the Company has not generated revenue and has incurred net losses. The Company incurred a net loss of $124,250 for the three months ended November 30, 2012, and a deficit accumulated during the exploration stage of $13,593,679 for the period May 28, 2004 (inception) through November 30, 2012. Accordingly, it has not generated cash flow from operations and has primarily relied upon advances from shareholders and proceeds from equity financings to fund its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company has no mineral property interests as of the date of this report. Certain mineral property interests are presently being considered, however it is too early to determine whether they may be considered appropriate for acquisition.

During the next 12 months, management's objective is to recapitalize Panex, continue to raise new capital and to seek new investment opportunities in the mineral sector. Management believes that its worldwide industry contacts will make it possible to identify and assess new projects for acquisition purposes.

Panex is seeking a viable business opportunity through acquisition, merger or other suitable business combination method, with a focus on undervalued mineral properties for eventual acquisition. Panex intends to concentrate its acquisition efforts on mineral properties or mineral exploration businesses that management believes to be undervalued or that management believes may realize a substantial benefit from being publicly owned. Panex will continue to identify and assess undervalued mineral properties when capital raisings are completed. A small number of mineral properties are presently being reviewed, but it is too early to say whether they may be considered appropriate for acquisition.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts or classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

2. Summary of Significant Accounting Policies

a. Basis of Preparation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States (US GAAP). The Company's fiscal year-end is August 31.

2. Summary of Significant Accounting Policies (Continued)

b. Use of Estimates

The preparation of financial statements in conformity with US GAAP 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

c. Basic and Diluted Net Income (Loss) Per Share

Earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the reporting period including common stock issued effective the date committed. Common stock issuable is considered outstanding as of the original approval date for the purposes of earnings per share computations. Diluted earnings (loss) per common share is computed by dividing net earnings (loss) by the sum of (a) the basic weighted average number of shares of common stock outstanding during the period and (b) additional shares that would have been issued and potentially dilutive securities. During the reporting periods the diluted earnings (loss) per share was equivalent to the basic earnings (loss) per share because all potentially dilutive securities were anti-dilutive due to the net losses incurred. Potentially dilutive securities consist of stock options outstanding at the end of the reporting period. Stock options outstanding as at November 30, 2012 were 8,000,0000 (November 30, 2011: Nil).

d. Cash

Cash includes deposits in banks, which are unrestricted as to withdrawal or use.

e. Mineral Property and Exploration Costs

The Company has been in the exploration stage since its formation on May 28, 2004 and has not realized any revenues from its planned operations. It has been primarily engaged in the acquisition and exploration of mining properties. Mineral property acquisition and exploration costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property are capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

f. Deferred Acquisition Costs

The Company capitalizes deposits paid during the acquisition of equity interests as deferred acquisition costs. Deferred acquisition costs are recorded at cost and are included in the purchase price of the equity interest once the acquisition has been consummated.

g. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market. The Company uses a fair value hierarchy that has three levels of inputs, both observable and unobservable, with use of the lowest possible level of input to determine fair value.

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

Level 2 - observable inputs other than Level 1, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model-derived prices whose inputs are observable or whose significant value drivers are observable; and

Level 3 - assets and liabilities whose significant value drivers are unobservable.

2. Summary of Significant Accounting Policies (Continued)

As of reporting period, the Company did not have any assets or liabilities that were measured at fair value on a recurring or non-recurring basis.

Observable inputs are based on market data obtained from independent sources, while unobservable inputs are based on the Company's market assumptions. Unobservable inputs require significant management judgment or estimation. In some cases, the inputs used to measure an asset or liability may fall into different levels of the fair value hierarchy. In those instances, the fair value measurement is required to be classified using the lowest level of input that is significant to the fair value measurement. Such determination requires significant management judgment.

Financial instruments, which include cash, accounts payable, and loans and borrowings, were estimated to approximate their carrying values due to the immediate or short-term maturity of these financial instruments. The fair value of amounts due to related parties are not practical to estimate, due to the related party nature of the underlying transactions. The financial risk to the Company's operations arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

h. Income Taxes

The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases, as well as net operating losses.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets or liabilities of a change in tax rates is recognized in the period in which the tax change occurs. A valuation allowance is provided to reduce the deferred tax assets to a level, that more likely than not, will be realized.

Management does not believe that the Company has any unrecognized tax positions. The Company's policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

i. Stock-Based Compensation

The Company accounts for share-based payments under the fair value method of accounting for stock-based compensation consistent with US GAAP. Under the fair value method, stock-based compensation cost is measured at the grant date based on the fair value of the award using the Black-Sholes option pricing model and is recognized to expense on a straight-line basis over the requisite service period, which is generally the vesting period. Where upon grant the options vest immediately the stock-based costs are expensed immediately.

j. Foreign Currency Translation and Transactions

The Company's functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated into the United States dollar using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income.

k. Concentration of Credit Risk

The Company's financial instruments that are exposed to concentration of credit risk consist of cash. The Company's cash is in demand deposit accounts placed with federally insured financial institutions in Canada.

l. Interim Financial Statements

In the opinion of management, the accompanying unaudited condensed financial statements contain all adjustments which include only normal recurring adjustments, necessary to present fairly the Company's financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

FINANCIAL STATEMENTS (EXPRESSED IN U.S. DOLLARS)

2. Summary of Significant Accounting Policies (Continued)

The unaudited financial statements should be read in conjunction with the Company's audited financial statements and footnotes thereto for the year ended August 31, 2012, which are included in the Company's Annual Report on Form 10-K.

m. Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financial statements properly reflect the change. A variety of proposed or otherwise potential accounting standards are currently under study by standard-setting organizations and various regulatory agencies. Because of the tentative and preliminary nature of these proposed standards, the Company has not determined whether implementation of such proposed standards would be material to the Company's financial statements. New pronouncements assessed by the Company recently are discussed below:

In June 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-05, Comprehensive Income (Topic 220) – Presentation of Comprehensive Income ("ASU 2011-05"). ASU 2011-05 requires entities to present net income and other comprehensive income in either a single continuous statement or in two separate, but consecutive, statements of net income and other comprehensive income. ASU 2011-05 is effective for fiscal years and interim periods within those years, beginning after December 15, 2011 (the interim period ending November 30, 2012 for the Company). The Company does not expect the adoption of ASU 2011-05 to have a material impact on its results of operations, financial condition, or cash flows.

3. Stock Options

In August 2012, the Company's Board of Directors approved the issuance of stock options as an incentive to obtain services of key employees, directors and consultants of the Company. The following is a summary of stock option activity and the status of stock options outstanding and exercisable at November 30, 2012:

	Stock Options #	Weighted Average Exercise Price $	Remaining Contractual Life (years) As At	Aggregate Intrinsic value As At
Outstanding and exercisable at August 31, 2011	-	-	-	-
Granted on August 3, 2012	8,000,000	0.08	4.92	-
Outstanding and exercisable at August, 31, 2012	8,000,000	0.08	4.92	-
Granted during the quarter end November 30, 2012	-	-	-	-
Outstanding and exercisable at November, 30, 2012	8,000,000	0.08	4.67	-

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value for all "in-the-money" options (i.e. the difference between the Company's closing stock price on the last trading day of the fiscal year and the exercise price, multiplied by the number of shares) that would have been received by the option holders had all option holders exercised their options on November 30, 2012.

Effective August 3, 2012, the Company's board of directors granted 8,000,000 stock purchase options. Each of the options has an issue date, effective date and vesting date of August 3, 2012, with an exercise price of $0.08 per share. The term of these options is five years. The options are exercisable at any time from the grant date up to and including August 2, 2017. There is no unrecognised compensation expense at November 30, 2012. All related compensation expense was recognized on August 31, 2012 as the options were vested in full on that date. No options were granted during the period ended November 30, 2012.

4. Related Party Transactions

a. There were no donated services provided by the president of the Company during the three months ended November 30, 2012 (November 30, 2011: $15,260).

b. The Company incurred $34,403 management fees during the three months ended November 30, 2012 (prior period: $Nil) for services provided by the president of the Company. Management fees are 10,000 Swiss Francs per month and the agreement expires in December 2015, however can be terminated with 6 months notice. As of November 30, 2012, the Company has an accrued liability of $21,538 for management fees and travel expenses due to this related party.

c. Included in professional fees during the three months ended November 30, 2012 were $22,615 in consulting fees recognized for services performed by Coresco AG (prior period: $11,772), including the amount paid to the Chief Financial Officer. Consulting fees are 7,000 Swiss Francs per month and the agreement, which may be extended, expires in December 2015. The President and CFO exert significant influence over this company. The fees are in relation to work performed for fund raising, corporate office and management activities. As of November 30, 2012, the Company has an accrued liability of $24,768 due to this related party.

5. Loans and Borrowings

In March and July 2007, the Company received loan proceeds of $240,000 and $500,000 respectively from an unrelated third party. These loans were unsecured bearing interest at 8% per annum, with no fixed repayment date, but the understanding with the lender was that the loans will be repaid from the proceeds of future equity financings and/or the repayment of amounts lent to Minanca. On December 20, 2010, principal of $46,892 and interest of $15,751 was assigned to this third party. In December 2010, $267,072 of this loan as well as $200,310 of accrued interest on this loan was settled by the issue of 9,347,640 shares. In May 31, 2012 this loan was settled in full for $560,000, resulting in a gain on extinguishment of $10,426, which is included within interest income and other for the year ended August 31, 2012.

In January 2011, the Company received loan proceeds of $50,000, from an unrelated third party. This loan was unsecured, and had no stated interest rate. This amount was settled for issuance of 2,500,000 shares of common stock in February 2012.

In September and November 2012, the Company received loan proceeds of $75,000 and $25,000 respectively (totalling $100,000), from an unrelated third party. The loan is unsecured, and had no stated interest rate. $75,000 of these funds received was used to pay an aged outstanding accounts payable in December 2012.

6. Material Contingencies and Commitments

Panex has no material contingencies or long-term commitments.

While Panex has raised capital to meet its working capital and financing needs in the past, additional financing is required in order to fully complete its plan of operation and launch its business operations. Panex is seeking financing in the form of equity in order to provide the necessary working capital. Panex currently has no commitments for financing. There are no assurances Panex will be completely successful in raising the funds required.

7. Stockholders' Equity

Common Stock

Panex's authorized capital stock consists of 500,000,000 shares of common stock at a par value of $0.001 per share. On August 30, 2010, the authorized capital was increased from 75,000,000 shares of common stock to 500,000,000 shares of common stock.

Stock cancellations and recapitalization:

On May 25, 2006 and June 9, 2006, the Company completed the return and cancellation of 30,000,000 and 6,000,000 common shares to the treasury, respectively. The shares were returned by the former president of the Company.

The net loss per share amounts and stockholders' equity (deficit) have been retroactively restated (accounted for as a recapitalization) to reflect the return and cancellation of 36,000,000 common shares by the former president of the Company.

Common stock issuances

On May 28, 2004, the Company issued 6,000,000 shares of common stock to the then President of the Company for reimbursement of legal expenses of $500 incurred on behalf of the Company.

On June 30, 2005, the Company issued 6,000,000 shares of common stock for cash proceeds of $25,000.

On April 15, 2005, the Company issued 22,500,000 shares of common stock for cash proceeds of $18,750.

On March 22, 2005 the Company issued 36,000,000 shares of common stock for cash proceeds of $3,000.

On June 8, 2006, the Company completed a private placement with a director of the Company for 714,285 common shares at a price of $2.80 per share for proceeds of $2,000,000.

On August 30, 2006, the Company completed a private placement of 1,250,000 units at a price of $2.00 per unit for proceeds of $2,500,000. Each unit consisted of one common share and one common share purchase warrant.

Each share purchase warrant entitles the holder to acquire one additional common share at an exercise price of $2.50 per share for a period of two years. All warrants expired unexercised on August 31, 2008.

During November 2006, the Company completed private placements for 3,095,000 shares of restricted common stock at $0.80 per share, raising proceeds of $2,476,000.

In January 2007 the Company completed two private placements for 3,187,500 shares of restricted common stock at $0.80 per share raising proceeds of $2,550,000.

In February 2007 the Company completed two private placements for 1,350,000 shares of restricted common stock at $0.80 per share raising proceeds of $1,080,000.

On February 28, 2009, the board of directors authorized the issuance of 14,100,000 restricted shares of common stock at a subscription price of $0.01 per restricted share, for cash proceeds of $16,000 and the settlement of $125,000 accrued liabilities and debt. The shares were issued on June 19, 2009.

On May 29, 2009, the Company completed a private placement for 1,500,000 shares of restricted common stock at price of $0.01 per restricted share in exchange for the settlement of $15,000 debt.

In October 2009, the Company issued 6,350,000 restricted shares of common stock at a subscription price of $0.01 per restricted share, for cash proceeds of $40,000 and the settlement of $23,500 in accrued liabilities and debt due to a related party. The cash was received in December 2008.

7. Stockholders' Equity (Continued)

In January 2010, the Company issued 1,000,000 restricted shares of common stock at a subscription price of $0.01 per restricted share, for the settlement of $10,000 in accrued liabilities and debt due to a related party.

On December 20, 2010, the Company issued 2,955,483 restricted shares of common stock at a subscription price of $0.05 per share, for the settlement of $147,774 in accounts payable and accrued liabilities and issued 9,347,640 restricted shares of common stock at a subscription price of $0.05 per share for the settlement of loans and accrued interest totaling $467,382 from an unrelated third party.

On June 15, 2012, the Securities and Exchange Commission declared Panex's Form S-1 Registration Statement effective, file number 333-172375, permitting Panex to offer up to 30,000,000 shares of common stock at $0.08 per share. The offering was being conducted on a best efforts basis and there was no underwriter involved in this public offering. Through August 31, 2012, Panex received and accepted 22 subscription agreements and received an aggregate $978,989 in proceeds from those subscriptions and issued 12,237,075 shares of common stock. No further subscriptions were received and the offering was closed on December 12, 2012. Panex intends on applying the proceeds to ongoing operations, paying accounts payable, paying for offering expenses, assessing and evaluating possible new mineral project opportunities, and, subject to acquiring any such new projects, funding the exploration on such projects.

Effective August 3, 2012, the Company's board of directors granted 8,000,000 stock purchase options. Each of the options has an issue date, effective date and vesting date of August 3, 2012, with an exercise price of $0.08 per share. The term of these Options are five years. The Options are exercisable at any time from the grant date up to and including August 2, 2017.

Financing Activities:

On February 24, 2012, the Company entered into debt settlement agreements with creditors and related parties in consideration for the issuance of the Company's common stock, par value $0.001, at a per share price of $0.02 per share. As a result, the Company extinguished certain liabilities as further set forth in the debt settlement agreements as follows:

- Ross Doyle, a related party for $ 39,551, for a total of 1,977,553 shares at a price of $0.02 per share.
- Werte AG, a creditor, for $80,000, for a total of 4,000,000 shares at a price of $0.02 per share.
- Lars Pearl, a creditor, for $50,000, for a total of 2,500,000 shares at a price of $0.02 per share.

During March 2012, the Company entered into debt settlement agreements with creditors in consideration for the issuance of the Company's common stock, par value $0.001, at a per share price of $0.08 per share. As a result, the Company extinguished certain liabilities as further set forth in the debt settlement agreements as follows:

- Dr Georg Schnura, a creditor, for $175,758, for a total of 2,196,971 shares at a price of $0.08 per share.
- Victor Dario, a creditor, for $80,000, for a total of 1,000,000 shares at a price of $0.08 per share.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

THE FOLLOWING PRESENTATION OF MANAGEMENT'S DISCUSSION AND ANALYSIS OF PANEX RESOURCES INC. SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION INCLUDED HEREIN.

Uncertainties Relating To Forward-Looking Statements

This Form 10-Q Quarterly Report for the quarterly report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements involve risks and uncertainties, including statements regarding Panex Resources Incorporated capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "*may*", "*will*", "*should*", "*expect*", "*plan*", "*intend*", "*anticipate*", "*believe*", "*estimate*", "*predict*", "*potential*" or "*continue*", the negative of such terms or other comparable terminology. Actual events or results may differ materially. In evaluating these statements, you should consider various factors, including the risks outlined from time to time, in other reports Panex files with the Securities and Exchange Commission.

The information constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements in this Form 10-Q Quarterly Report for quarterly report, are subject to risks and uncertainties that could cause actual results to differ materially from the results expressed in or implied by the statements contained in this report. As a result, the identification and interpretation of data and other information and their use in developing and selecting assumptions from and among reasonable alternatives requires the exercise of judgment. To the extent that the assumed events do not occur, the outcome may vary substantially from anticipated or projected results, and accordingly, no opinion is expressed on the achievability of those forward-looking statements. No assurance can be given that any of the assumptions relating to the forward-looking statements specified in the following information are accurate.

All forward-looking statements are made as of the date of filing of this Form 10-Q and Panex disclaims any obligation to publicly update these statements, or disclose any difference between its actual results and those reflected in these statements. Panex may, from time to time, make oral forward-looking statements. Panex strongly advises that the above paragraphs and the risk factors described in this Quarterly Report and in Panex's other documents filed with the United States Securities and Exchange Commission should be read for a description of certain factors that could cause the actual results of Panex to materially differ from those in the oral forward-looking statements. Panex disclaims any intention or obligation to update or revise any oral or written forward-looking statements whether as a result of new information, future events or otherwise.

Background

Panex Resources Inc. ("Panex" or the "Company") is a Nevada corporation that was incorporated on May 28, 2004.

The Company conducts principal and technical activities from Coresco AG, Level 3, Gotthardstrasse 20, 6304 Zug, Switzerland. The telephone number is (+41)417110281. These offices are provided to the Company on a month-to-month basis. The Company believes these offices are adequate for the business requirements during the next 12 months. The Company does not own any real property. Panex maintains its statutory registered agent's office at 1859 Whitney Mesa Drive, Henderson, Nevada, 89014.

Panex is an exploration stage company engaged in the acquisition and exploration of mineral properties. The Company's plan of operations is to conduct mineral exploration activities on mineral properties in order to assess whether these claims possess commercially exploitable mineral deposits. Panex's exploration program will be designed to explore for commercially viable deposits of base and precious minerals, such as gold, silver, lead, barium, mercury, copper, and zinc minerals.

On June 15, 2006, Panex entered into an agreement with Emco Corporation ("Emco") to acquire an 80% interest in Minanca Minera Nanguipa, Compañía Anónima ("**Minanca**"), subject to certain conditions. Minanca owns certain mineral exploration property, including plant and equipment, in Ecuador, South America (the "**Ecuador Property**"). However, on December 9, 2007 Panex entered into an agreement with Emco to cancel the previously executed acquisition agreement, as the Company concluded that it was not in its best interests to settle the acquisition.

Panex has an authorized capital of 500,000,000 shares of common stock with a par value of $0.001 per share with 103,261,507 shares of common stock currently issued and outstanding. On August 30, 2010, the authorized capital was increased from 75,000,000 shares of common stock to 500,000,000 shares of common stock.

Panex has not been involved in any bankruptcy, receivership or similar proceedings. There have been no material reclassifications, mergers, consolidations or purchases or sales of a significant amount of assets not in the ordinary course of Panex's business.

Currently, Panex has not obtained an employer identification number for the purpose of registering to do business in the United States. Panex does not currently conduct any business in the United States nor employ any staff in the United States and is therefore not required by law to obtain an employer identification number at this time. Panex will take immediate steps to obtain an employer identification number if it becomes necessary to do so at any time in the future.

Plan of Operation

Panex is an Exploration Stage Company. Panex's principal business is the acquisition and exploration of mineral resources. Panex currently has no interest in any mineral resources or properties but is continuing to identify and assess viable mineral properties or mineral projects.

Panex is also a "shell" company as defined by the SEC as a result of only having nominal operations and nominal assets.

Panex has not generated any revenues from its mineral exploration activities. From the time of its incorporation in 2004 to early 2008, Panex was actively engaged in the exploration of various mineral projects that were prospective for gold, silver and copper. Since 2008, a combination of limited exploration success and a dwindling of its working capital caused Panex to withdraw from its mineral exploration projects.

During the next 12 months, management's objective is to recapitalize Panex, continue to raise new capital and to seek new investment opportunities in the mineral sector. As is evident from the "Background" section above and previous SEC filings, Panex has in the past successfully negotiated agreements enabling it to earn an interest in a number of different mineral properties. Consequently, management believes that its worldwide industry contacts will make it possible to identify and assess new projects for acquisition purposes.

Panex is seeking a viable business opportunity through acquisition, merger or other suitable business combination method, with a focus on undervalued mineral properties for eventual acquisition. Panex intends to concentrate its acquisition efforts on mineral properties or mineral exploration businesses that management believes to be undervalued or that management believes may realize a substantial benefit from being publicly owned. Panex will continue to identify and assess undervalued mineral properties when capital raisings are completed. A small number of mineral properties are presently being reviewed, but it is too early to say whether they may be considered appropriate for acquisition.

On June 15, 2012, the Securities and Exchange Commission declared Panex's Form S-1 Registration Statement effective, file number 333-172375, permitting Panex to offer up to 30,000,000 shares of common stock at $0.08 per share. The offering was being conducted on a best efforts basis and there was no underwriter involved in this public offering. Through August 31, 2012, Panex received and accepted 22 subscription agreements and received an aggregate $978,989 in proceeds from those subscriptions and issued 12,237,075 shares of common stock. No further subscriptions were received and the offering was closed on December 12, 2012. Panex intends on applying the proceeds to ongoing operations, paying accounts payable, paying for offering expenses, assessing and evaluating possible new mineral project opportunities, and, subject to acquiring any such new projects, funding the exploration on such projects.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts or classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Results of Operations

Panex has generated no operating revenues since its inception on May 28, 2004 through November 30, 2012.

For the three months ended November 30, 2012, Panex had net interest expense of $36, compared to $10,368 for the three months ended November 30, 2011. Total expenses for the three months ended November 30, 2012 were $124,250 compared to $21,693 for the three months ended November 30, 2011. Expenses were higher in the three month period ended November 30, 2012 than the three month period ended November 30, 2011 due to renewed activities to recapitalize the Company and seek new investment opportunities.

Liquidity and Capital Resources

The financial statements have been prepared assuming that we will continue as a going concern. Since inception in May 2004, the Company has not generated revenue and has incurred net losses. The Company has a working capital deficit of $392,092 at November 30, 2012, incurred net losses of $124,250 for the three months ended November 30, 2012, and has a deficit accumulated during the exploration stage of $13,593,679 for the period from May 28, 2004 (inception) through November 30, 2012.

Accordingly, the Company has not generated cash flows from operations and have primarily relied upon loans from related and unrelated parties and equity financing to fund operations. These conditions (as indicated in the 2012 audit report of our Independent Registered Public Accounting Firm) raise substantial doubt about the Company's ability to continue as a going concern.

During the three months ended November 30, 2012, Panex used cash of $144,659 in operating activities compared to $11,206 in the three months ended November 30, 2011. The proceeds from the capital raised during the period has been used in part to repay liabilities incurred by the Company. The Company intends to conserve cash reserves to the greatest extent possible and use the cash for investment opportunities. As previously noted, Panex is not generating revenues and accordingly has not generated any significant cash flow from operations. Panex is uncertain as to when it will produce cash flows from operations that are required to meet operating and capital requirements and will require significant funding from external sources to continue its operations.

During March 2012, the Company entered into debt settlement agreements with creditors in consideration for the issuance of the Company's common stock, par value $0.001, at a per share price of $0.08 per share. As a result, the Company will no longer be indebted as further set forth in the debt settlement agreements as follows:

- Dr Georg Schnura, a creditor, for $175,758, for a total of 2,196,971 shares at a price of $0.08 per share.
- Victor Dario, a creditor, for $80,000, for a total of 1,000,000 shares at a price of $0.08 per share.

In September and November 2012, the Company received loan proceeds of $75,000 and $25,000 respectively (totalling $100,000), from an unrelated third party. The loan is unsecured, and had no stated interest rate. $75,000 of these funds received was used to pay an aged outstanding accounts payable in December 2012.

Material Contingencies and Commitments

Panex has no contingencies or long-term commitments.

While Panex has raised capital to meet its working capital and financing needs in the past, additional financing is required in order to fully complete its plan of operation and launch its business operations. Panex is seeking financing in the form of equity in order to provide the necessary working capital. Panex currently has no commitments for financing. There are no assurances Panex will be completely successful in raising the funds required.

Off-Balance Sheet Arrangements

Panex has no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on Panex's financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors, nor did Panex have any non-consolidated, special-purpose entities during this quarter.

Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financials properly reflect the change. A variety of proposed or otherwise potential accounting standards are currently under study by standard-setting organizations and various regulatory agencies. Because of the tentative and preliminary nature of these proposed standards, the Company has not determined whether implementation of such proposed standards would be material to the Company's financial statements. New pronouncements assessed by the Company recently are discussed below:

In June 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-05, Comprehensive Income (Topic 220) – Presentation of Comprehensive Income ("ASU 2011-05"). ASU 2011-05 requires entities to present net income and other comprehensive income in either a single continuous statement or in two separate, but consecutive, statements of net income and other comprehensive income. ASU 2011-05 is effective for fiscal years and interim periods within those years, beginning after December 15, 2011 (March 1, 2012 for the Company). The Company does not expect the adoption of ASU 2011-05 to have a material impact on its results of operations, financial condition, or cash flows.

ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Panex is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item**.**

ITEM 4 – CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Klaus Eckhof, Panex's Chief Executive Officer and Ross Doyle, Panex's Chief Financial Officer, have evaluated the effectiveness of Panex's disclosure controls and procedures (as such term is defined in Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934 (the "Exchange Act") as of the end of the period covered by this quarterly report (the "Evaluation Date"). Based on such evaluation, Mr Eckhof and Mr Doyle have concluded that, as of the Evaluation Date, Panex's disclosure controls and procedures are not effective in alerting Panex on a timely basis to material information required to be included in its reports filed or submitted under the Exchange Act, for the reasons listed in Item 9A of the Company's Form 10-K filing for the year ended August 31, 2012.

While management strives to segregate duties as much as practicable, there is an insufficient volume of transactions at this point in time to justify additional full time staff. Management believes that this is typical in most exploration stage companies. Panex may not be able to fully remediate the material weakness until we commence mining operations at which time management expects to employ more staff. Management will continue to monitor and address the costs and benefits of additional staffing.

Changes in Internal Controls over Financial Reporting

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

PART II – OTHER INFORMATION

ITEM 1 – LEGAL PROCEEDINGS

Panex is not a party to any pending legal proceedings and, to the best of Panex's knowledge, none of Panex's assets are the subject of any pending legal proceedings.

ITEM 1A – RISK FACTORS

Panex is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information required under this item**.**

ITEM 2 – UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the quarter of the fiscal year covered by this report, (i) Panex did not modify the instruments defining the rights of its shareholders, (ii) no rights of any shareholders were limited or qualified by any other class of securities, and (iii) Panex did not sell any unregistered equity securities:

On June 15, 2012, the Securities and Exchange Commission declared Panex's Form S-1 Registration Statement effective, file number 333-172375, permitting Panex to offer up to 30,000,000 shares of common stock at $0.08 per share. The offering is being conducted on a best efforts basis and there is no underwriter involved in this public offering. At the close of the public offer on December 12, 2012, Panex has received and accepted 22 subscription agreements and received an aggregate $978,989 in proceeds from those subscriptions and issued 12,237,075 shares of common stock. Panex intends on applying the proceeds to ongoing operations, paying accounts payable, paying for offering expenses, assessing and evaluating possible new mineral project opportunities, and, subject to acquiring any such new projects, funding the exploration on such projects.

ITEM 3 – DEFAULTS UPON SENIOR SECURITIES

During the quarter of the fiscal year covered by this report, no material default has occurred with respect to any indebtedness of Panex. Also, during this quarter, no material arrearage in the payment of dividends has occurred.

ITEM 4 – MINING SAFETY DISCLOSURES

There are no current mining activities at the date of this report.

ITEM 5 – OTHER INFORMATION

During the quarter of the fiscal year covered by this report, Panex reported all information that was required to be disclosed in a report on Form 8-K.

ITEM 6 – EXHIBITS

(a) Index to and Description of Exhibits

All Exhibits required to be filed with the Form 10-Q are included in this quarterly report or incorporated by reference to Panex's previous filings with the SEC which can be found in their entirety at the SEC website at www.sec.gov under SEC File Number 000-51707 and SEC File Number 333-130264.

FINANCIAL STATEMENTS (EXPRESSED IN U.S. DOLLARS)

Exhibit	Description	Status
3.1	Articles of Incorporation of Panex Resources Inc. filed as an Exhibit to Panex's Form SB-2 (Registration Statement) filed on December 12, 2005 and incorporated herein by reference.	Filed
3.2	By-Laws of Panex Resources Inc. filed as an Exhibit to Panex's Form SB-2 (Registration Statement) filed on December 12, 2005 and incorporated herein by reference.	Filed
3.3	Certificate of Amendment of Panex Resources Inc., filed as an Exhibit to Panex's Form 8-K (Current Report) filed on September 30, 2010 and incorporated herein by reference.	Filed
10.1	Management Agreement dated April 19, 2006 between Panex Resources Inc. and Reg Gillard, filed as Exhibit 10.2 to Panex's Form 8-K (Current Report) filed on May 10, 2006 and incorporated herein by reference.	Filed
10.2	Letter of Understanding dated May 6, 2006 among Panex Resources Inc., Goldplata Corporation Limited, Goldplata Resources Inc, and Goldplata Resources, Sucursal-Columbia, filed as an Exhibit to Panex's Form 8-K (Current Report) filed on May 25, 2006 and incorporated herein by reference.	Filed
10.3	Letter Agreement dated June 15, 2006 between Panex Resources Inc. and Emco Corporation, filed as an Exhibit to Panex's Form 8-K (Current Report) filed on June 29, 2006 and incorporated herein by reference.	Filed
10.4	Share Sale Agreement dated July 10, 2006, between Panex Resources Inc. and Emco Corporation Inc. S.A., filed as an Exhibit to Panex's Form 8-K (Current Report) filed on July 17, 2006, and incorporated herein by reference.	Filed
10.5	Heads of Agreement dated July 26, 2007 among Panex Resources Inc., Goldplata Resources Peru S.A.C., Goldplata Resources Inc., Goldplata Resources Sucursal-Colombia, Goldplata Corporation Limited, and Goldplata Mining International Corporation, filed as an Exhibit to Panex's Form 10-K (Annual Report) filed on July 28, 2009 and incorporated herein by reference.	Filed
10.6	Letter Agreement dated December 6, 2007 among Panex Resources Inc., Emco Corporation Inc. S.A. and Minanca Minera Nanguipa, Compania Anonima, filed as an Exhibit to Panex's Form 10-K (Annual Report) filed on July 28, 2009 and incorporated herein by reference.	Filed
10.7	Deed dated January 11, 2008 among Panex Resources Inc., Windy Knob Resources Limited, Goldplata Mining International Corporation, Goldplata Resources Inc., and Goldplata Resources Sucursal-Colombia, filed as an Exhibit to Panex's Form 10-K (Annual Report) filed on July 28, 2009 and incorporated herein by reference.	Filed
14.1	Financial Code of Ethics filed as an Exhibit to Panex's Form SB-2 (Registration Statement) filed on December 12, 2005 and incorporated herein by reference.	Filed

31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 from chief executive officer.	Included
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 from chief financial officer.	Included
32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Included
99.1	Disclosure Committee Charter, filed as an Exhibit to Panex's Form 10-K (Annual Report) filed on July 28, 2009 and incorporated herein by reference.	Filed
101 *	Financial statements from the quarterly reports on Form 10-Q of Panex Resources Inc. for the quarter ended February 29, 2012 and beyond are formatted in XBRL: (ii) the Balance Sheets, (ii) the Statements of Operations; (iii) the Statements of Cash Flows, and (iv) the Statements of Stockholders' Equity (Deficit).	Included

* In accordance with Rule 406T of Regulation S-T, the XBRL ("eXtensible Business Reporting Language") related information is furnished and not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, Panex Resources Inc. has caused this report to be signed on its behalf by the undersigned duly authorized person.

PANEX RESOURCES INC.
/s/ Klaus Eckhof
Name: Klaus Eckhof
Title: President and CEO
Principal Executive Officer
January 11, 2013

/s/ Ross Doyle
Name: Ross Doyle
Title: CFO
Principal Financial Officer
January 11, 2013

PANEX RESOURCES INC. CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

CERTIFICATION

I, Klaus Eckhof, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended May 31, 2012 of Panex Resources 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.

/s/ Klaus Eckhof

Klaus Eckhof

Chief Executive Officer

January 11, 2013

PANEX RESOURCES INC. CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

CERTIFICATION

I, Ross Doyle, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended May 31, 2012 of Panex Resources Inc.;

2. Based on my knowledge, this quarterly 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.

/s/ Ross Doyle

Ross Doyle

Chief Financial Officer
January 11, 2013

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

In connection with the Quarterly Report of Panex Resources Inc. (the "Company") on Form 10-Q for the period ended May 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Klaus Eckhof, President, Chief Executive Officer of the Company and sole member of the Board of Directors, certify, pursuant to s.906 of the Sarbanes-Oxley Act of 2002, that:

1. 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 aspects, the financial condition and result of operations of the Company.

/s/ Klaus Eckhof

Klaus Eckhof

Chief Executive Officer

January 11, 2013

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

In connection with the Quarterly Report of Panex Resources Inc. (the "Company") on Form 10-Q for the period ended May 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ross Doyle, Chief Financial Officer, Treasurer, and Corporate Secretary of the Company, certify, pursuant to s.906 of the Sarbanes-Oxley Act of 2002, that:

1) 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 aspects, the financial condition and result of operations of the Company.

/s/ Ross Doyle

Ross Doyle

Chief Financial Officer

January 11, 2013

Exhibit 31.1

PANEX RESOURCES INC.
FINANCIAL STATEMENTS (EXPRESSED IN U.S. DOLLARS)
QUARTERLY REPORT FOR THE PERIOD ENDED NOVEMBER 30, 2012 (UNAUDITED)

PANEX RESOURCES INC. CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

CERTIFICATION

I, Klaus Eckhof, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended May 31, 2012 of Panex Resources 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.

/s/ Klaus Eckhof

Klaus Eckhof

Chief Executive Officer

January 11, 2013

PANEX RESOURCES INC.
FINANCIAL STATEMENTS (EXPRESSED IN U.S. DOLLARS)
QUARTERLY REPORT FOR THE PERIOD ENDED NOVEMBER 30, 2012 (UNAUDITED)

PANEX RESOURCES INC. CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

CERTIFICATION

I, Ross Doyle, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended May 31, 2012 of Panex Resources Inc.;

2. Based on my knowledge, this quarterly 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.

/s/ Ross Doyle

Ross Doyle

Chief Financial Officer
January 11, 2013

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

In connection with the Quarterly Report of Panex Resources Inc. (the "Company") on Form 10-Q for the period ended May 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Klaus Eckhof, President, Chief Executive Officer of the Company and sole member of the Board of Directors, certify, pursuant to s.906 of the Sarbanes-Oxley Act of 2002, that:

1. 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 aspects, the financial condition and result of operations of the Company.

/s/ Klaus Eckhof

Klaus Eckhof

Chief Executive Officer

January 11, 2013

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

In connection with the Quarterly Report of Panex Resources Inc. (the "Company") on Form 10-Q for the period ended May 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ross Doyle, Chief Financial Officer, Treasurer, and Corporate Secretary of the Company, certify, pursuant to s.906 of the Sarbanes-Oxley Act of 2002, that:

1) 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 aspects, the financial condition and result of operations of the Company.

/s/ Ross Doyle

Ross Doyle

Chief Financial Officer

January 11, 2013

3. Stock Options

3 Months Ended
Nov. 30, 2012

[Notes to Financial Statements]
[3. Stock Options]

3. Stock Options

In August 2012, the Company's Board of Directors approved the issuance of stock options as an incentive to obtain services of key employees, directors and consultants of the Company. The following is a summary of stock option activity and the status of stock options outstanding and exercisable at November 30, 2012:

	Stock Options #	Weighted Average Exercise Price $	Remaining Contractual Life (years) As At	Aggregate Intrinsic value As At
Outstanding and exercisable at August 31, 2011	-	-	-	-
Granted on August 3, 2012	8,000,000	0.08	4.92	-
Outstanding and exercisable at August, 31, 2012	8,000,000	0.08	4.92	-
Granted during the quarter end November 30, 2012	-	-	-	-
Outstanding and exercisable at November, 30, 2012	8,000,000	0.08	4.67	-

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value for all "in-the-money" options (i.e. the difference between the Company' s closing stock price on the last trading day of the fiscal year and the exercise price, multiplied by the number of shares) that would have been received by the option holders had all option holders exercised their options on November 30, 2012.

Effective August 3, 2012, the Company' s board of directors granted 8,000,000 stock purchase options. Each of the options has an issue date, effective date and vesting date of August 3, 2012, with an exercise price of $0.08 per share. The term of these options is five years. The options are exercisable at any time from the grant date up to and including August 2, 2017. There is no unrecognised compensation expense at November 30, 2012. All related compensation expense was recognized on August 31, 2012 as the options were vested in full on that date. No options were granted during the period ended November 30, 2012.

2. Summary of Significant Accounting Policies

3 Months Ended Nov. 30, 2012

2. Summary of Significant Accounting Policies

a. Basis of Preparation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States (US GAAP). The Company' s fiscal year-end is August 31.

b. Use of Estimates

The preparation of financial statements in conformity with US GAAP 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

c. Basic and Diluted Net Income (Loss) Per Share

Earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the reporting period including common stock issued effective the date committed. Common stock issuable is considered outstanding as of the original approval date for the purposes of earnings per share computations. Diluted earnings (loss) per common share is computed by dividing net earnings (loss) by the sum of (a) the basic weighted average number of shares of common stock outstanding during the period and (b) additional shares that would have been issued and potentially dilutive securities. During the reporting periods the diluted earnings (loss) per share was equivalent to the basic earnings (loss) per share because all potentially dilutive securities were anti-dilutive due to the net losses incurred. Potentially dilutive securities consist of stock options outstanding at the end of the reporting period. Stock options outstanding as at November 30, 2012 were 8,000,0000 (November 30, 2011: Nil).

d. Cash

Cash includes deposits in banks, which are unrestricted as to withdrawal or use.

e. Mineral Property and Exploration Costs

The Company has been in the exploration stage since its formation on May 28, 2004 and has not realized any revenues from its planned operations. It has been primarily engaged in the acquisition and exploration of mining properties. Mineral property acquisition and exploration costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property are capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

f. Deferred Acquisition Costs

The Company capitalizes deposits paid during the acquisition of equity interests as deferred acquisition costs. Deferred acquisition costs are recorded at cost and are included in the purchase price of the equity interest once the acquisition has been consummated.

g. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market. The Company uses a fair value hierarchy that has three levels of inputs, both observable and unobservable, with use of the lowest possible level of input to determine fair value.

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

Level 2 - observable inputs other than Level 1, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model-derived prices whose inputs are observable or whose significant value drivers are observable; and

Level 3 - assets and liabilities whose significant value drivers are unobservable.

As of reporting period, the Company did not have any assets or liabilities that were measured at fair value on a recurring or non-recurring basis.

Observable inputs are based on market data obtained from independent sources, while unobservable inputs are based on the Company' s market assumptions. Unobservable inputs require significant management judgment or estimation. In some cases, the inputs used to measure an asset or liability may fall into different levels of the fair value hierarchy. In those instances, the fair value measurement is required to be classified using the lowest level of input that is significant to the fair value measurement. Such determination requires significant management judgment.

Financial instruments, which include cash, accounts payable, and loans and borrowings, were estimated to approximate their carrying values due to the immediate or short-term maturity of these financial instruments. The fair value of amounts due to related parties are not practical to estimate, due to the related party nature of the underlying transactions. The financial risk to the Company' s operations arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

h. Income Taxes

The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases, as well as net operating losses.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets or liabilities of a change in tax rates is recognized in the period in which the tax change occurs. A valuation allowance is provided to reduce the deferred tax assets to a level, that more likely than not, will be realized.

Management does not believe that the Company has any unrecognized tax positions. The Company' s policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

i. Stock-Based Compensation

The Company accounts for share-based payments under the fair value method of accounting for stock-based compensation consistent with US GAAP. Under the fair value method, stock-based compensation cost is measured at the grant date based on the fair value of the award using the Black-Sholes option pricing model and is recognized to expense on a straight-line basis over the requisite service period, which is generally the vesting period. Where upon grant the options vest immediately the stock-based costs are expensed immediately.

j. Foreign Currency Translation and Transactions

The Company' s functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated into the United States dollar using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income.

k. Concentration of Credit Risk

The Company' s financial instruments that are exposed to concentration of credit risk consist of cash. The Company' s cash is in demand deposit accounts placed with federally insured financial institutions in Canada.

l. Interim Financial Statements

In the opinion of management, the accompanying unaudited condensed financial statements contain all adjustments which include only normal recurring adjustments, necessary to present fairly the Company' s financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

The unaudited financial statements should be read in conjunction with the Company' s audited financial statements and footnotes thereto for the year ended August 31, 2012, which are included in the Company' s Annual Report on Form 10-K.

m. Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability. Where it is determined that a new accounting pronouncement affects the Company' s financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company' s financialstatements properly reflect the change. A variety of proposed or otherwise potential accounting standards are currently under study by standard-setting organizations and various regulatory agencies. Because of the tentative and preliminary nature of these proposed standards, the Company has not determined whether implementation of such proposed standards would be material to the Company' s financial statements. New pronouncements assessed by the Company recently are discussed below:

In June 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-05, Comprehensive Income (Topic 220) – Presentation of Comprehensive Income ("ASU 2011-05"). ASU 2011-05 requires entities to present net income and other comprehensive income in either a single continuous statement or in two separate, but consecutive, statements of net income and other comprehensive income. ASU 2011-05 is effective for fiscal years and interim periods within those years, beginning after December 15, 2011 (the interim period ending November 30, 2012 for the Company). The Company does not expect the adoption of ASU 2011-05 to have a material impact on its results of operations, financial condition, or cash flows.

Balance Sheets (USD $)	Nov. 30, 2012	Aug. 31, 2012
ASSETS		
Cash	$ 20,432	$ 65,799
Total current assets	20,432	65,799
Total assets (all current)	20,432	65,799
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
Accounts payable and accrued expenses	266,218	302,047
Accounts payable and accrued expenses, related parties (Note 5)	46,306	31,594
Loans and borrowings (Note 6)	100,000	
Total current liabilities	412,524	333,641
Stockholders' Equity (Deficiency)		
Common stock, Authorized: 500,000,000 (2011: 500,000,000) common shares with par value of $0.001 each Issued and outstanding: 103,261,507 (2012: 103,261,507) common shares	103,261	103,261
Additional paid-in capital	13,020,699	13,020,699
Donated capital	77,627	77,627
Accumulated deficit during the exploration stage	(13,593,679)	(13,469,429)
Stockholder' equity (deficiency)	(392,092)	(267,842)
Total liabilities and stockholders' equity (deficiency)	$ 20,432	$ 65,799

Statements of Stockholders Equity (Deficiency) (Unaudited) (USD $)	Common Stock	Additional Paid-In Capital	Donated Capital	Accumulated (Deficit) during exploration stage	Total
Beginning Balance, amount at May. 27, 2004	$ 0	$ 0	$ 0	$ 0	$ 0
Beginning Balance, shares at May. 27, 2004	0				
Common stock issued for services to president, Shares	6,000,000				
Common stock issued for services to president, Amount	6,000	(5,500)	0	0	500
Return and cancellation of shares, Shares	(6,000,000)				
Return and cancellation of shares, Amount	(6,000)	6,000	0	0	0
Net loss				(500)	(500)
Ending Balance, amount at Aug. 31, 2004	0	500	0	(500)	0
Ending Balance, shares at Aug. 31, 2004	0				0
Common stock issued for cash, Shares	64,500,000				
Common stock issued for cash, Value	64,500	(17,750)	0	0	46,750
Return and cancellation of shares, Shares	(30,000,000)				
Return and cancellation of shares, Amount	(30,000)	30,000	0	0	0
Donated rent	0	0	3,000	0	3,000
Donated services	0	0	6,000	0	6,000
Net loss				(15,769)	(15,769)
Ending Balance, amount at Aug. 31, 2005	34,500	12,750	9,000	(16,269)	39,981
Ending Balance, shares at Aug. 31, 2005	34,500,000				
Common stock issued for cash, Shares	1,964,285				
Common stock issued for cash, Value	1,964	4,498,036	0	0	4,500,000
Donated rent	0	0	2,250	0	2,250
Donated services	0	0	4,500	0	4,500
Net loss				(848,560)	(848,560)
Ending Balance, amount at Aug. 31, 2006	36,464	4,510,786	15,750	(864,829)	3,698,171
Ending Balance, shares at Aug. 31, 2006	36,464,285				

Common stock issued for cash, Shares	7,632,500				
Common stock issued for cash, Value	7,632	6,098,368	0	0	6,106,000
Net loss				(10,943,990)	(10,943,990)
Ending Balance, amount at Aug. 31, 2007	44,096	10,609,154	15,750	(11,808,819)	(1,139,819)
Ending Balance, shares at Aug. 31, 2007	44,096,785				
Net loss				(66,651)	(66,651)
Ending Balance, amount at Aug. 31, 2008	44,096	10,609,154	15,750	(11,875,470)	(1,206,470)
Beginning Balance, shares at Aug. 31, 2008	44,096,785				
Common stock issued for cash, Shares	1,600,000				
Common stock issued for cash, Value	1,600	14,400	0	0	16,000
Common stock issued for settlement of debt and accounts payable, Shares	14,000,000				
Common stock issued for settlement of debt and accounts payable, Amount	14,000	126,000	0	0	140,000
Shares to be issued	0	30,000	0	0	30,000
Net loss				(154,585)	(154,585)
Ending Balance, amount at Aug. 31, 2009	59,696	10,779,554	15,750	(12,030,055)	(1,175,055)
Ending Balance, shares at Aug. 31, 2009	59,696,785				
Common stock issued for cash, Shares	4,000,000				
Common stock issued for cash, Value	4,000	6,000	0	0	10,000
Common stock issued for settlement of debt and accounts payable, Shares	3,350,000				
Common stock issued for settlement of debt and accounts payable, Amount	3,350	30,150	0	0	33,500
Net loss				(213,860)	(213,860)
Ending Balance, amount at Aug. 31, 2010	67,046	10,815,704	15,750	(12,243,915)	(1,345,415)
Ending Balance, shares at Aug. 31, 2010	67,046,785				
Common stock issued for settlement of debt and accounts payable, Shares	12,303,123				
Common stock issued for settlement of debt and accounts payable, Amount	12,303	602,853	0	0	615,156
Donated services	0	0	31,617	0	31,617

Stock option compensation expense					
Net loss				(299,498)	(299,498)
Ending Balance, amount at Aug. 31, 2011	79,349	11,418,557	47,367	(12,543,413)	(998,140)
Ending Balance, shares at Aug. 31, 2011	79,349,908				
Common stock issued for cash, Shares	12,237,075				
Common stock issued for cash, Value	12,237	966,752			978,989
Common stock issued for settlement of debt and accounts payable, Shares	11,674,524				
Common stock issued for settlement of debt and accounts payable, Amount	11,675	413,634			425,309
Donated services			30,260		30,260
Stock option compensation expense		221,756			221,756
Net loss				(926,016)	(926,016)
Ending Balance, amount at Aug. 31, 2012	103,261	13,020,699	77,627	(13,469,429)	(267,842)
Ending Balance, shares at Aug. 31, 2012	103,261,507				
Donated services					0
Stock option compensation expense					
Net loss				(124,250)	(124,250)
Ending Balance, amount at Nov. 30, 2012	$ 103,261	$ 13,020,699	$ 77,627	$ (13,593,679)	$ (392,092)
Ending Balance, shares at Nov. 30, 2012	103,261,507				

1. Organization, Nature of Business, Going Concern and Plans

Notes to Financial Statements

1. Organization, Nature of Business, Going Concern and Plans

3 Months Ended

Nov. 30, 2012

1. Organization, Nature of Business, Going Concern and Management' s Plans

Panex Resources Inc. ('Panex" or the "Company") was incorporated in the State of Nevada on May 28, 2004. The Company is considered to be an Exploration Stage Company. The Company' s principal business is the acquisition and exploration of mineral resources.

Going concern and management' s plans:

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Since its inception on May 28, 2004, the Company has not generated revenue and has incurred net losses. The Company incurred a net loss of $124,250 for the three months ended November 30, 2012, and a deficit accumulated during the exploration stage of $13,593,679 for the period May 28, 2004 (inception) through November 30, 2012. Accordingly, it has not generated cash flow from operations and has primarily relied upon advances from shareholders and proceeds from equity financings to fund its operations. These conditions raise substantial doubt about the Company' s ability to continue as a going concern.

The Company has no mineral property interests as of the date of this report. Certain mineral property interests are presently being considered, however it is too early to determine whether they may be considered appropriate for acquisition.

During the next 12 months, management' s objective is to recapitalize Panex, continue to raise new capital and to seek new investment opportunities in the mineral sector. Management believes that its worldwide industry contacts will make it possible to identify and assess new projects for acquisition purposes.

Panex is seeking a viable business opportunity through acquisition, merger or other suitable business combination method, with a focus on undervalued mineral properties for eventual acquisition. Panex intends to concentrate its acquisition efforts on mineral properties or mineral exploration businesses that management believes to be undervalued or that management believes may realize a substantial benefit from being publicly owned. Panex will continue to identify and assess undervalued mineral properties when capital raisings are completed. A small number of mineral properties are presently being reviewed, but it is too early to say whether they may be considered appropriate for acquisition.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts or classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Balance Sheets (Parenthetical) (USD $)	Nov. 30, 2012	Aug. 31, 2012
Stockholders' Equity		
Common Stock par value	$ 0.001	$ 0.001
Common Stock Authorized	500,000,000	500,000,000
Common Stock Issued	103,261,507	103,261,507
Common Stock Outstanding	103,261,507	103,261,507

3 .Stock Options (Details Narrative) (USD $)	Nov. 30, 2012
Stock Options Details Narrative	
Unrecognised compensation expense	$ 0

Document and Entity Information	3 Months Ended Nov. 30, 2012	Jan. 10, 2013
Document And Entity Information		
Entity Registrant Name	Panex Resources Inc.	
Entity Central Index Key	0001345756	
Document Type	10-Q	
Document Period End Date	Nov. 30, 2012	
Amendment Flag	false	
Current Fiscal Year End Date	--08-31	
Is Entity a Well-known Seasoned Issuer?	No	
Is Entity a Voluntary Filer?	No	
Is Entity's Reporting Status Current?	Yes	
Entity Filer Category	Smaller Reporting Company	
Entity Common Stock, Shares Outstanding		103,261,507
Document Fiscal Period Focus	Q1	
Document Fiscal Year Focus	2013	

4. Related Party Transactions (Details Narrative) (USD $)	3 Months Ended	12 Months Ended					102 Months Ended
	Nov. 30, 2012	Nov. 30, 2011	Aug. 31, 2012	Aug. 31, 2011	Aug. 31, 2006	Aug. 31, 2005	Nov. 30, 2012
Related Party Transactions Details Narrative							
Services donated by president of the company	$ 0	$ 15,260	$ 30,260	$ 31,617	$ 4,500	$ 6,000	$ 72,377
Management fees incurred	34,403						
Management fee agreement	Management fees are 10,000 Swiss Francs per month and the agreement expires in December 2015, however can be terminated with 6 months notice.						
Accrued liability for management fees and travel expenses due related party - President of the Company	21,538						21,538
Consulting fees, included in professional fees, recognized for services performed by Coresco AG including amount paid to the Chief Financial Officer	22,615	11,772					
Accrued liability owed to Coresco AG	$ 24,768						$ 24,768

Statements of Operations (Unaudited) (USD $)	3 Months Ended Nov. 30, 2012	Nov. 30, 2011	102 Months Ended Nov. 30, 2012
Operating expenses			
Donated rent			$ 5,250
Donated services	0	15,260	72,377
General and administrative	46,394	316	700,871
Foreign currency transaction loss (gain)	708	(23,523)	104,266
Mineral property and exploration costs			4,739,777
Management fees	34,403		756,226
Professional fees	42,709	19,272	1,367,837
Travel costs			335,415
Write-off deferred acquisition cost			400,000
Provision against Minanca loan			6,100,000
Total operating expenses	124,214	11,325	14,582,019
Other income (expense)			
Interest income and other			42,707
Interest expense	(36)	(10,368)	(304,413)
Loss on sale of investment			(126,182)
Gain on sale of mineral property rights			1,376,228
Total other income (expense)	(36)	(10,368)	988,340
Net Loss	$ (124,250)	$ (21,693)	$ (13,593,679)
Net Loss Per Share - Basic and Diluted	$ 0 [1]	$ 0 [1]	
Weighted Average Shares Outstanding	103,261,507	79,349,908	

[1] Amount is less than $0.01 per share

6. Material Contingencies and Commitments	3 Months Ended Nov. 30, 2012
Commitments and Contingencies Disclosure [Abstract]	
6. Material Contingencies and Commitments	**6. Material Contingencies and Commitments** Panex has no material contingencies or long-term commitments. While Panex has raised capital to meet its working capital and financing needs in the past, additional financing is required in order to fully complete its plan of operation and launch its business operations. Panex is seeking financing in the form of equity in order to provide the necessary working capital. Panex currently has no commitments for financing. There are no assurances Panex will be completely successful in raising the funds required.

5. Loans and Borrowings

3 Months Ended
Nov. 30, 2012

Notes to Financial Statements
5. Loans and Borrowings

5. Loans and Borrowings

In March and July 2007, the Company received loan proceeds of $240,000 and $500,000 respectively from an unrelated third party. These loans were unsecured bearing interest at 8% per annum, with no fixed repayment date, but the understanding with the lender was that the loans will be repaid from the proceeds of future equity financings and/or the repayment of amounts lent to Minanca. On December 20, 2010, principal of $46,892 and interest of $15,751 was assigned to this third party. In December 2010, $267,072 of this loan as well as $200,310 of accrued interest on this loan was settled by the issue of 9,347,640 shares. In May 31, 2012 this loan was settled in full for $560,000, resulting in a gain on extinguishment of $10,426, which is included within interest income and other for the year ended August 31, 2012.

In January 2011, the Company received loan proceeds of $50,000, from an unrelated third party. This loan was unsecured, and had no stated interest rate. This amount was settled for issuance of 2,500,000 shares of common stock in February 2012.

In September and November 2012, the Company received loan proceeds of $75,000 and $25,000 respectively (totalling $100,000), from an unrelated third party. The loan is unsecured, and had no stated interest rate. $75,000 of these funds received was used to pay an aged outstanding accounts payable in December 2012.

5. Loans and Borrowings (Details Narrative) (USD $)	3 Months Ended		102 Months Ended
	Nov. 30, 2012	Nov. 30, 2011	Nov. 30, 2012
Loans And Borrowings Details Narrative			
Loan proceeds received	$ 100,000		$ 330,000

3. Stock Options (Tables)

3 Months Ended Nov. 30, 2012

Stock Options Tables

Summary of stock option activity

The following is a summary of stock option activity and the status of stock options outstanding and exercisable at November 30, 2012:

	Stock Options #	Weighted Average Exercise Price $	Remaining Contractual Life (years) As At	Aggregate Intrinsic value As At
Outstanding and exercisable at August 31, 2011	-	-	-	-
Granted on August 3, 2012	8,000,000	0.08	4.92	-
Outstanding and exercisable at August, 31, 2012	8,000,000	0.08	4.92	-
Granted during the quarter end November 30, 2012	-	-	-	-
Outstanding and exercisable at November, 30, 2012	8,000,000	0.08	4.67	-

7. Stockholders Equity

3 Months Ended
Nov. 30, 2012

Equity [Abstract]

7. Stockholders' Equity

7. Stockholders' Equity

Common Stock

Panex' s authorized capital stock consists of 500,000,000 shares of common stock at a par value of $0.001 per share. On August 30, 2010, the authorized capital was increased from 75,000,000 shares of common stock to 500,000,000 shares of common stock.

Stock cancellations and recapitalization:

On May 25, 2006 and June 9, 2006, the Company completed the return and cancellation of 30,000,000 and 6,000,000 common shares to the treasury, respectively. The shares were returned by the former president of the Company.

The net loss per share amounts and stockholders' equity (deficit) have been retroactively restated (accounted for as a recapitalization) to reflect the return and cancellation of 36,000,000 common shares by the former president of the Company.

Common stock issuances

On May 28, 2004, the Company issued 6,000,000 shares of common stock to the then President of the Company for reimbursement of legal expenses of $500 incurred on behalf of the Company.

On June 30, 2005, the Company issued 6,000,000 shares of common stock for cash proceeds of $25,000.

On April 15, 2005, the Company issued 22,500,000 shares of common stock for cash proceeds of $18,750.

On March 22, 2005 the Company issued 36,000,000 shares of common stock for cash proceeds of $3,000.

On June 8, 2006, the Company completed a private placement with a director of the Company for 714,285 common shares at a price of $2.80 per share for proceeds of $2,000,000.

On August 30, 2006, the Company completed a private placement of 1,250,000 units at a price of $2.00 per unit for proceeds of $2,500,000. Each unit consisted of one common share and one common share purchase warrant.

Each share purchase warrant entitles the holder to acquire one additional common share at an exercise price of $2.50 per share for a period of two years. All warrants expired unexercised on August 31, 2008.

During November 2006, the Company completed private placements for 3,095,000 shares of restricted common stock at $0.80 per share, raising proceeds of $2,476,000.

In January 2007 the Company completed two private placements for 3,187,500 shares of restricted common stock at $0.80 per share raising proceeds of $2,550,000.

In February 2007 the Company completed two private placements for 1,350,000 shares of restricted common stock at $0.80 per share raising proceeds of $1,080,000.

On February 28, 2009, the board of directors authorized the issuance of 14,100,000 restricted shares of common stock at a subscription price of $0.01 per restricted share, for cash proceeds of $16,000 and the settlement of $125,000 accrued liabilities and debt. The shares were issued on June 19, 2009.

On May 29, 2009, the Company completed a private placement for 1,500,000 shares of restricted common stock at price of $0.01 per restricted share in exchange for the settlement of $15,000 debt.

In October 2009, the Company issued 6,350,000 restricted shares of common stock at a subscription price of $0.01 per restricted share, for cash proceeds of $40,000 and the settlement of $23,500 in accrued liabilities and debt due to a related party. The cash was received in December 2008.

In January 2010, the Company issued 1,000,000 restricted shares of common stock at a subscription price of $0.01 per restricted share, for the settlement of $10,000 in accrued liabilities and debt due to a related party.

On December 20, 2010, the Company issued 2,955,483 restricted shares of common stock at a subscription price of $0.05 per share, for the settlement of $147,774 in accounts payable and accrued liabilities and issued 9,347,640 restricted shares of common stock at a subscription price of $0.05 per share for the settlement of loans and accrued interest totaling $467,382 from an unrelated third party.

On June 15, 2012, the Securities and Exchange Commission declared Panex' s Form S-1 Registration Statement effective, file number 333-172375, permitting Panex to offer up to 30,000,000 shares of common stock at $0.08 per share. The offering was being conducted on a best efforts basis and there was no underwriter involved in this public offering. Through August 31, 2012, Panex received and accepted 22 subscription agreements and received an aggregate $978,989 in proceeds from those subscriptions and issued 12,237,075 shares of common stock. No further subscriptions were received and the offering was closed on December 12, 2012. Panex intends on applying the proceeds to ongoing operations, paying accounts payable, paying for offering expenses, assessing and evaluating possible new mineral project opportunities, and, subject to acquiring any such new projects, funding the exploration on such projects.

Effective August 3, 2012, the Company' s board of directors granted 8,000,000 stock purchase options. Each of the options has an issue date, effective date and vesting date of August 3, 2012, with an exercise price of $0.08 per share. The term of these Options are five years. The Options are exercisable at any time from the grant date up to and including August 2, 2017.

Financing Activities:

On February 24, 2012, the Company entered into debt settlement agreements with creditors and related parties in consideration for the issuance of the Company' s common stock, par value $0.001, at a per share price of $0.02 per share. As a result, the Company extinguished certain liabilities as further set forth in the debt settlement agreements as follows:

- Ross Doyle, a related party for $ 39,551, for a total of 1,977,553 shares at a price of $0.02 per share.
- Werte AG, a creditor, for $80,000, for a total of 4,000,000 shares at a price of $0.02 per share.
- Lars Pearl, a creditor, for $50,000, for a total of 2,500,000 shares at a price of $0.02 per share.

During March 2012, the Company entered into debt settlement agreements with creditors in consideration for the issuance of the Company' s common stock, par value $0.001, at a per share price of $0.08 per share. As a result, the Company extinguished certain liabilities as further set forth in the debt settlement agreements as follows:

- Dr Georg Schnura, a creditor, for $175,758, for a total of 2,196,971 shares at a price of $0.08 per share.
- Victor Dario, a creditor, for $80,000, for a total of 1,000,000 shares at a price of $0.08 per share.

2. Summary of Significant Accounting Policies (Policies)	3 Months Ended Nov. 30, 2012
Summary Of Significant Accounting Policies Policies	
a. Basis of Preparation	a. Basis of Preparation These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States (US GAAP). The Company' s fiscal year-end is August 31.
b. Use of Estimates	b. Use of Estimates The preparation of financial statements in conformity with US GAAP 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
c. Basic and Diluted Net Income (Loss) Per Share	c. Basic and Diluted Net Income (Loss) Per Share Earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the reporting period including common stock issued effective the date committed. Common stock issuable is considered outstanding as of the original approval date for the purposes of earnings per share computations. Diluted earnings (loss) per common share is computed by dividing net earnings (loss) by the sum of (a) the basic weighted average number of shares of common stock outstanding during the period and (b) additional shares that would have been issued and potentially dilutive securities. During the reporting periods the diluted earnings (loss) per share was equivalent to the basic earnings (loss) per share because all potentially dilutive securities were anti-dilutive due to the net losses incurred. Potentially dilutive securities consist of stock options outstanding at the end of the reporting period. Stock options outstanding as at November 30, 2012 were 8,000,0000 (November 30, 2011: Nil).
d. Cash	d. Cash Cash includes deposits in banks, which are unrestricted as to withdrawal or use.
e. Mineral Property and Exploration Costs	e. Mineral Property and Exploration Costs The Company has been in the exploration stage since its formation on May 28, 2004 and has not realized any revenues from its planned operations. It has been primarily engaged in the acquisition and exploration of mining properties. Mineral property acquisition and exploration costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property are capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.
f. Deferred Acquisition Costs	f. Deferred Acquisition Costs The Company capitalizes deposits paid during the acquisition of equity interests as deferred acquisition costs. Deferred acquisition costs are recorded at cost and are included in the purchase price of the equity interest once the acquisition has been consummated.
g. Fair Value Measurements	g. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market. The Company uses a fair value hierarchy that has three levels of inputs, both observable and unobservable, with use of the lowest possible level of input to determine fair value.

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

Level 2 - observable inputs other than Level 1, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model-derived prices whose inputs are observable or whose significant value drivers are observable; and

Level 3 - assets and liabilities whose significant value drivers are unobservable.

As of reporting period, the Company did not have any assets or liabilities that were measured at fair value on a recurring or non-recurring basis.

Observable inputs are based on market data obtained from independent sources, while unobservable inputs are based on the Company' s market assumptions. Unobservable inputs require significant management judgment or estimation. In some cases, the inputs used to measure an asset or liability may fall into different levels of the fair value hierarchy. In those instances, the fair value measurement is required to be classified using the lowest level of input that is significant to the fair value measurement. Such determination requires significant management judgment.

Financial instruments, which include cash, accounts payable, and loans and borrowings, were estimated to approximate their carrying values due to the immediate or short-term maturity of these financial instruments. The fair value of amounts due to related parties are not practical to estimate, due to the related party nature of the underlying transactions. The financial risk to the Company' s operations arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

h. Income Taxes

h. Income Taxes

The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases, as well as net operating losses.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets or liabilities of a change in tax rates is recognized in the period in which the tax change occurs. A valuation allowance is provided to reduce the deferred tax assets to a level, that more likely than not, will be realized.

Management does not believe that the Company has any unrecognized tax positions. The Company' s policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

i. Stock-Based Compensation

i. Stock-Based Compensation

The Company accounts for share-based payments under the fair value method of accounting for stock-based compensation consistent with US GAAP. Under the fair value method, stock-based compensation cost is measured at the grant date based on the fair value of the award using the Black-Sholes option pricing model and is recognized to expense on a straight-line basis over the requisite service period, which is generally the vesting period. Where upon grant the options vest immediately the stock-based costs are expensed immediately.

j. Foreign Currency Translation and Transactions

j. Foreign Currency Translation and Transactions

The Company' s functional and reporting currency is the United States dollar. Monetary assets and liabilities denominated in foreign currencies are translated into the United States dollar using the exchange rate prevailing at the balance sheet date. Gains and losses arising on settlement of foreign currency denominated transactions or balances are included in the determination of income.

k. Concentration of Credit Risk

k. Concentration of Credit Risk

The Company’ s financial instruments that are exposed to concentration of credit risk consist of cash. The Company’ s cash is in demand deposit accounts placed with federally insured financial institutions in Canada.

l. Interim Financial Statements

l. Interim Financial Statements

In the opinion of management, the accompanying unaudited condensed financial statements contain all adjustments which include only normal recurring adjustments, necessary to present fairly the Company’ s financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

The unaudited financial statements should be read in conjunction with the Company’ s audited financial statements and footnotes thereto for the year ended August 31, 2012, which are included in the Company’ s Annual Report on Form 10-K.

m. Recent Accounting Pronouncements

m. Recent Accounting Pronouncements

The Company continually assesses any new accounting pronouncements to determine their applicability. Where it is determined that a new accounting pronouncement affects the Company’ s financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company’ s financialstatements properly reflect the change. A variety of proposed or otherwise potential accounting standards are currently under study by standard-setting organizations and various regulatory agencies. Because of the tentative and preliminary nature of these proposed standards, the Company has not determined whether implementation of such proposed standards would be material to the Company’ s financial statements. New pronouncements assessed by the Company recently are discussed below:

In June 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2011-05, Comprehensive Income (Topic 220) – Presentation of Comprehensive Income (“ASU 2011-05”). ASU 2011-05 requires entities to present net income and other comprehensive income in either a single continuous statement or in two separate, but consecutive, statements of net income and other comprehensive income. ASU 2011-05 is effective for fiscal years and interim periods within those years, beginning after December 15, 2011 (the interim period ending November 30, 2012 for the Company). The Company does not expect the adoption of ASU 2011-05 to have a material impact on its results of operations, financial condition, or cash flows.

3. Stock Options (Details) (USD $)	3 Months Ended Nov. 30, 2012	12 Months Ended Aug. 31, 2012
Stock Options Details		
Outstanding and exercisable at beginning of period	8,000,000	0
Weighted Average Exercise Price at beginning of period	$ 0.08	
Aggregate Intrinsic value at beginning of period		
Stock options granted	0	8,000,000
Weighted average exercise price options granted		$ 0.08
Remaining Contractual Life (years)		4 years 11 months
Aggregate Intrinsic value		
Outstanding and exercisable at end of period	8,000,000	8,000,000
Weighted Average Exercise Price at end of period	$ 0.08	$ 0.08
Remaining Contractual Life (years)	4 years 8 months	4 years 11 months
Aggregate Intrinsic value at end of period		

Statements of Cash Flows (Unaudited) (USD $)	3 Months Ended		102 Months Ended
	Nov. 30, 2012	Nov. 30, 2011	Nov. 30, 2012
Cash Flows From Operating Activities			
Net loss	$ (124,250)	$ (21,693)	$ (13,593,679)
Adjustments to reconcile net loss to cash used in operating activities:			
Foreign currency transaction loss (gain)	708	(23,523)	104,266
Gain on sale of mineral property rights			(586,228)
Loss on sale of investment			126,181
Gain on extinguishment of debt			(10,426)
Donated services and expenses		15,260	77,627
Expenses paid by issue of common stock			500
Stock option compensation expense			221,756
Write-off deferred acquisition costs			400,000
Provision against Minanca loan			6,100,000
Change in operating assets and liabilities			
Increase (decrease) in accounts payable and accrued liabilities	(35,829)	25,554	1,010,451
Increase (decrease) in amounts due to related parties	14,712	(6,804)	176,822
Net Cash Used in Operating Activities	(144,659)	(11,206)	(5,972,730)
Cash Flows From Investing Activities			
Cash received from sale of investment			250,047
Cash received from sale of mineral property rights			210,000
Deferred acquisition costs			(400,000)
Loan advances			(7,100,000)
Repayment of loan advance			1,000,000
Net Cash Used in Investing Activities			(6,039,953)
Cash Flows From Financing Activities			
Loan from related parties			594,313
Loan repaid to related parties			(576,483)
Loan from unrelated third parties	100,000		330,000
Deposits received for common shares to be issued			40,000
Common shares issued for cash			11,647,739
Net Cash Provided by Financing Activities	100,000		12,035,569
Effect of exchange rate on cash	(708)	(876)	(2,454)
Increase (decrease) in Cash	(45,367)	(12,082)	20,432
Cash at Beginning of Period	65,799	19,357	
Cash at End of Period	$ 20,432	$ 7,275	$ 20,432

4. Related Party Transactions

3 Months Ended Nov. 30, 2012

4. Related Party Transactions

a. There were no donated services provided by the president of the Company during the three months ended November 30, 2012 (November 30, 2011: $15,260).

b. The Company incurred $34,403management fees during the three months ended November 30, 2012 (prior period: $Nil) for services provided by the president of the Company. Management fees are 10,000 Swiss Francs per month and the agreement expires in December 2015, however can be terminated with 6 months notice. As of November 30, 2012, the Company has an accrued liability of $21,538 for management fees and travel expenses due to this related party.

c. Included in professional fees during the three months ended November 30, 2012 were$22,615 in consulting feesrecognized for services performed by Coresco AG (prior period:$11,772), including the amount paid to the Chief Financial Officer. Consulting fees are 7,000 Swiss Francs per month and the agreement, which may be extended, expires in December 2015.The President and CFO exert significant influence over this company. The fees are in relation to work performed for fund raising, corporate office and management activities. As of November 30, 2012, the Company has an accrued liability of $24,768 due to this related party.