

SONORO METALS CORP.

(Formerly Becker Gold Mines Ltd.)
(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2012 and 2011
(Expressed in Canadian Dollars)
(Unaudited)

Notice to Reader

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

SONORO METALS CORP.
(Formerly Becker Gold Mines Ltd.)
Balance Sheets
(Expressed in Canadian Dollars)
As at

	June 30, 2012 (unaudited)	December 31, 2011
Assets		
Current assets		
Cash and cash equivalents	\$ 1,279,295	\$ 1,294,952
Receivables	46,891	37,426
Prepaid expenses	62,685	12,996
	1,388,871	1,345,374
Non-current assets		
Capital assets (note 4)	8,756	9,806
Exploration and evaluation assets (note 5)	1,375,211	1,315,211
	\$ 2,772,838	\$ 2,670,391
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	\$ 46,510	\$ 74,932
Due to related parties (note 7)	45,920	52,893
	92,430	127,825
Non-current liabilities		
Deferred income tax liability	17,319	17,769
	109,749	145,594
Shareholders' Equity		
Share capital (note 8)	3,836,530	3,508,714
Reserves	218,796	218,796
Deficit	(1,392,237)	(1,202,713)
	2,663,089	2,524,797
	\$ 2,772,838	\$ 2,670,391

Approved on behalf of the Board on August 29, 2012:

Signed "Gary Freeman"

Signed "Ronald Husband"

SONORO METALS CORP.

(Formerly Becker Gold Mines Ltd.)

Condensed Interim Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2012	2011	2012	2011
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Expenses				
Consulting fees (note 9)	\$ 42,000	\$ -	\$ 88,051	\$ -
Depreciation	525	-	1,050	-
Legal and audit	23,294	2,389	45,254	14,094
Office and administration	17,466	-	27,667	642
Insurance	778	-	778	-
Transfer agent fees	8,295	-	20,022	-
Travel and promotion	1,173	-	1,868	-
	(93,531)	(2,389)	(184,690)	(14,736)
Other Income (Expenses)				
Interest income	4,377	-	6,556	3,692
Foreign exchange (loss) gain	2,034	-	(11,390)	-
	6,411	-	(4,834)	3,692
Loss and Comprehensive				
Loss for the Period	\$ (87,120)	\$ (2,389)	\$ (189,524)	\$ (11,044)
Loss per Share				
	\$ (0.005)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted Average Number of				
Common Shares Outstanding	21,241,453	12,284,782	20,479,124	12,284,782

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

SONORO METALS CORP.

(Formerly Becker Gold Mines Ltd.)

Condensed Interim Consolidated Statements of Changes in Equity

(Expressed in Canadian Dollars)

	Share Capital		Warrant Reserve	Share-Based Payment Reserve	Share Subscriptions Receivable	Deficit	Shareholders' Equity
	Shares	Amount					
Balance, January 1, 2011	12,284,782	\$2,057,915	\$ -	\$ -	\$ (370,000)	\$ (292,648)	\$ 1,395,267
Share subscriptions receivable collected (note 13(b)(iii))	-	-	-	-	370,000	-	370,000
Net loss for the period	-	-	-	-	-	(11,044)	(11,044)
Balance, June 30, 2011	12,284,782	2,057,915	-	-	-	(303,692)	1,754,223
Acquisition of Cap Capital Corp. (note 2)	3,131,671	626,334	-	-	-	-	626,334
Cancel shares of Cap Capital Corp. on reverse acquisition	(12,284,782)	-	-	-	-	-	-
Shares issued on reverse acquisition	12,284,782	-	-	-	-	-	-
Private placements, net of issuance costs (note 13(b)(ii))	4,500,000	824,465	34,851	-	-	-	859,316
Share-based compensation	-	-	-	183,945	-	-	183,945
Net loss for the year	-	-	-	-	-	(899,021)	(899,021)
Balance, December 31, 2011	19,916,453	3,508,714	34,851	183,945	-	(1,202,713)	2,524,797
Private placements, net of issuance costs (note 13(b)(i))	1,325,000	327,816	-	-	-	-	327,816
Net loss for the year	-	-	-	-	-	(189,524)	(189,524)
Balance, June 30, 2012	21,241,453	\$3,836,530	\$ 34,851	\$ 183,945	\$ -	\$(1,392,237)	\$ 2,663,089

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

SONORO METALS CORP.

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Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Six months ended June 30

	2012	2011
Operating Activities		
Net loss	\$ (189,524)	\$ (11,044)
Items not involving cash		
Depreciation	1,050	-
Unrealized foreign exchange	(450)	-
Changes in non-cash working capital		
Receivables	(9,465)	(4,112)
Prepaid expenses	(49,689)	-
Accounts payable and accrued liabilities	(35,395)	(302,377)
Cash Used in Operating Activities	(283,473)	(317,533)
Investing Activities		
Expenditures on exploration and evaluation assets	(60,000)	(61,366)
Cash Provided from (Used in) Investing Activities	(60,000)	(61,366)
Financing Activities		
Common shares issued for cash	331,250	-
Share issuance costs	(3,434)	-
Subscriptions received		370,000
Cash Provided from (Used in) Financing Activities	327,816	370,000
Inflow of Cash and Cash Equivalents	(15,657)	(8,899)
Cash and Cash Equivalents, Beginning of Year	1,294,952	480,070
Cash and Cash Equivalents, End of Year	\$ 1,279,295	\$ 471,171
Cash and Cash Equivalents Consists of		
Cash	\$ 1,279,295	\$ 471,171
	\$ 1,279,295	\$ 471,171

Supplemental disclosure with respect to cash flows (note 9).

SONORO METALS CORP.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

1. NATURE OF OPERATIONS AND GOING CONCERN

Sonoro Metals Corp. ("Sonoro" or the "Company") was incorporated in Ontario on November 30, 1944 under the *Company Act* of Ontario. On January 15, 2007, the Company was issued a Certificate of Continuation by the Province of British Columbia. On December 20, 2011, the Company changed its name from Becker Gold Mines Ltd. to Sonoro Metals Corp, which took effect on January 6, 2012. The Company's principal business activity is the acquisition, exploration and development of exploration and evaluation assets. The Company is a publicly-traded company listed on the TSX Venture Exchange ("TSX-V") under the symbol "SMO". Refer to note 2.

The registered address of the Company is located at 680 – 789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes the Company will realize its assets and discharge its liabilities in the normal course of business. These condensed interim consolidated financial statements do not include any adjustments related to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and to finance mineral property acquisitions and future exploration. The Company does not generate cash flow from operations to adequately fund its activities and has therefore relied principally upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its future activities, but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company (refer to note 8). Although these condensed interim consolidated financial statements do not include any adjustments that may result from the inability to secure future financing, such a situation would have a material adverse effect on the Company's business, results of operations and financial condition.

2. REVERSE ACQUISITION

On October 20, 2011, pursuant to an agreement dated August 25, 2011, the Company issued 12,284,782 common shares of the Company to the shareholders of Cap Capital Corp. ("Cap Capital"), a private company, in exchange for all of the issued and outstanding shares of Cap Capital (the "Transaction").

Upon completion of the Transaction, the shareholders of Cap Capital owned 79.69% of the common shares of the Company. The Transaction resulted in the former shareholders of Cap Capital acquiring control of the Company and has been accounted for as a reverse acquisition by Cap Capital, with the legal subsidiary being treated as the accounting parent and Sonoro, the legal parent, being treated as the accounting subsidiary. A reverse acquisition transaction involving a non-public operating entity and a non-operating public company is in substance a capital transaction, rather than a business combination and is considered a recapitalization of the public company.

SONORO METALS CORP.

(Formerly Becker Gold Mines Ltd.)

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

2. REVERSE ACQUISITION (Continued)

The condensed interim consolidated financial statements have been prepared as a continuation of Cap Capital and have been issued in the name of the Company, being the legal parent. The Transaction has been measured based on the fair value of the shares that have been issued to Sonoro's shareholders.

Accordingly, the Transaction has been accounted for as follows:

- a) the historic equity of the Company has been eliminated and the excess of the fair value of the common shares issued over the fair value of net assets acquired has been recorded as a listing expense;
- b) the deficit and other equity balances are those of Cap Capital immediately prior to the Transaction;
- c) the equity structure presented in these consolidated financial statements (the number and type of equity instruments issued) reflects the equity structure of the Company, including the equity instruments issued by the Company to effect the Transaction;
- d) the assets and liabilities of Cap Capital are recognized and measured at their pre-Transaction carrying amounts and the net assets of the Company on the Transaction date have been measured at their fair value of \$60,509.
- e) comparative information presented in these consolidated financial statements are for Cap Capital. Certain comparative figures have been reclassified in order to conform to the current year's presentation.

The fair value of Sonoro's net assets acquired and liabilities assumed are as follows:

Cash	\$ 270,510
Receivables	9,161
Prepaid expenses	1,400
Equipment	10,490
Accounts payable and accrued liabilities	(231,052)
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Fair value of net assets acquired	60,509
Fair value of 3,131,671 common shares issued	(626,334)
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Listing expense	\$ 565,825

The condensed interim consolidated statements of comprehensive loss and cash flows for the six months ended June 30, 2012 are those of Cap Capital.

SONORO METALS CORP.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

3. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. The condensed interim consolidated financial statements follow the same accounting policies and methods of application as our most recent annual consolidated financial statements and do not include all of the information required for full annual financial statements. Accordingly, they should be read in conjunction with our IFRS financial statements for the fiscal year ended December 31, 2011. The accounting policies applied in these condensed interim consolidated financial statements are based on International Financial Reporting Standards (“IFRS”) issued and outstanding as of May 30, 2012, the date the Board of Directors approved these condensed interim consolidated financial statements and they are consistent with those disclosed in the annual audited consolidated financial statements.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for cash and cash equivalents and other financial instruments classified as fair value through profit or loss or available-for-sale that have been measured at fair value, and are presented in Canadian dollars.

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Cap Capital and Minera Mar Plata S.A. de C.V (“MMP”). All significant intercompany transactions and balances have been eliminated.

SONORO METALS CORP.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

3. ACQUISITION OF MINERA MAR DE PLATA S.A. DE C.V. ("MMP")

On December 31, 2010, Cap Capital acquired 99.9% of the issued and outstanding shares of MMP, a private Mexican company, which owns or has rights to acquire various mining concessions in Mexico. MMP was in the business of acquiring mineral property interests, all of which were completed during 2010.

In consideration of the acquisition of 99.9% of the common shares of MMP, the Company entered into the following transactions:

- (a) On December 31, 2010, the Company entered into a debt settlement agreement with MMP, whereby the Company exchanged \$520,000 loan agreement for common shares in MMP.
- (b) On December 31, 2010, the Company entered into a debt settlement agreement whereby the Company exchanged \$597,128 in debt owing to the Company by MMP into common shares in the capital of MMP.
- (c) On December 31, 2010, the Company entered into a purchase and sale agreement to acquire all but one of the remaining issued and outstanding common shares in the capital of MMP for \$4,029.

The one common share not owned by the Company is held by a Mexican national, which is required under the laws of Mexico.

The acquisition has been accounted for using the asset acquisition method and the values of the assets acquired and the liabilities assumed have been adjusted to reflect their fair values at the acquisition date. The purchase price has been allocated as follows:

Cash	\$ 48,368
Receivables	19,391
Loans receivable	51,304
Exploration and evaluation assets	1,012,634
Accounts payable	(10,540)
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Total consideration paid for common shares in MMP	\$ 1,121,157

SONORO METALS CORP.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

4. CAPITAL ASSETS

Leasehold improvements	
Cost	
Balance, January 1, 2011	\$ 10,490
Additions	-
Balance, June 30, 2011	-
Additions	10,490
Balance, December 31, 2011 and June 30, 2012	\$ 10,490
Accumulated depreciation	
Balance, January 1, 2011	\$ -
Depreciation	-
Balance, June 30, 2011	-
Depreciation	684
Balance, December 31, 2011	684
Depreciation	1,050
Balance, June 30, 2012	\$ 1,734
Carrying amounts	
As at December 31, 2011	\$ 9,806
As at June 30, 2012	\$ 8,756

5. EXPLORATION AND EVALUATION ASSETS

	Chipriona	Santa Clara	Los Pinos	Total
Balance, January 1, 2011	\$ 927,147	\$ -	\$ 269,773	\$ 1,196,920
Acquisition costs	-	58,249	-	58,249
Balance, June 30, 2011	927,147	58,249	269,773	1,255,169
Acquisition costs	-	60,042	-	60,042
Balance, December 31, 2011	927,147	118,291	269,773	1,315,211
Acquisition costs	-	60,000	-	60,000
Balance, June 30, 2012	\$ 927,147	\$ 178,291	\$ 269,773	\$ 1,375,211

The Chipriona property is subject to a 2% royalty on net operating profits and the Los Pinos property is subject to a 2% net smelter return royalty.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

5. EXPLORATION AND EVALUATION ASSETS (Continued)

Santa Clara

On January 10, 2011, the Company entered into an option agreement whereby the Company can acquire a 100% interest in the Santa Clara concession, which is contiguous to the Company's current mineral concessions, for total cash payments of US \$240,000 over a three-year period and the issuance of 120,000 common shares due as follows:

Cash

Payable by January 2011	US \$40,000	(paid - \$39,096)
Payable by February 2011	US \$20,000	(paid - \$19,153)
Payable by July 2011	US \$60,000	(paid - \$56,411)
Payable by January 2012	US \$60,000	(paid - \$60,000)
Payable by July 2012	US \$60,000	(paid - subsequent to June 30, 2012)
	<u>US \$240,000</u>	

Shares

Issuable by July 2012

The Santa Clara property is subject to a 2.5% royalty on net operating profits.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities for the Company are broken down as follows:

	<u>June 30,</u> <u>2012</u>	<u>December 31,</u> <u>2011</u>
Trade payables	\$ 29,010	\$ 37,932
Accrued liabilities	17,500	37,000
Total	<u>\$ 46,510</u>	<u>\$ 74,932</u>

All accounts payable and accrued liabilities for the Company are due within the next 12 months.

7. RELATED PARTY TRANSACTIONS

The consolidated financial statements include the financial statements of Sonoro and its 100% owned subsidiaries, Cap Capital and MMP.

The Company entered into the following transactions with related parties during the period:

- (a) Rent of \$10,500 (2011 - \$nil) was paid to a company with directors in common and is included in office and administration.

At June 30, 2012, \$45,920 (2011 - \$nil) is owing to related parties without interest or stated terms of repayment.

SONORO METALS CORP.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

7. RELATED PARTY TRANSACTIONS (Continued)

Compensation of key management

Key management comprises directors and executive officers. Compensation awarded to key management for the six months ended June 30, 2012 and 2011 is as follows:

	2012	2011
Short-term employee benefits	\$ 72,571	\$ -
Share-based payments	-	-
	\$ 72,571	\$ -

The Company incurred no post-employment benefits, no long-term benefits and no termination benefits.

8. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued

- (i) On January 27, 2012, the Company completed a private placement and issued 1,325,000 units at a price of \$0.25 per unit for gross proceeds of \$331,250. Each unit is comprised of one common share and one common share purchase warrant entitling the holder to purchase one common share of the Company at an exercise price of \$0.35 per share until January 27, 2013. The Company incurred expenses of \$3,434 in connection with the private placement. There was no finder's fee paid in connection with this private placement.
- (ii) On December 20, 2011, the Company completed a private placement and issued 4,500,000 units at a price of \$0.20 per unit for gross proceeds of \$900,000. Each unit is comprised of one common share and one share purchase warrant entitling the holder to purchase one additional common share of the Company for two years at an exercise price of \$0.30. In connection with the private placement, finder's fees totaled \$24,500 in cash, other expenses of \$16,184 and 122,500 finder's warrants with a fair value of \$34,851. Finder's warrants entitle the holder to purchase 122,500 units, with the same terms of the private placement, for a period of two years at an exercise price of \$0.30 per unit.
- (iii) On December 31, 2010, the Company completed a private placement and issued 5,382,500 common shares at a price of \$0.20 per common share for gross proceeds of \$1,076,500. No finder's fees were paid in connection with the private placement. As at December 31, 2010, \$370,000 was receivable for this issuance, which was received during the year ended December 31, 2011.

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Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

8. SHARE CAPITAL AND RESERVES (Continued)

c) Stock options

Pursuant to the policies of the TSX-V, under the Company's stock option plan, options to purchase common shares are granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of grant for a maximum term of five years. The board of directors may grant options for the purchase of up to a total of 10% of the outstanding shares at the time of the option grant less the aggregate number of existing options and number of common shares subject to issuance under outstanding rights that have been issued under any other share compensation arrangement. Options granted under the plan may vest over a period of time at the discretion of the board of directors.

As at June 30, 2012 and December 31, 2011, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Expiry Date	Exercise Price	June 30, 2012	December 31, 2011
May 20, 2014	\$ 0.20	300,000	300,000
December 23, 2016	\$ 0.30	1,500,000	1,500,000
Total outstanding		1,800,000	1,800,000

The weighted average remaining contractual life for the outstanding options at June 30, 2012 is 3.98 years. The weighted average exercise price for the outstanding options at June 30, 2012 is \$0.28.

Stock option transactions are summarized as follows:

	Outstanding	Exercisable	Weighted Average Exercise Price
Balance, December 31, 2010	300,000	300,000	\$ 0.20
Granted	1,500,000	750,000	\$ 0.30
Balance, December 31, 2011	1,800,000	1,050,000	\$ 0.28
Granted	-	-	-
Exercised	-	-	-
Cancelled	-	-	-
Balance, June 30, 2012	1,800,000	1,050,000	\$ 0.28

SONORO METALS CORP.

(Formerly Becker Gold Mines Ltd.)

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

8. SHARE CAPITAL AND RESERVES (Continued)**d) Warrants**

As at June 30, 2012, the Company had share purchase warrants outstanding entitling the holders to acquire common shares as follows:

Exercise Price	Expiry Date	Outstanding, December 31, 2011	Issued	Exercised	Expired	Outstanding, June 30, 2012
\$ 0.30	December 20, 2013	4,500,000	-	-	-	4,500,000
\$ 0.35	January 27, 2013	-	1,325,000	-	-	1,325,000
		4,500,000	1,325,000	-	-	5,825,000

As at June 30, 2012, the Company had finder's warrants outstanding as follows:

Exercise Price	Expiry Date	Outstanding, December 31, 2011	Issued	Exercised	Expired	Outstanding, June 30, 2012
\$ 0.20	December 20, 2013	122,500	-	-	-	122,500

Finder's warrants entitle the holders to acquire one unit whereby each unit is comprised of one common share and one share purchase warrant, and one share purchase warrant entitles the holder to purchase one common share of the Company for an exercise price of \$0.30 exercisable until December 20, 2013.

The fair value of the finder's warrants was calculated at \$0.28 per unit.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	June 30, 2012	June 30, 2011
Interest received	\$ 6,556	\$ 3,692
Interest paid	-	-

SONORO METALS CORP.

(Formerly Becker Gold Mines Ltd.)

Notes to the Condensed Interim Consolidated Financial Statements

(Expressed in Canadian Dollars)

Six months ended June 30, 2012 and 2011

10. SEGMENTED INFORMATION

The Company has one business segment, the exploration of mineral properties. The Company's significant assets are distributed by geographic locations as follows:

As at June 30, 2012	Capital assets	Exploration and evaluation assets	Total non-current assets
Canada	\$ 8,756	\$ -	\$ 8,756
Mexico	-	1,375,211	1,375,211
Total	\$ 8,756	\$ 1,375,211	\$ 1,383,967

As at June 30, 2011	Capital assets	Exploration and evaluation assets	Total non-current assets
Canada	\$ -	\$ -	\$ -
Mexico	-	1,258,286	1,258,286
Total	\$ -	\$ 1,255,169	\$ 1,258,286

11. SUBSEQUENT EVENTS

Subsequent to June 30, 2012:

- The Company made the final cash payment of US\$60,000 on the Santa Clara property.