SILVERSTAR MINING CORP.
Form 10-K
January 13, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **September 30, 2013**

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

For the transition period from [ ] to [ ]

Commission file number **333-140299**

SILVERSTAR MINING CORP.

(Exact name of registrant as specified in its charter)

Nevada	**98-0425627**

(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1489 West Warm Springs Road, Ste. 110, Henderson, Nevada	**89014**
(Address of principal executive offices)	(Zip Code)

(775) 473–9400
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange On Which Registered
N/A	**N/A**

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 the Securities Act.
Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act
Yes [ ] No [X]

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the last 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-K (§229.405 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 [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

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 "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [X]

The aggregate market value of Common Stock held by non-affiliates of the Registrant on March 28, 2013 was $484,822.50 based on a $2.50 average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

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

12,774,880 common shares as of January 10, 2014.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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PART I

Item 1. Business

FORWARD LOOKING STATEMENTS

This annual report contains certain forward-looking statements. All statements other than statements of historical fact are “forward-looking statements” for purposes of these provisions, including any projections of earnings, revenues, or other financial items; any statements of the plans, strategies, and objectives of management for future operation; any statements concerning proposed new products, services, or developments; any statements regarding future economic conditions or performance; statements of belief; and any statement of assumptions underlying any of the foregoing. Such forward-looking statements are subject to inherent risks and uncertainties, and actual results could differ materially from those anticipated by the forward-looking statements.

These forward-looking statements involve significant risks and uncertainties, including, but not limited to, the following: competition, promotional costs and the risk of declining revenues. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of a number of factors. These forward-looking statements are made as of the date of this filing, and we assume no obligation to update such forward-looking statements. The following discusses our financial condition and results of operations based upon our unaudited financial statements which have been prepared in conformity with accounting principles generally accepted in the United States. It should be read in conjunction with our financial statements and the notes thereto included elsewhere herein.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our consolidated financial statements are stated in United States Dollars (US$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this annual report, unless otherwise specified, all dollar amounts are expressed in United States Dollars (US$) and all references to “common shares” refer to the common shares in our capital stock.

As used in this annual report, the terms “we”, “us”, “our” and “our company” mean Silverstar Mining Corp., a Nevada corporation, and our wholly owned subsidiary Silverstar Mining Canada, Inc., a company incorporated under the federal laws of Canada, unless otherwise indicated.

General Overview

The address of our principal executive office is located at 1489 West Warm Springs Road, Suite 110, Henderson, NV. Our telephone number is (775) 473–9400.

Our company was incorporated in the State of Nevada on December 5, 2003 under the name Computer Maid, Inc. Our company was inactive until February 2006, when we changed our name to Rose Explorations Inc. and became engaged in the exploration of mining properties.

On March 4, 2008, our company completed a merger with our wholly-owned subsidiary, Silverstar Mining Corp., which was incorporated solely to effect the name change of our company to Silverstar Mining Corp.

In addition, on March 4, 2008, we effected a 3 for 1 forward stock split of our authorized, issued and outstanding common stock. As a result, our authorized capital increased from 75,000,000 shares of common stock with a par value of $0.001 to 225,000,000 shares of common stock with a par value of $0.001.

On April 13, 2011, we incorporated a wholly owned subsidiary, Silverstar Mining (Canada) Inc., under the federal laws of Canada. The subsidiary's main purpose is to hold title to mineral property rights situated in Canada as the laws of that country require that only local entities can hold title to mineral property rights situated within its borders.

Effective September 26, 2011, we effected a reverse split our common stock on a 1,000 for 1 basis. As a result of the foregoing, we reduced the number of authorized shares of our common stock from 225,000,000 to 225,000.

On February 29, 2012, we filed a Certificate of Amendment to our company's Articles of Incorporation with the Nevada Secretary of State increasing the number of authorized shares from 225,000 to 225,000,000 shares of common stock $0.001 par value.

On July 22, 2013 we entered into settlement agreements with four debt holders of our company pursuant to which we restructured outstanding demand loans payable in the aggregate amount of $175,028 (inclusive of accrued interest) as convertible debentures. The details of the transactions are as follows:

On November 19, 2009 we issued a demand promissory note to one lender in consideration of loan proceeds of $30,000. On March 19, 2012, our company's board of directors approved a plan whereby the debt holder could convert their loan into shares of common stock at a conversion rate of $0.0025 per share, however this plan was not executed. On July 22, 2013 we entered into a settlement agreement with the assignees of the lender, Tina Bressert, to extinguish the demand note and issued a convertible debenture to the assignee of the demand note in the aggregate principal amount of $41,118. The debenture shall bear interest at 10% per annum and shall be payable in full, together with any accrued interest, by July 22, 2017. The holder shall have the option to convert the principal amount and any accrued interest, in whole or in part, at the rate of $0.0025 per share of our common stock. On December 23, 2013 we authorized the issuance of 9,500,000 shares to the assignees of the debenture in conversion of $23,750 payable pursuant to the debenture as at December 6, 2013. The balance of $18,912 remains payable pursuant to the debenture as at December 6, 2013.

Pursuant to the above described convertible debentures, Ms. Bressert has the right to purchase upon conversion of the debentures up to 42.56% of our common stock on a non-diluted basis.

On May 14, 2010, we issued a demand promissory note to one lender in consideration of loan proceeds of $2,500. On July 22, 2013 we entered into a settlement agreement with the assignee of the lender, Tina Bressert, to extinguish the demand note and issued a convertible debenture to the assignee of the demand note in the aggregate principal amount of $3,297. The debenture shall bear interest at 17% per annum and shall be payable in full, together with any accrued interest, by July 22, 2017. The holder shall have the option to convert the principal amount and any accrued interest, in whole or in part, at the rate of $0.35 per share of our common stock. This convertible note was subsequently assigned to a third party. On December 23, 2013 we authorized the issuance of 10,020 shares to the assignee of the debenture holder in full conversion of the $3,507 payable pursuant to the debenture as at December 6, 2013.

On January 25, 2011, we issued a demand promissory note to Nottingham Group in consideration of loan proceeds of $16,000. On July 22, 2013 we entered into a settlement agreement to extinguish the demand note and issued a convertible debenture to Nottingham Group in the aggregate principal amount of $19,586. The debenture shall bear interest at 17% per annum and shall be payable in full, together with any accrued interest, by July 22, 2017. The holder shall have the option to convert the principal amount and any accrued interest, in whole or in part, at the rate of $0.35 per share of our common stock. On December 23, 2013 we authorized the issuance of 20,836 shares to the debenture holder in conversion of $20,836 payable pursuant to the debenture as at December 6, 2013.

On December 17, 2010, December 31, 2010, April 4, 2011, August 1, 2011, and September 2, 2011 we issued demand promissory notes to Petra Corp. in consideration of loan proceeds of $15,000, $2,183.68, $16,000, $14,000, and $16,000, respectively ($63,183.68 in the aggregate). On July 22, 2013 we entered into a settlement agreement to extinguish the demand note and issued a convertible debenture Petra Corp. in the aggregate principal amount of $75,754. The debenture shall bear interest at 17% per annum and shall be payable in full, together with any accrued interest, by July 22, 2017. The holder shall have the option to convert the principal amount and any accrued interest, in whole or in part, at the rate of $0.35 per share of our common stock. The full amount of principal and accrued interest remains payable as at the date of this report.

On or about June 8, 2012, October 2, 2012 and January 25, 2013 we issued demand promissory notes to Elco Securities Ltd. in consideration of loan proceeds of $15,000, $7,500, and $10,000, respectively ($32,500 in the aggregate). On July 22, 2013, we entered into a settlement agreement to extinguish the demand note and issued a convertible debenture to Elco Securities Ltd. in the aggregate principal amount of $35,273. The debenture shall bear interest at 17% per annum and shall be payable in full, together with any accrued interest, by July 22, 2017. The holder shall have the option to convert the principal amount and any accrued interest, in whole or in part, at the rate of $0.35 per share of our common stock. The full amount of principal and accrued interest remains payable as at the date of this report.

On February 15, 2013, we closed a Share Exchange Agreement pursuant to which we intended to acquire a wholly owned subsidiary, Arriba Resources Inc. However, effective November 13, 2013 our Board of Directors approved the cancellation and reversal of the Share Exchange Agreement due to a failure of consideration on the part of the seller. As a result of the cancellation and reversal of the Share Exchange Agreement, 2,139,926 shares of our common stock and warrants to acquire 2,078,477 shares of our common stock which were previously authorized (but not issued from treasury) have been cancelled with immediate effect. Consequently, the change of control announced in our current report on Form 8-K filed on May 21, 2013 has been reversed.

As a result of the cancellation and reversal of the Share Exchange Agreement with Arriba, the consolidated financial statements of our Company for the quarterly periods ended March 31, 2013 (filed with the SEC on August 14, 2013) and June 30, 2013 (filed with the SEC on May 20, 2013) may no longer be relied upon owing to their inclusion of the financial information of Arriba. We have informed our independent accountants of the cancellation and reversal of the Share Exchange Agreement and intend to file amendments to our Quarterly Reports on Form 10-Q for the periods ended March 31 and June 30, 2013 to reflect our financial condition without consolidation of the financial information of Arriba. The financial statements contained in this current report accurately reflect the deconsolidation of the financial information of Arriba.

Current Business

Mineral Exploration

We are currently engaged in the exploration and development of mineral properties in the Caribou Mining District in east-central British Columbia, Canada.

On May 16, 2011, we entered into an Agreement of Purchase and Sale with Jaime Mayo to acquire a 100% in three 3 mineral claims known as the Abhau Lake Property (constituting approximately 1,006 hectares) located in the Caribou Mining District near the city of Quesnel, in east-central British Columbia, Canada. In consideration of the property, we paid $10,000 cash as a deposit and issued 2,000 (now 2,000,000 post split) common shares upon closing. The claims are subject to a 2% NSR (Net Smelter Royalty). We have an option to purchase 1% of the NSR for $1 million and an additional 0.5% of the NSR $500,000.

On 7 February 2012 we paid Terracad Geoscience Services $4,040 to re-stake the claims, which had expired, in the name of Silverstar Mining Corp.

On 12 June 2012 we paid Terracad Geoscience Services $10,000 as a pre-payment against an estimated $15,000 charge to prepare the National Instrument 43-101 compliant technical report for the Quesnel property. . The work was completed and we received final invoicing for the work on 1 October 2012 in the amount of $15,533 which was recorded as Investment in Mineral Property.

As at the date of this report, the Abhau Lake Property is currently our sole asset.

Concurrently with our mineral exploration activities, we are seeking to expand our business to include oil and natural gas exploration and development, in addition to mineral exploration services and oil & gas exploration services, including hard rock drilling services, seismic drilling services, and oil & gas waste disposal.

Prospective Business Activities

We are currently seeking to diversify our business into hard rock drilling services and oil and gas exploration and waste disposal. With respect to prospective mining services, we are pursuing bidding opportunities for hard rock drilling contracts in Idaho, Nevada and in the Northwest Territories of Canada. With respect to prospective oil & gas exploration, we are identifying and conducting due diligence on acreages located in Eastern Wyoming and Western Nebraska for the purposes of potential acquisition and exploration. We have not entered into any definitive arrangements regarding these prospective business activities and there is no guarantee that we will be successful in this regard.

Market, Customers and Distribution Methods

Although there can be no assurance, large and well capitalized markets are readily available for all minerals throughout the world. A very sophisticated futures market for the pricing and delivery of future production also exists. The price for minerals is affected by a number of global factors, including economic strength and resultant demand for minerals for production, fluctuating supplies, mining activities and production by others in the industry, and new and or reduced uses for subject minerals.

The mining industry is highly speculative and of a very high risk nature. As such, mining activities involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Few mining projects actually become operating mines.

The mining industry is subject to a number of factors, including intense industry competition, high susceptibility to economic conditions (such as price of minerals, foreign currency exchange rates, and capital and operating costs), and political conditions (which could affect such things as import and export regulations, foreign ownership restrictions). Furthermore, the mining activities are subject to all hazards incidental to mineral exploration, development and production, as well as risk of damage from earthquakes, any of which could result in work stoppages, damage to or loss of property and equipment and possible environmental damage. Hazards such as unusual or unexpected geological formations and other conditions are also involved in mineral exploration and development.

Competition

We are a junior mineral resource exploration company. We compete with other mineral resource exploration companies for financing and for the acquisition of new mineral properties. Many of the mineral resource exploration companies with whom we compete have greater financial and technical resources than those available to us. Accordingly, these competitors may be able to spend greater amounts on acquisitions of mineral properties of merit, on exploration of their mineral properties and on development of their mineral properties. In addition, they may be able to afford more geological expertise in the targeting and exploration of mineral properties. This competition could result in competitors having mineral properties of greater quality and interest to prospective investors who may finance additional exploration and development. This competition could adversely impact on our ability to achieve the financing necessary for us to conduct further exploration of our mineral properties.

We also compete with other junior mineral resource exploration companies for financing from a limited number of investors that are prepared to make investments in junior mineral resource exploration companies. The presence of competing junior mineral resource exploration companies may impact our ability to raise additional capital in order to fund our exploration programs if investors are of the view that investments in competitors are more attractive based on the merit of the mineral properties under investigation and the price of the investment offered to investors. We also compete with other junior and senior mineral resource exploration companies for available resources, including, but not limited to, professional geologists, camp staff, helicopter or float planes, mineral exploration supplies and drill rigs.

Intellectual Property

We currently do not hold any intellectual property or operate a website.

Government Regulations

Canada

Any mineral properties that we may have will be subject to various Federal and Provincial laws and regulations in Canada which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. We will be required to obtain those licenses, permits or other authorizations currently required to conduct exploration and other programs. There are no current orders or directions relating to us or the Newfoundland Property with respect to the foregoing laws and regulations. Such compliance may include feasibility studies on the surface impact of our proposed operations, costs associated with minimizing surface impact, water treatment and protection, reclamation activities, including rehabilitation of various sites, on-going efforts at alleviating the mining impact on wildlife and permits or bonds as may be required to ensure our compliance with applicable regulations. It is possible that the costs and delays associated with such compliance could become so prohibitive that we may decide to not proceed with exploration, development, or mining operations on any of our mineral properties. We are not presently aware of any specific material environmental constraints affecting our property that would preclude the economic development or operation of property in Canada.

United States

Mining operations and exploration activities are subject to various national, state and local laws and regulations in the United States, as well as other jurisdictions, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

We believe that we are and will continue to be in compliance in all material respects with applicable statutes and the regulations passed in the United States. There are no current orders or directions relating to our company with respect to the foregoing laws and regulations.

Environmental Regulations

We are not aware of any material violations of environmental permits, licenses or approvals that have been issued with respect to our operations. We expect to comply with all applicable laws, rules and regulations relating to our business, and at this time, we do not anticipate incurring any material capital expenditures to comply with any environmental regulations or other requirements.

While our intended projects and business activities do not currently violate any laws, any regulatory changes that impose additional restrictions or requirements on us or on our potential customers could adversely affect us by increasing our operating costs or decreasing demand for our products or services, which could have a material adverse effect on our results of operations.

Subsidiaries

We have one wholly-owned subsidiary, Silverstar Mining Canada, Inc., a company incorporated under the federal laws of Canada.

Research and Development Expenditures

We have incurred $19,573 in mineral property and exploration expenditures over the last two fiscal years.

Employees

As of September 30, 2013, we had no employees. Our directors and officers provided there services to our company on a consulting basis and without formal. We do not expect any material changes in the number of employees over the next 12 month period. We currently conduct and anticipate that we will continue to conduct most of our business through arrangements with consultants and third parties. We do, however, anticipate that we will be required to engage employees in various administrative capacities with any significant increase in our business operations. Our officers and directors do not have an employment agreement with us.

REPORTS TO SECURITY HOLDERS

We are required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the “SEC”) and our filings are available to the public over the internet at the SEC’s website at http://www.sec.gov. The public may read and copy any materials filed by us with the SEC at the SEC’s Public Reference Room at 100 F Street N.E. Washington D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-732-0330. The SEC also maintains an Internet site that contains reports, proxy and formation statements, and other information regarding issuers that file electronically with the SEC, at http://www.sec.gov.

Item 1(A). Risk Factors

There are numerous and varied risks, known and unknown, that may prevent us from achieving our goals. If any of these risks actually occur, our business, financial condition or results of operations may be materially adversely affected. In such case, the trading price of our common stock could decline and shareholders could lose all or part of their investment.

Risks Related to our Business Operations

We have not generated revenues from operations. We have a history of losses and losses are likely to continue in the future.

We have incurred significant losses in the past and we will likely continue to incur losses in the future unless our drilling program proves successful. Even if drilling program is successful, there can be no assurance that we will be able to commercially exploit these resources, generate further revenues or generate sufficient revenues to operate profitably.

We may not be able to generate revenue sufficient to maintain operations.

We have incurred significant losses since inception and there can be no assurance that we will be able to reverse this trend. Even if we are able to successfully identify commercially exploitable gold and silver reserves, there is no assurance that we will have sufficient financing to exploit these reserves, generate revenues or find a willing buyer for the properties.

Exploration for economic deposits of gold and silver is speculative.

Our business is very speculative since there is generally no way to recover any of the funds expended on exploration unless the existence of commercially exploitable reserves are established and our company can exploit those reserves by either commencing drilling operations, selling or leasing its interest in the property, or entering into a joint venture with a larger company that can further develop the property. Unless we can establish and exploit reserves before our funds are exhausted, we will have to discontinue operations, which could make our stock valueless.

The gold and silver industry is highly competitive and the success and future growth of our business depend upon our ability to remain competitive in identifying and developing properties with sufficient reserves for economic exploitation.

The gold and silver industry is highly competitive and fragmented with limited barriers to entry, especially at the exploratory stages. We compete in national, regional and local markets with large multi-national corporations and against start-up operators hoping to identify a gold or silver property. Some of our competitors have significantly greater financial resources than we do. This puts us at a competitive disadvantage if we choose to further exploit drilling opportunities.

Our management has no experience in mining operations.

Our current management has never been involved in the exploration or mining business. As such, there is substantial doubt whether management has the expertise to effectively run our business and implement our business plan. As such, we will have to retain additional officers or board members who have experience in the mining sector. Alternatively, we will have to rely on consultants or other third party suppliers. Reliance on outside consultants will require the expenditure of significant sums of money which we do not have. As such, the successful launch of an exploratory drilling program remains in doubt.

We will require additional financing to continue our operations.

We will require significant working capital to undertake our exploration program. There can be no assurance that we will be able to secure additional funding to meet our objectives or if we are able to identify funding sources, that the funding will be available on terms acceptable to our company. Should this occur, we will have to significantly reduce our drilling and mining programs.

We may not identify proven reserves to develop any of our properties and our estimates may be inaccurate.

There is no certainty that any expenditures made in our exploration program will result in discoveries of commercially recoverable quantities of gold or silver. Most exploration projects do not result in the discovery of commercially extractable deposits of gold or silver and no assurance can be given that any particular level of recovery will in fact be realized or that any identified leasehold interest will ever qualify as a commercially developed. Estimates of reserves, deposits and production costs can also be affected by such factors as environmental regulations and requirements, weather, unexpected or unknown results when we re-enter a well, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Material changes in estimated reserves, exploration and mining costs may affect the economic viability of any project.

We have no proven reserves.

Our leasehold interests are without known bodies (reserves) of commercial gold or silver. Development of these properties will follow only upon obtaining satisfactory exploration results. The long-term profitability of our company's operations will be in part directly related to the cost and success of its exploration and mining programs. Mining for gold and silver and other base metals is a highly speculative business involving a high degree of risk. Few properties which are explored are ultimately developed into producing mines. There is no assurance that our exploration program will result in any discoveries of commercial quantities of gold or silver. There is also no assurance that, even if commercial quantities of gold or silver are discovered, a mine can be brought into commercial production. Production/discovery of gold and silver is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mine is also dependent upon a number of factors, many of which are beyond our company's control, such as worldwide economy, the price of gold and silver, government regulations, including regulations relating to royalties, allowable production and environmental protection.

During our operations we may experience certain unanticipated conditions may arise or unexpected or unusual events may occur, including fires, floods, or earthquakes. It is not always possible to fully insure against such risks and we may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they may reduce or eliminate any future profitability and may result in a decline in the value of the securities of our company.

We have no history as a company engaged in the mining business.

We have no history of earnings or cash flow from mining activities. If we identify proven reserves and are able to proceed to production, commercial viability will be affected by factors that are beyond our control such as the particular attributes of the deposit, the fluctuation in the prices of gold and silver, the cost of construction and operating a mining operation, the availability of economic sources for energy, government regulations including regulations relating to prices, royalties, restrictions on production, quotas on exploration, as the costs of protection of the environment.

Our estimates of resources are subject to uncertainty.

Estimates of resources are subject to considerable uncertainty. Such estimates are arrived at using standard acceptable geological techniques, and are based on the interpretations of geological data obtained from drill holes and other sampling techniques. Engineers use feasibility studies to derive estimates of cash operating costs based on anticipated tonnage and grades of ore to be mined and processed, the predicted configuration of the ore bodies, expected recovery rates of metal from ore, comparable facility and operating costs and other factors. Actual cash operating costs and economic returns on projects may differ significantly from the original estimates, primarily due to fluctuations in the current prices of metal commodities extracted from the deposits, changes in fuel costs, labor rates, changes in permit requirements, and unforeseen variations in the characteristics of the ore body. Due to the presence of these factors, there is no assurance that any geological reports will accurately reflect actual quantities of gold or silver that can be economically processed and mined by us.

We face many operating hazards.

The development and operation of a mining property involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include, among other things, ground fall, flooding, environmental hazards and the discharge of toxic chemicals, explosions and other accidents. Such occurrences may result in work stoppages, delays in production, increased production costs, damage to or destruction of mines and other producing facilities, injury or loss of life, damage to property, environmental damage and possible legal liability for such damages.

We will be subject to compliance with government regulation that may increase the anticipated cost of those operations.

There are significant governmental regulations that materially restrict mineral property operations. We may be required to obtain work permits, post bonds and perform remediation work for any physical disturbance to the land, in order to comply with these regulations. Permits and regulations will control all aspects of our exploration program. Examples of regulatory requirements include:

(a) Water discharge will have to meet drinking water standards;

(b) Dust generation will have to be minimal or otherwise re-mediated;

(c) Dumping of material on the surface will have to be re-contoured and re-vegetated with natural vegetation;

(d) An assessment of all material to be left on the surface will need to be environmentally benign;

(e) Ground water will have to be monitored for any potential contaminants;

(f) The socio-economic impact of our operation of the Property will have to be evaluated and, if deemed negative, will have to be re-mediated; and

(g) There may have to be an impact report of the work on the local fauna and flora, including a study of potentially endangered species.

We do not maintain liability insurance.

We do not maintain liability insurance. As such, if we are found liable for any action, whether intentional or unintentional, we will be required to satisfy the liability with our own funds. Currently we have nominal assets and any monetary award would likely result in the close of our operations. Even assuming a significant increase in our assets and we secure liability insurance, the amount of the coverage may be insufficient to cover to insure against any award. Since our company may not be able, or may elect not to insure, this may result in a material adverse change in our company's financial position. The nature of these risks is such that liabilities may exceed policy limits, in which event our company would incur substantial uninsured losses.

We face fluctuating gold and silver prices.

The price of gold and silver has experienced significant price movements over short periods of time and is affected by numerous factors beyond our control, including international economic and political trends, expectations of inflation, currency exchange fluctuations (including, the U.S. dollar relative to other currencies) interest rates, global or regional consumption patterns, speculative activities and increases in production due to improved exploration and production methods. The supply of and demand for gold and silver are affected by various factors, including political events, economic conditions and production costs in major producing regions.

Environmental and Occupational Regulations will impact our operations.

We are subject to various federal, provincial, and local international laws and regulations concerning occupational safety and health as well as the discharge of materials into, and the protection of, the environment. Environmental laws and regulations relate to, among other things:

- assessing the environmental impact of our exploration and mining activities;
- the generation, storage, transportation and disposal of waste materials;
- the emission of certain gases into the atmosphere;
- the monitoring, abandonment, reclamation and remediation of our mining claims, including sites of former operations; and
- the development of emergency response and contingency plans.

The costs of environmental protection and safety and health compliance are significant. Compliance with environmental, safety and health initiatives can be costly. There is no assurance that we will be able to comply with these regulations. If we cannot comply with these regulations, we will be forced to cease all operations in which case you will lose your entire investment. We cannot predict with any reasonable degree of certainty our future exposure concerning such matters.

Public policy, which includes laws, rules and regulations, can change.

Our operations are generally subject to federal and provincial rules and regulations. In addition, we are also subject to the laws and regulations of local governments. Pursuant to public policy changes, numerous government departments and agencies have issued extensive rules and regulations binding on the mining industry and its individual members, some of which carry substantial penalties for failure to comply. Changes in such public policy have affected, and at times in the future could affect, our operations. Political developments can restrict production levels, enact price controls, change environmental protection requirements, and increase taxes, royalties and other amounts payable to governments or governmental agencies. Existing laws and regulations can also require us to incur substantial costs to maintain regulatory compliance. Our operating and other compliance costs could increase further if existing laws and regulations are revised or reinterpreted or if new laws and regulations become applicable to our operations. Although we are unable to predict changes to existing laws and regulations, such changes could significantly impact our profitability, financial condition and liquidity, particularly changes related to hydraulic fracturing, income taxes and climate change as discussed below.

Drilling operations are hazardous, raise environmental concerns and raise insurance risks.

Drilling operations are by their nature subject to a variety of risks, such as, flooding, environmental hazards, the discharge of toxic chemicals and other hazards. Such occurrences may delay development or production, increase production costs or result in a liability. We may not be able to insure fully or at all against such risks, due to political or other reasons, or we may decide not to take out insurance against such risks as a result of high premiums or other reasons. We intend to conduct our business in a way that safeguards public health and the environment and in compliance with applicable laws and regulations. Environmental hazards may exist on properties in which we hold an interest which are unknown to us and may have been caused by prior owners. Changes to drilling and mining laws and regulations could require additional capital expenditures and increase operating and/or reclamation costs. Although we are unable to predict what additional legislation, if any, might be proposed or enacted, additional regulatory requirements could render certain operations uneconomic.

If we are unable to obtain all of our required governmental permits, our operations could be negatively impacted.

Our future operations, including exploration and development activities, required permits from various governmental authorities. Such operations are and will be governed by laws and regulations governing prospecting, development, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There can be no assurance that we will be able to acquire all required licenses or permits or to maintain continued operations at our properties.

We are subject to numerous environmental and other regulatory requirements.

All phases of drilling and exploration operations are subject to governmental regulation including environmental regulation. Environmental legislation is becoming stricter, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and heightened responsibility for companies and their officers, directors and employees. There can be no assurance that possible future changes in environmental regulation will not adversely affect our operations. As well, environmental hazards may exist on a property in which we hold an interest that was caused by previous or existing owners or operators of the properties and of which our company is not aware at present.

Government approvals and permits are required to be maintained in connection with our drilling and exploration activities. We will require permits for our operations and there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations or additional permits for any possible future changes to our company's operations, including any proposed capital improvement programs. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in drilling operations may be required to compensate those suffering loss or damage by reason of our activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on our company resulting in increased capital expenditures or production costs, reduced levels of production at producing properties or abandonment or delays in development of properties.

There is no assurance that there will not be title or boundary disputes.

Although we have investigated the right to explore and exploit our properties and obtained records from government offices, this should not be construed as a guarantee of title. Other parties may dispute the title to any of our properties or that any property may be subject to prior unregistered agreements and transfers. The title may be affected by undetected encumbrances or defects or governmental actions. Should this occur, we face significant delays, costs and the possible loss of any investments or commitment of capital.

Local infrastructure may impact our exploration activities and results of operations.

Our activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges and power and water supplies are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage or government or other interference in the maintenance or provision of such infrastructure could adversely affect the activities and profitability of our company.

Because of the speculative nature of exploring and/or mining for gold and silver, there is significant risk that our business will fail.

Gold and silver exploration is extremely risky. We cannot provide any assurances that our activities will result in commercially exploitable reserves of gold and silver. Exploration for gold and silver is a speculative venture necessarily involving substantial risk. Any expenditure that we make may not result in the discovery of commercially exploitable reserves.

The market for gold and silver is volatile. This will have a direct impact on our company's revenues (if any) and profits (if any) and will probably have an adverse effect on our ongoing operations.

The price of both gold and silver has fluctuated significantly over the past few years. This has contributed to the renewed interest in gold and silver exploration. However, in the event that the price of either gold or silver falls, the interest in exploratory ventures may decline and the value of our company's business could be adversely affected.

We are in competition with companies that are larger, more established and better capitalized than we are.

Many of our potential competitors have:

- greater financial and technical resources;
- longer operating histories and greater experience in gold and silver.

We may be exposed to potential risks relating to our internal control over financial reporting and our ability to have those controls remediated timely.

Pursuant to rules of the SEC implemented pursuant to Section 404 of the Sarbanes-Oxley Act, the independent registered public accounting firm auditing a public company's financial statements must attest to and report on the operating effectiveness of that public company's internal control over financial reporting.

Pursuant to Section 404 of the Sarbanes-Oxley Act, as amended by SEC Release 33-8934 on June 26, 2008, we are required to include in our annual reports our assessment of the effectiveness of our internal control over financial reporting as of the end of our fiscal years. Furthermore, our independent registered public accounting firm will be required to report separately on whether it believes that we have maintained, in all material respects, effective internal control over financial reporting. We have not yet completed any assessment of the effectiveness of our internal control over financial reporting. We expect to incur additional expenses and diversion of our management's time as a result of performing the system and process evaluation, testing and remediation required in order to comply with our management certification and auditor attestation requirements.

In the event we identify control deficiencies that we cannot remedy in a timely manner, or if we are unable to receive an unqualified attestation report from our independent registered public accounting firm with respect to our internal control over financial reporting, investors and others may lose confidence in the reliability of our financial statements, and the trading price of our common stock, if a market ever develops, and our ability to obtain any necessary financing could suffer.

Our officers have limited experience in managing a public company.

Our officers have limited experience in managing a public company, and we do not have any employees to segregate responsibilities and may be unable to afford increasing our staff or engaging outside consultants or professionals to overcome our lack of employees. During the course of our operations, we may identify other deficiencies that we may not be able to remedy in time to satisfy the requirements imposed by the Sarbanes-Oxley Act for compliance with that Section 404. In addition, if we fail to achieve and maintain the adequacy of our internal controls, as such requirements are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. Moreover, effective internal controls, particularly those related to revenue recognition, are necessary for us to produce reliable financial reports and are important to help prevent financial fraud. If we cannot provide reliable financial reports or prevent fraud, our business and operating results could be harmed, investors could lose confidence in our reported financial information, and the trading price of our common stock, if a market for our common stock develops, could drop significantly.

Our officers do not have employment agreements with us and could cease working for us at any time, causing us to cease our operations.

Our officers do not have employment agreements (written or verbal) with us. In the absence of such employment agreements with restrictive covenants on the part of our officers, our officers could leave us at any time or commence working for a competitive business. Furthermore, applicable law under which we operate may cast substantial doubt on the enforceability of any restrictive covenants that we may obtain from our officers in the future. Accordingly, the continued services of our officers cannot be assured. If our officers were to cease working for us, we may have to cease operations.

Risks Related to Our Common Stock

Trading on the OTC Bulletin Board may be volatile and sporadic, which could depress the market price of our common stock and make it difficult for our stockholders to resell their shares.

Our common stock is quoted on the OTC Bulletin Board service of the Financial Industry Regulatory Authority. Trading in stock quoted on the OTC Bulletin Board is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with our operations or business prospects. This volatility could depress the market price of our common stock for reasons unrelated to operating performance. Moreover, the OTC Bulletin Board is not a stock exchange, and trading of securities on the OTC Bulletin Board is often more sporadic than the trading of securities listed on a quotation system like NASDAQ or a stock exchange like Amex. Accordingly, shareholders may have difficulty reselling any of their shares.

Our stock is a penny stock. Trading of our stock may be restricted by the SEC's penny stock regulations which may limit a stockholder's ability to buy and sell our stock.

Our stock is a penny stock. The SEC has adopted Rule 15g-9 which generally defines "penny stock" to be any equity security that has a market price (as defined) less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of $5,000,000 or individuals with a net worth in excess of $1,000,000 or annual income exceeding $200,000 or $300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in, and limit the marketability of, our common stock.

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The Financial Industry Regulatory Authority sales practice requirements may also limit a stockholder's ability to buy and sell our stock.

In addition to the "penny stock" rules described above, the Financial Industry Regulatory Authority, which we refer to as FINRA, has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, the FINRA believes that there is a high probability that speculative low-priced securities will not be suitable for at least some customers. The FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for shares of our common stock.

Item 1B. Unresolved Staff Comments

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

Item 2. Properties

Our executive offices are located at 1489 West Warm Springs Road, Suite 110, Henderson Nevada, 89014. These are virtual offices rented for approximately $130 per month which cost includes reception, mailing and meeting room services. These offices are suitable for our current needs.

Mineral Properties

We are an exploratory stage mining company. We are currently engaged in the exploration and development of properties in the Caribou Mining District in east-central British Columbia or approximately 65 km northeast of Quesnel, British Columbia, Canada. We have a total of 3 mining claims in British Columbia, Canada. Subject to securing additional financing, our goal is to explore these mining claims to determine if there are indicated or proven reserves of either gold, silver or base metals.

<u>Ahbau Lake Property, Caribou Mining District, British Columbia</u>

On May 16, 2011, our wholly owned subsidiary, Silverstar Mining Canada, Inc., entered into an agreement of purchase and sale with Jaime Mayo to acquire 100% of the Ahbau Lake Property, Caribou Mining Division, Quesnel District, British Columbia ("AHB Claims") located in British Columbia, Canada. The AHB Claims consist of 3 claims (approximately 1,006 ha).

Our company paid $10,000 cash as a deposit and issued 2,000,000 common shares upon closing and is subject to a 2% net smelter royalty. Our company has an option to purchase 1% of the net smelter royalty for $1 million and an additional 0.5% of the NSR $500,000.

On February 7, 2012, our company paid Terracad Geoscience Services $4,040 to re-stake the claims, which had expired, in the name of Silverstar Mining Corp.

On June 12, 2012, our company paid Terracad Geoscience Services $10,000 as a pre-payment against an estimated $15,000 charge to prepare the National Instrument 43-101 compliant technical report for the Quesnel property, Central British Columbia, Canada.

The mineral claims are located in the Caribou Mining District in east-central British Columbia.

Technical Report

We received a technical report dated July 20, 2012, written by Erik A. Ostensoe, P. Geo., with respect to the AHB Claims. Pursuant to the technical report Mr. Ostensoe recommended two phases of work for the AHB Claims. The goal for Phase 1 is to conduct geological reconnaissance and prospecting of the entire property, including testing by panning and taking pan concentrate samples from all streams, and MMI-type (mobile metal ion) soil geochemical samples from a grid of sample lines. Phase 2 will comprise improved access, detailed MMI sampling and other work in selected areas that were identified in Phase 1 as having anomalous geochemical responses. Upon completion of Phase 2 work, it will be possible to determine if further work on the AHB Claims are warranted.

Property Location and Access

There is a growing infrastructure in the region as more of its resources are being exploited by various sized peers and competitors in the area.

The SMCI mineral tenures are located within 65 km northeast of Quesnel, British Columbia, in an area that in part has been logged and re-planted. Access is by forestry road to the vicinity of the Willow River: the tenures lie both east and west of that river. The bridge across Willow River is located approximately 1250 metres upstream from the south boundary and a logging branch road follows the east side of Willow River. The total area is 1006 hectares.

The Silverstar claim is approximately 7 to 15 kilometers away from Barkerville. To the south of our property is Tiex, Inc. (TIX.V), nearby is Hawthorne Gold Corp. (HGC.V), Rogers Gold Corp., Barker Minerals, Ltd. (BML.V), next to our property is Touchdown Resources (TDW.V), and the west side of our property is currently occupied by Richfield Ventures Corp. (RCV.V).

We have conducted feasibility studies on the mining claims and definitive results are still not available; however, contiguous and other properties in the immediate vicinity indicate deposits of gold, silver and copper.

In order to determine the commercial viability of the mining claims and commence operations, a team of professionals is to be assembled to obtain further detail of potential yield. Independent consultants estimate that a work program should be done on its major fault structure and could be implemented for up to $150,000. Initial work would be studying historical information on the area, the trend line and sampling. The sampling analysis will direct management on subsequent investment of resources. The sampling program can be achieved with a projected investment of $25,000 up to $75,000 depending on the success of early stage sampling and the amount of samples ultimately taken and evaluated. A drilling program is estimated to cost roughly $500,000.

Geology and Mineralization

Soils present on the SMCI property are mostly residual soils developed over clay-rich glacial-fluvial deposits that were deposited in the waning stages of Quaternary glaciations. Such deposits are inherently inhomogeneous and include materials that have been transported *en masse* by glacier and stream movement, with periodic episodes of ice ponding during which fine rock flour and silt particles accumulated in quiescent lakes and ponds. During and following de-glaciation, large water flows coupled with post-glacial elastic crustal rebounding modified the landscape to create terrain that approximates that of today. Despite research and various terrain studies, traditional geochemical survey methods have been mostly unsuccessful in relating geochemical analyses to mineral deposits. Multimode interference ("MMI") techniques, initially developed to help explore in areas of deep chemical weathering, were modified to be applicable to many different soil types and have proven successful in recognizing metallic mineralization beneath glacial gravels, sands, and lake clays, as well as wet and sandy organic rich soils. There are many fully licensed laboratories that offer MMI analytical methods, including proprietary extractants specifically designed to treat a variety of multi-element packages. The MMI extractant has the broadest application and is well suited to reconnaissance and early-stage sampling that can be conducted on the SMCI property.

The SMCI mining claims are on trend with one primary peer in the region, Barkerville Gold Mines, Ltd. In May 2010, Barkerville confirmed disseminated gold mineralization at various depths up to 250 ft. There is further exploration planned at new deeper depths along the same trend line (Bonanza Ledge). The discovery of this Bonanza Ledge has implication for future exploration and represents a viable and previously unexplored target and promise for the region.

The rich Barkerville "camp" of placer mining, and prospectively in the near future, the renewed site of "hardrock" gold mining activities, lies between "Quesnellia" Terrain to the west and Caribou Terrain to the east. Barkerville Terrain comprises metasedimentary rocks of the Proterozoic to early Paleozoic Snowshoe Group of limestone, phyllite and quartzite formations that have been regionally metamorphosed to lower greenschist facies. Members have been deformed and displaced by folding and thrusting, including ductile deformation events and by mainly dextral strike-slip faulting.

Conjugate north-trending faults appear to have provided environments within which gold veins and zones of disseminated sulphide minerals developed. Intrusive rocks are scarce, comprising a small number of narrow, altered sills and several small bodies that have been described as "diabase", "gabbro" and "diorite". None of the identified intrusions is proximal to the actual gold mines.

Gold deposits within the Barkerville Terrain occur in the so-called "Rainbow" member as quartz-pyrite veins in fracture zones and commonly are accompanied by ankerite, bismuthinite, scheelite, galena, sphalerite and telluride minerals. The former mines exploited narrow quartz veins and quartz vein stockworks and lesser volumes of massive auriferous pyrite lenses. Individual ore-bearing structures were in some cases mined over several hundreds of metres strike length. The fault structures associated with gold deposition are oriented northerly and dominantly inclined easterly.

Northeasterly trending splays off the main fractures also are important host structures.

The Ahbau Lake area has been included in several programs of geologic investigation by several different public agencies, specifically the Geological Survey of Canada, the Geological Survey branch of the provincial government, and Geoscience BC. Their programs have been directed to the entire Central British Columbia area or, more particularly, to the Nechako Basin with overlap into nearby terrains. The initiatives have been directed to provision of background data in areas of drift cover that may mask structures and formations that have the potential to host valuable deposits of metals (and also, of oil and natural gas). The most potent technical tools include airborne geophysical surveys, including magnetic, electromagnetic, gravity surveys, and geochemical surveys, including Regional Geochemical Surveys that collect and analyze waters, stream sediments and, on occasion, soils.

The AHB Claims are prospective for deposits of both bedrock and placer gold that may be similar to those that comprise the Barkerville “Caribou” gold district. The geologic model includes quartz veins and quartz vein stockworks in deformed sedimentary formations that have been subjected to lower greenschist facies metamorphism. The initial source of gold may have been as disseminations in the host rocks with subsequent mobilization by tectonic events into quartz veins.

An estimated 1 million grams of placer gold, in the period 1864 to 1874, is estimated to have been recovered from workings located on Ahbau Creek, about two to ten km southwest of the AHB Claims (source: government reports quoted in the Cyprus Anvil property data files). Other placer mining operations, in the mid-1900s, were located between Ahbau and Lodi Lakes, but there appear to be no records of the amount of gold that was recovered. The gold recovered by placer miners is almost certainly derived from nearby bedrock sources but might also have been concentrated by reworking of the extensive deposits of glacially transported materials that may have been carried relatively long distances by the ice sheets.

There is no history of drilling on the land that we have identified. An immediate neighbor, Touchdown Resources, has recently finished a sampling program on their property contiguous to our company's property.

There is active drilling in the vicinity from Barkerville Gold Mines, Ltd. (BGM.V). Barkerville, along with many other peers in the area.

<u>Climate</u>

The general Quesnel area of central British Columbia experiences warm summers with occasional thunderstorms and moderately cold winters. Snow accumulations seldom exceed one metre at lower elevations and two metres at higher levels. Mineral exploration field work can be conducted from May through October; drilling operations can be conducted year-round.

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Item 3. Legal Proceedings

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

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our shares of common stock are currently trading on the Over the Counter Market under the Symbol "SLVM". Our shares of common stock were initially approved for quotation on the OTC Bulletin Board on October 18, 2007 under the name "Rose Explorations Inc." under the symbol, "ROEX". On March 4, 2008, we changed our name to "Silverstar Mining Corp." upon completion of our merger with our wholly owned subsidiary, "Silverstar Mining Corp." and our trading symbol was changed to our current trading symbol, "SLVM".

The following quotations, obtained from Stockwatch, reflect the high and low bids for our common shares based on inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

The high and low bid prices of our common stock for the periods indicated below are as follows:

OTC Bulletin Board(1)

Quarter Ended	**High**	**Low**
September 30, 2013	$2.65	$2.30
June 30, 2013	$2.55	$2.30
March 31, 2013	$2.65	$2.20
December 31, 2012	$2.50	$1.01

September 30, 2012	$4.25	$1.01
June 30, 2012	$38.00	$1.01
March 31, 2012	$38.00	$0.16
December 31, 2011	$0.018	$0.018
September 30, 2011	$0.027	$0.0085

(1) Over-the-counter market quotations reflect inter-dealer prices without retail mark-up, mark-down or commission, and may not represent actual transactions.

Holders

As of December 30, 2013, there were approximately 96 holders of record of our common stock. As of such date, 12,669,880 common shares were issued and outstanding.

Our transfer agent is Transfer On Line, Inc. Their mailing address is 512 SE Salmon Street, Portland, OR, 97214 and their telephone number is (503)-227-2950.

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Dividend Policy

Holders of our common stock are entitled to receive such dividends as our board of directors may declare from time to time from any surplus that we may have. We have not paid dividends on our common stock since the date of our incorporation and we do not anticipate paying any common stock dividends in the foreseeable future. We anticipate that any earnings will be retained for development and expansion of our businesses and we do not anticipate paying any cash dividends in the foreseeable future. Future dividend policy will depend upon our earnings, financial condition, contractual restrictions and other factors considered relevant by our Board and will be subject to limitations imposed under Nevada law.

Equity Compensation Plans

We do not have in effect any compensation plans under which our equity securities are authorized for issuance and we do not have any outstanding stock options.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

We did not purchase any of our shares of common stock or other securities during our fourth quarter of our fiscal year ended September 30, 2013.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

On December 23, 2013 we authorized the issuance of 9,500,000 shares to two subscribers at the price of $0.0025 per share ($23,750 in the aggregate) pursuant to a convertible debenture with Tina Bressert dated July 22, 2013.

On December 23, 2013 we authorized the issuance of 10,020 shares to one subscriber at the price of $0.35 per shares ($3,507) in the aggregate pursuant to a convertible debenture with Tina Bressert dated July 22, 2013.

On December 23, 2013 we authorized the issuance of 59,531 shares to one subscriber at the price of $0.35 per share ($20,836 in the aggregate) pursuant to a convertible debenture with Nottingham Group dated July 22, 2013.

On December 23, 2013 we authorized the issuance of 2,906,400 shares to one subscriber at the price of $0.0025 per share ($7,266 in the aggregate) pursuant to a convertible debenture with Lilia Mishal dated May 28, 2009.

All of the above noted securities were issued without a prospectus pursuant to Regulation S under the Securities Act. Our reliance upon Rule 903 of Regulation S was based on the fact that the sales of the securities were completed in an “offshore transaction”, as defined in Rule 902(h) of Regulation S. We did not engage in any directed selling efforts, as defined in Regulation S, in the United States in connection with the sale of the securities. Each investor was not a U.S. person, as defined in Regulation S, and was not acquiring the securities for the account or benefit of a U.S. person.

Item 6. Selected Financial Data

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

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our audited financial statements and the related notes for the years ended September 30, 2013 and September 30, 2012 that appear elsewhere in this annual report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to those discussed below and elsewhere in this annual report, particularly in the section entitled “Risk Factors” beginning on page 10 of this annual report.

Our consolidated financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

Results of Operations for Fiscal Years Ended September 30, 2013 as compared to September 30, 2012.

The following summary of our results of operations should be read in conjunction with our consolidated financial statements for the year ended September 30, 2013, which are included herein.

Expenses

Our operating expenses for the years ended September 30, 2013 and 2012 are outlined in the table below:

	Year Ended September 30,		Inception (December 5, 2003) to September 30
	2013	2012	2012
Bank charges and interest	$1,592	$904	$ 6,383
Consulting	$-	$-	$ 138,467
Dues & subscriptions	$10	$-	$ 10
Exploration and development	$-	$-	$ 13,028
Filing fees	$10,265	$1,321	$ 34,080
Insurance	$20,646	$-	$ 20.646
Investor relations	$-	$-	$ 84,992
Legal and accounting	$97,140	$43,965	$ 364,382
Licenses and permits	$925	$200	$ 4,541
Management fees	$13,350	$18,000	$ 134,500
Professional Fees	7,500	-	7,500
Rent	$7,108	$8,310	$ 54,118
Transfer agent fees	$3,381	$5,592	$ 34,921
Travel, entertainment and office expenses	$54,358	$3,031	$ 84,176
Write-down of mineral property acquisition costs	$-	$-	$ 811,696
Write-down of website development costs	$-	$-	$ 6,600
Total:	$(216,425)	$(81,323)	$ 1,800,041

Operating expenses for the year ended September 30, 2013 were $216,425, representing an increase of $135,102 from the $81,323 in expenses incurred during fiscal 2012. The increase was primarily a result of an overall increase in our business operations and corresponding increases in filing fees, insurance, legal and accounting, and travel, entertainment and office expense.

Revenue, Net Income and Loss

We have had no revenues for the years ended September 30, 2013 and September 30, 2012.

Our net loss for the year ended September 30, 2013 was $290,738 compared to a net loss of $90,703 during the year ended September 30, 2012. The increase in net loss is primarily due to an increase in operating expenses related to our overall increase in business activity and to an increase in borrowing costs. Total losses since December 5, 2003 (inception) were $1,919,166.

Our operations to date have been financed by the sale of our common stock and third party loans. Our two largest expenses to date have been legal and accounting fees ($364,382 since inception) and our write-down of mineral property acquisition costs ($811,696 since inception). Most of our legal and accounting expenses have been incurred in connection with our regulatory filings with the SEC and in connection with ongoing corporate activities.

We do not anticipate generating revenues in the foreseeable future, and any revenues that we generate may not be sufficient to cover our operating expenses. If we do not succeed in raising additional capital. We may have to cease operations and you may lose your entire investment.

Liquidity and Capital Resources

At September 30, 2013 we had cash totaling $5,869 as compared to $ 558 in cash at September 30, 2012. Our accounts payable at September 30, 2013 was $42,866 and $19,788 as at September 30, 2012. On September 30, 2013 we had convertible debentures of $201,807 and no demand loans compared to our outstanding convertible debentures of $20,124 and $15,468 in demand loans as at September 30, 2012. Our total liabilities were $339,453 on September 30, 2013 as compared to $ 191,246 as at September 30, 2012. We have a working capital deficit of $333,335 as at September 30, 2013 as compared to our working capital deficit of $ 180,439 as at September 30, 2012.

We have no revenues to satisfy our ongoing liabilities. Our auditors have issued a going concern opinion. Unless we secure equity or debt financing, of which there can be no assurance, or identify an acquisition candidate, we will not be able to continue any operations.

Working Capital

	At September 30, 2013	At September 30, 2012
Current Assets	$ 6,118	$ 10,807
Current Liabilities	$ 339,453	$ 191,246
Working Capital (Deficit)	$ (333,335)	$ (180,439)

Our total current assets as of September 30, 2013 were $6,118 as compared to total current assets of $10,807 as of September 30, 2012. The decrease in current assets was primarily due to a decrease in prepaid expenses.

Our total current liabilities as of September 30, 2013 were $339,453 as compared to total current liabilities of $ 191,246 as of September 30, 2012. The increase in current liabilities was primarily attributed to an increase in share issuance liability accounts payable and accrued liabilities, liability deposit, and convertible debentures.

Cash Flows

	Year Ended September 30, 2013	2012
Net Cash (Used in) Operating Activities	$(132,031)	$(62,084)
Net Cash (Used in) Investing Activities	$(15,533)	$(4,360)
Net Cash Provided by Financing Activities	$152,875	$65,328
Increase (Decrease) in Cash and Cash Equivalents During the Period	$5,311	$(1,116)

Operating Activities

Cash used in operating activities was $132,031 for the fiscal year ended September 30, 2013 compared to cash used in operating activities of $62,084 for the fiscal year ended September 30, 2012. The increase in cash used in operating activities was primarily due to an increase in net loss of $200,035 offset by increases in operating liabilities.

Investing Activities

Cash /used in investing activities was $15,533 for the fiscal year ended September 30, 2013 compared to cash used in investing activities of $4,360 for the fiscal year ended September 30, 2012. The increase in cash used in investing activities was primarily due to mineral property acquisition costs incurred during fiscal 2013.

Financing Activities

Cash flows from financing activities totaled $152,875 during the fiscal year ended September 30, 2013 compared to $65,328 for the fiscal year ended September 30, 2012. The increase in cash provided by financing activities is primarily a result of the issuance of convertible debentures during fiscal 2013.

Cash Requirements

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

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

Description	Estimated Completion Date	Estimated Expenses ($)
Salaries	12 months	60,000
Consulting Fees	12 months	60,000
Audit Fees	12 months	30,000
Legal Fees	12 months	50,000
Insurance	12 months	25,000
Transfer Agent	12 months	5,000
Filing Fees	12 months	20,000
Travel	12 months	25,000

Due Diligence—Targeted acquisition	12 months	25,000
Total		300,000

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

Going Concern

The financial statements accompanying this report have been prepared on a going concern basis, which implies that our company will continue to realize its assets and discharge its liabilities and commitments in the normal course of business. Our company has not generated revenues since inception and has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. The continuation of our company as a going concern is dependent upon the continued financial support from our shareholders, the ability of our company to obtain necessary equity financing to achieve our operating objectives, and the attainment of profitable operations. As at September 30, 2013, our company has accumulated losses of $1,919,166 since inception. We do not have sufficient working capital to enable us to carry out our stated plan of operation for the next twelve months.

Due to the uncertainty of our ability to meet our current operating expenses and the capital expenses noted above in their report on the financial statements for the year ended September 30, 2013, De Leon & Company, P.A., our independent auditors included an explanatory paragraph regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our independent auditors.

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

Future Financings

We are an exploratory stage mining company. We are currently engaged in the exploration and development of properties in the Caribou Mining District in east-central British Columbia or approximately 65 km northeast of Quesnel, British Columbia, Canada. We have a total of 3 mining claims in British Columbia, Canada. Subject to securing additional financing, our goal is to explore these mining claims to determine if there are indicated or proven reserves of either gold, silver or base metals.

We will require additional financing of $250,000 in order to enable us to proceed with our plan of operations, including approximately $300,000 over the next 12 months to pay for our ongoing expenses. These expenses include legal, accounting and audit fees as well as general and administrative expenses. These cash requirements are in excess of our current cash and working capital resources. Accordingly, we will require additional financing in order to continue operations and to repay our liabilities. There is no assurance that any party will advance additional funds to us in order to enable us to sustain our plan of operations or to repay our liabilities.

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

We presently do not have any arrangements for additional financing for the expansion of our exploration operations, and no potential lines of credit or sources of financing are currently available for the purpose of proceeding with our plan of operations.

If we are unable to raise the funds that we require to execute our plan of operation, we intend to scale back our operations commensurately with the funds available to us.

Off-Balance Sheet Arrangements

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

Contractual Obligations

As a “smaller reporting company”, we are not required to provide tabular disclosure obligations.

Critical Accounting Policies

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

Principles of Consolidation

All inter-company transactions and balances have been eliminated in these consolidated financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

Mineral Property Costs

Our company has been in the development stage since its formation on December 5, 2003 and has not yet realized any revenues from our planned operations. Our company is primarily engaged in the acquisition and exploration of mining properties.

Mineral property acquisition costs are initially capitalized as tangible assets when purchased. At the end of each fiscal quarter end, our company assesses the carrying costs for impairment. If proven and probable reserves are established for a property and it has been determined that a mineral property can be economically developed, costs will be amortized using the units-of-production method over the estimated life of the probable reserve.

Mineral property exploration costs are expensed as incurred.

Estimated future removal and site restoration costs, when determinable are provided over the life of proven reserves on a units-of-production basis. Costs, which include production equipment removal and environmental remediation, are estimated each period by management based on current regulations, actual expenses incurred, and technology and industry standards. Any charge is included in exploration expense or the provision for depletion and depreciation during the period and the actual restoration expenditures are charged to the accumulated provision amounts as incurred.

As of the date of these consolidated financial statements, our company has not established any proven or probable reserves on its mineral properties and incurred only acquisition and exploration costs.

Although our company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee our company’s title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Reclamation Costs

Our company’s policy for recording reclamation costs is to record a liability for the estimated costs to reclaim mined land by recording charges to production costs for each tonne of ore mined over the life of the mine. The amount charged is based on management’s estimation of reclamation costs to be incurred. The accrued liability is reduced as reclamation expenditures are made. Certain reclamation work is performed concurrently with mining and these expenditures are charged to operations at that time.

Long-Lived Assets

Long-term assets of our company are reviewed for impairment whenever events or circumstances indicate that the carrying amount of assets may not be recoverable, pursuant to guidance established in ASC 360-10-35-15, *"Impairment or Disposal of Long-Lived Assets"*.

Management considers assets to be impaired if the carrying value exceeds the future projected cash flows from related operations (undiscounted and without interest charges). If impairment is deemed to exist, the assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis

Financial Instruments

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and convertible debentures approximates their fair value because of the short maturity of these instruments. Our company's operations are in Nevada and virtually all of its assets and liabilities are giving rise to significant exposure to market risks from changes in foreign currency rates. Our company's financial risk is the risk that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, our company does not use derivative instruments to reduce its exposure to foreign currency risk.

Derivative Financial Instruments

Our company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Website Development Costs

The costs of computer software developed or obtained for internal use, during the preliminary project phase, as defined under ASC 350-40, "*Internal-Use Software*", will be expensed as incurred. The costs of website development during the planning stage, as defined under ASC 350-50, "*Website Development Costs*", will also be expensed as incurred.

Computer software, website development incurred during the application and infrastructure development stage, including external direct costs of materials and services consumed in developing the software and creating graphics and website content, will be capitalized and amortized over the estimated useful life, beginning when the software is ready for use and after all substantial testing is completed and the website is operational.

Income Taxes

Deferred income taxes are reported for timing differences between items of income or expense reported in the consolidated financial statements and those reported for income tax purposes in accordance with SFAS No. 109, "*Accounting for Income Taxes*", which requires the use of the asset/liability method of accounting for income taxes. Deferred income taxes and tax benefits are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and for tax loss and credit carry-forwards. 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. Our company provides for deferred taxes for the estimated future tax effects attributable to temporary differences and carry-forwards when realization is more likely than not.

Basic and Diluted Net Loss Per Share

Our company computes net loss per share in accordance with SFAS No. 128, *"Earnings per Share"*. SFAS No. 128 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the consolidated income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all potentially dilutive common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all potentially dilutive shares if their effect is anti-dilutive.

Comprehensive Loss

SFAS No. 130, "*Reporting Comprehensive Income*", establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As at September 30, 2013, our company has no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the consolidated financial statements.

Segments of an Enterprise and Related Information

SFAS No. 131, *"Disclosures about Segments of an Enterprise and Related Information"*, supersedes SFAS No. 14, *"Financial Reporting for Segments of a Business Enterprise."* SFAS No. 131 establishes standards for the way that public companies report information about operating segments in annual financial statements and requires reporting of selected information about operating segments in interim financial statements issued to the public. It also establishes standards for disclosures regarding products and services, geographic areas and major customers. SFAS No. 131 defines operating segments as components of a company about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Our company has evaluated this SFAS and does not believe it is applicable at this time.

Start-Up Expenses

Our company has adopted Statement of Position No. 98-5, "*Reporting the Costs of Start-up Activities*", which requires that costs associated with start-up activities be expensed as incurred. Accordingly, start-up costs associated with our company's formation have been included in our company's general and administrative expenses for the period from the date of inception on December 5, 2003 to September 30, 2013.

Foreign Currency Translation

Our company's functional and reporting currency is in U.S. dollars. The consolidated financial statements of our company are translated to U.S. dollars in accordance with SFAS No. 52, "*Foreign Currency Translation*". Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income. Our company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Comparative Figures

Certain comparative figures have been adjusted to conform to the current year's presentation.

Recent Accounting Policies

In February 2010, the FASB issued ASU No. 2010-11, *“Derivatives and Hedging (Topic 815): Scope Exception Related to Embedded Credit Derivatives”*. ASU No. 2010-11 clarifies the type of embedded credit derivative that is exempt from embedded derivative bifurcation requirements. Specifically, only one form of embedded credit derivative qualifies for the exemption – one that is related only to the subordination of one financial instrument to another. As a result, entities that have contracts containing an embedded credit derivative feature in a form other than such subordination may need to separately account for the embedded credit derivative feature. The amendments in ASU No. 2010-11 are effective for each reporting entity at the beginning of its first fiscal quarter beginning after June 15, 2010. Early adoption is permitted at the beginning of each entity’s first fiscal quarter beginning after March 5, 2010. The adoption of ASC No. 2010-11 is not expected to have a material impact on our company’s consolidated financial statements.

In February 2010, the FASB issued ASU No. 2010-09, *“Amendments to Certain Recognition and Disclosure Requirements”*, which eliminates the requirement for SEC filers to disclose the date through which an entity has evaluated subsequent events. ASU No. 2010-09 is effective for its fiscal quarter beginning after December 15, 2010. The adoption of ASU No. 2010-09 is not expected to have a material impact on our company’s consolidated financial statements.

In January 2010, the FASB issued ASC No. 2010-06, *“Fair Value Measurement and Disclosures (Topic 820): Improving Disclosure and Fair Value Measurements”*, which requires that purchases, sales, issuances, and settlements for Level 3 measurements be disclosed. ASU No. 2010-06 is effective for its fiscal quarter beginning after December 15, 2010. The adoption of ASU No. 2010-06 is not expected to have a material impact on our company’s consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

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

Item 8. Financial Statements and Supplementary Data

Silverstar Mining Corp.

(A Development Stage Company)

Consolidated Financial Statements

(Expressed in U.S. Dollars)

30 September 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and

Stockholders of Silverstar Mining Corp.

We have audited the accompanying consolidated balance sheet of Silverstar Mining Corp. as of September 30, 2013 and 2012, and the related statements of income, stockholders' equity and cash flows for the two years ended September 30, 2013 and 2012 and for the period from December 5, 2003 (inception) to September 30, 2013. Silverstar Mining Corp.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits. We were not engaged to examine management's assertion about the effectiveness of Silverstar Mining Corp.'s internal control over financial reporting as of September 30, 2013.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Silverstar Mining Corp. and it's subsidiary as of September 30, 2013 and 2012,and the results of its operations and its cash flows for the years then ended and for the period from December 5, 2003 (inception) to September 30, 2013in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has suffered recurring losses from operations, net capital deficiencies, and negative cash flows from operations that raise substantial doubt about its ability to continue as a going concern. Management's plan in regard to these matters is also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

De Leon & Company, P.A.

Pembroke Pines
January 10, 2014

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Silverstar Mining Corp.

(A Development Stage Company)

Consolidated Balance Sheets

(Expressed in U.S. Dollars)

	As at 30-Sep-13 $	**As at 30-Sep-12 $**
Assets		
Current		
Cash and cash equivalents	5,869	558
Prepaid expense	249	10,249
Total Current Assets	6,118	10,807
Other		
Furniture and equipment	-	-
Goodwill	-	-
Investment in Mineral Properties (Note 5)	29,893	14,360
Total Assets	**36,011**	**25,167**
Liabilities and Stockholder's Equity (Deficit)		
Current Liabilities		
Accounts payable and accrued liabilities (Note 6)	42,866	19,788
Due to related party (Note 9)	-	-
Convertible debentures (Note 7)	201,807	20,124
Demand Loans (Note 8)	-	15,468
Shareholder's demand loans (Note 8)	-	131,366
Shareholder advances	6,655	-
Liability deposit	70,000	-
Share issuance liability	18,125	4,500
Total Current Liabilities	339,453	191,246
Stockholders' Equity (Deficit)		
Capital stock (Note 11)		
Authorized		
225,000,000 of common shares, par value $0.001		
Issued and outstanding		
2013 – 298,929 common shares, par value $0.001 (Note 11)		
2012 – 169,179 common shares, par value $0.001	299	169
Additional paid-in capital	1,615,425	1,462,180
Warrant reserve	-	-
Deficit, accumulated during the development stage	(1,919,166)	(1,628,428)
Total Stockholders' Equity (Deficit)	(303,442)	(166,079)
Non-controlling interest	-	-

Total Liabilities and Stockholders' Equity (Deficit)	**36,011**	**25,167**

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

Silverstar Mining Corp.

(A Development Stage Company)

Consolidated Statements of Operations

(Expressed in U.S. Dollars)

	For the period from the date of inception on 5 December 2003 to 30-Sep-13 $	**For the twelve month period ended 30-Sep-13 $**	**For the twelve month period ended 30-Sep-12 $**
Expenses			
Amortization	-	-	-
Bank charges	6,383	1,592	904
Consulting	138,467	-	-
Dues & subscriptions	10	10	-
Exploration and development (Note 5)	13,029	-	-
Filing fees	34,080	10,265	1,321
Insurance	20,646	20,646	-
Investor relations	84,992	-	-
Legal and accounting (Note 9 and 10)	364,382	97,140	43,965
Licenses and permits	4,541	925	200
Management fees (Notes 10, 11 and 13)	134,500	13,500	18,000
Professional fees	7,500	7,500	-
Rent (Notes 10, 11 and 13)	54,118	7,108	8,310
Transfer agent fees	34,921	3,381	5,592
Travel, entertainment and office	84,176	54,358	3,031
Write-down of mineral property acquisition costs (Note 5)	811,696	-	-
Write-down of website development costs (Note 4)	6,600	-	-
Net ordinary loss	**1,800,041**	**216,425**	**81,323**
Other Income/(Expense)			
Interest income	362		-
Cost of borrowing (Note 14)	(62,500)	(62,500)	-
Exchange gain/(loss)	982	1,035	-
Interest expense (Note 7, 8 and 13)	(57,969)	(12,848)	(9,380)
	(119,125)	(74,313)	(9,380)

Net loss attributable to shareholders	**(1,919,166)**	**(290,738)**	**(90,703)**
Basic and diluted loss per common share		**(1.36)**	**(0.64)**
Weighted average number of common shares used in per share calculations		213,628	140,717

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

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Silverstar Mining Corp.

(A Development Stage Company)

Consolidated Statements of Cash Flows

(Expressed in U.S. Dollars)

	For the period from the date of inception on 5 December 2003 to 30-Sep-13 $	**For the twelve month period ended 30-Sep-13 $**	**For the twelve month period ended 30-Sep-12 $**
Cash flows from operating activities			
Net loss for the period	**(1,919,166)**	**(290,738)**	**(90,703)**
Adjustments to reconcile loss to net cash used by operating activities			
Accrued interest – convertible debentures (Note 7)	26,779	6,655	1,506
Accrued interest – shareholder demand loan (Note 8)	28,070	8,389	7,406
Accrued interest – demand loan (Note 8)	2,773	2,305	468
Amortization	-	-	-
Contributions to capital by related parties (Notes 10, 11 and 13)	215,500	18,000	24,000
Write-down of mineral property acquisition costs (Note 5)	811,696	-	-
Write-down of website development costs (Note 4)	6,600	-	-
Changes in operating assets and liabilities			
Prepaid	(249)	10,000	(10,249)
Increase (decrease) in accounts payable and accrued liabilities	42,866	23,078	7,988
Increase in due to related parties and shares to be issued	94,780	90,280	(2,500)
	(690,351)	(132,031)	(62,084)
Cash flows from investing activities			
Acquisition of Silverdale, net of cash received (Note 3)	(140,221)	-	-
Acquisition of Arriba (Note 3)	-	-	-
Mineral property acquisition costs (Note 5)	(51,268)	(15,533)	(4,360)
Website development costs (Note 4)	(6,600)	-	-
	(198,089)	(15,533)	(4,360)
Cash flows from financing activities			
Convertible debenture	159,184	144,183	-
Shareholder Demand Loan	-	(111,683)	-
Demand Loans	-	(15,000)	15,000
Share issue costs	(1,255)	-	-

Common shares issued for cash (Note 11)	736,380	135,375	50,328
	894,309	152,875	65,328
Increase (decrease) in cash and cash equivalents	5,869	5,311	(1,116)
Cash and cash equivalents, beginning of period	-	558	1,674
Cash and cash equivalents, end of period	**5,869**	**5,869**	**558**

Supplemental Disclosures with Respect to Cash Flows (Note 13)

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

Silverstar Mining Corp.

(A Development Stage Company)

Consolidated Statements of Changes in Stockholders' Equity (Deficiency)

(Expressed in U.S. Dollars)

	Number of shares issued	**Share capital**	**Share subscriptions received in advance / Additional paid-in capital**	**Deficit, accumulated during the development stage**	**Stockholder's equity**
		$	**$**	**$**	**$**
Balance at 5 December 2003 (inception)					
Common shares issued for cash ($333 per share) (Note 11)	0	-	1	-	1
Net loss for the period	-	-	-	(450)	(450)
Balance at 30 September 2004	0	-	1	(450)	(449)
Net loss for the year	-	-	-	(300)	(300)
Balance at 30 September 2005	0	-	1	(750)	(749)
Common shares issued for cash ($1 per share) (Note 11)	30,000	30	9,970	-	10,000
Common shares redeemed – cash ($333 per share) (Note 11)	(0)	-	(1)	-	(1)
Contributions to capital by related parties – expenses (Notes 10, 11 and 13)	-	-	24,000	-	24,000
Net loss for the year	-	-	-	(40,190)	(40,190)
Balance at 30 September 2006	30,000	30	33,970	(40,940)	(6,940)
Contributions to capital by related parties – expenses	-	-	24,000	-	24,000
Common shares issued for cash ($3.33 per share) (Note 11)	25,500	26	84,974	-	85,000
Net loss for the year	-	-	-	(64,567)	(64,567)
Balance at 30 September 2007	55,500	56	142,944	(105,507)	37,493
Contributions to capital by related parties – expenses (Notes 10, 11 and 13)	-	-	12,000	-	12,000
Share subscriptions received in advance	-	-	422,176	-	422,176
Share issue costs	-	-	(1,255)	-	(1,255)
Common shares issued for business acquisition ($150 per share) (Notes 3, 11 and 13)	4,334	4	650,096	-	650,100

Common shares returned to treasury and cancelled (Notes 11 and 13)	(15,000)	(15)	15	-	-
Net loss for the year	-	-	-	(263,596)	(263,596)

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

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Silverstar Mining Corp.

(A Development Stage Company)

Consolidated Statements of Changes in Stockholders' Equity (Deficiency) contd.

(Expressed in U.S. Dollars)

	Number of shares issued	**Share capital**	**Share subscriptions received in advance / Additional paid-in capital**	**Deficit, accumulated during the development stage**	**Stockholder's equity**
		$	**$**	**$**	**$**
Balance at 30 September 2008	44,834	45	1,225,976	(369,103)	856,918
Contributions to capital by related parties – expenses (Notes 10, 11 and 13)	-	-	65,500	-	65,500
Share subscriptions received in advance	-	-	(422,176)	-	(422,176)
Common shares issued for cash ($250 per share) (Note 11)	950	1	237,500	-	237,501
Common shares issued for cash ($448 per share) (Note 11)	487	-	218,175	-	218,175
Common shares returned to treasury and cancelled (Notes 11 and 13)	(4,100)	(4)	4	-	-
Intrinsic value of beneficial conversion feature (Note 11)	-	-	15,000	-	15,000
Net loss for the year	-	-	-	(1,010,522)	(1,010,522)
Balance at 30 September 2009	42,171	42	1,339,979	(1,379,625)	(39,604)
Contributions to capital by related parties – expenses (Notes 10 and 13)	-	-	24,000	-	24,000
Net loss for the year	-	-	-	(85,165)	(85,165)
Balance at 30 September 2010	42,171	42	1,363,979	(1,464,790)	(100,769)
Reverse split 1,000:1 (Note 11)	-	-	-	-	-
Contributions to capital by related parties – expenses (Notes 10 and 13)	-	-	24,000	-	24,000
Net loss for the year	-	-	-	(72,935)	(72,935)
Balance at 30 September 2011	42,171	42	1,387,979	(1,537,725)	(149,704)
Contributions to capital by related parties – expenses (Notes 10 and 13)	-	-	24,000	-	24,000
Common shares issued for business acquisition ($0.16 per share) (Notes 3, 11 and 13)	2,000	2	318	-	320

Common shares issued for cash ($0.40 per share) (Note 11)	125,000	125	49,875	-	50,000
Common shares issued at par to balance stock split rounding	8	-	8	-	8
Net loss for the period	-	-	-	(90,703)	(90,703)
Balance at 30 September 2012	169,179	169	1,462,180	(1,628,428)	(166,079)
Contributions to capital by related parties – expenses (Note 10)	-	-	18,000	-	18,000
Common shares issued to satisfy terms of note payable (Notes 8,10,11,14)	24,750	25	61,850	-	61,875
Warrants exercised	105,000	105	73,395	-	73,500
Net loss for the period	-	-	-	(290,738)	(290,738)
Balance at 30 September 2013	298,929	299	1,615,425	(1,919,166)	(303,442)

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

Silverstar Mining Corp.

(A Development Stage Company)

Notes to Consolidated Financial Statements

(Expressed in U.S. Dollars)

30 September 2013

1. Nature, Basis of Presentation and Continuance of Operations

Silverstar Mining Corp. (the "Company") was incorporated under the laws of the State of Nevada on 5 December 2003. On 4 March 2008, the Company completed a merger with its wholly-owned subsidiary, Silverstar Mining Corp., which was incorporated by the Company solely to effect the name change of the Company to Silverstar Mining Corp. The Company was incorporated for the purpose to promote and carry on any lawful business for which a corporation may be incorporated under the laws of the State of Nevada.

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Silverdale Mining Corp. ("Silverdale") from 24 July 2008, the date of acquisition.

The Company is a development stage enterprise, as defined in Financial Accounting Standards Board No. 7. The Company is devoting all of its present efforts in securing and establishing a new business, and its planned principle operations have not commenced, and, accordingly, no revenue has been derived during the organization period.

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to development stage enterprises, and are expressed in U.S. dollars. The Company's fiscal year end is 30 September.

These consolidated financial statements as at 30 September 2013 and for the year then ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has a loss for the year ended 30 September 2013 of $290,738 (2012 loss - $90,703), cumulative loss - $1,919,166 (2012 cumulative loss - $1,628,428) and has working capital deficit of $333,335 at 30 September 2013 (30 September 2012 deficit - $180,439).

Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. If the Company is unable to raise additional capital in the near future, due to the Company's liquidity problems, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. These consolidated financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

At 30 September 2013, the Company had suffered losses from development stage activities to date. Although management is currently attempting to implement its business plan, and is seeking additional sources of equity or debt financing, there is no assurance these activities will be successful. These factors raise substantial doubt about the ability of the Company to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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2. Significant Accounting Policies

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

Principles of consolidation

All inter-company transactions and balances have been eliminated in these consolidated financial statements.

Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

Mineral property costs

The Company has been in the development stage since its formation on 5 December 2003 and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mining properties.

Mineral property acquisition costs are initially capitalized as tangible assets when purchased. At the end of each fiscal quarter end, the Company assesses the carrying costs for impairment. If proven and probable reserves are established for a property and it has been determined that a mineral property can be economically developed, costs will be amortized using the units-of-production method over the estimated life of the probable reserve.

Mineral property exploration costs are expensed as incurred.

Estimated future removal and site restoration costs, when determinable are provided over the life of proven reserves on a units-of-production basis. Costs, which include production equipment removal and environmental remediation, are estimated each period by management based on current regulations, actual expenses incurred, and technology and industry standards. Any charge is included in exploration expense or the provision for depletion and depreciation during the period and the actual restoration expenditures are charged to the accumulated provision amounts as incurred.

As of the date of these consolidated financial statements, the Company has not established any proven or probable reserves on its mineral properties and incurred only acquisition and exploration costs (Note 5).

Although the Company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

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Reclamation costs

The Company's policy for recording reclamation costs is to record a liability for the estimated costs to reclaim mined land by recording charges to production costs for each tonne of ore mined over the life of the mine. The amount charged is based on management's estimation of reclamation costs to be incurred. The accrued liability is reduced as reclamation expenditures are made. Certain reclamation work is performed concurrently with mining and these expenditures are charged to operations at that time.

Long-lived assets

Long-term assets of the Company are reviewed for impairment whenever events or circumstances indicate that the carrying amount of assets may not be recoverable, pursuant to guidance established in ASC 360-10-35-15, *"Impairment or Disposal of Long-Lived Assets"*.

Management considers assets to be impaired if the carrying value exceeds the future projected cash flows from related operations (undiscounted and without interest charges). If impairment is deemed to exist, the assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis

Financial instruments

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and convertible debentures approximates their fair value because of the short maturity of these instruments. The Company's operations are in Nevada and virtually all of its assets and liabilities are giving rise to significant exposure to market risks from changes in foreign currency rates. The Company's financial risk is the risk that 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.

Derivative financial instruments

The Company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Website development costs

The costs of computer software developed or obtained for internal use, during the preliminary project phase, as defined under ASC 350-40, "*Internal-Use Software*", will be expensed as incurred. The costs of website development during the planning stage, as defined under ASC 350-50, "*Website Development Costs*", will also be expensed as incurred.

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Computer software, website development incurred during the application and infrastructure development stage, including external direct costs of materials and services consumed in developing the software and creating graphics and website content, will be capitalized and amortized over the estimated useful life, beginning when the software is ready for use and after all substantial testing is completed and the website is operational.

Income taxes

Deferred income taxes are reported for timing differences between items of income or expense reported in the consolidated financial statements and those reported for income tax purposes in accordance with SFAS No. 109, "*Accounting for Income Taxes*", which requires the use of the asset/liability method of accounting for income taxes. Deferred income taxes and tax benefits are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and for tax loss and credit carry-forwards. 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 Company provides for deferred taxes for the estimated future tax effects attributable to temporary differences and carry-forwards when realization is more likely than not.

Basic and diluted net loss per share

The Company computes net loss per share in accordance with SFAS No. 128, *"Earnings per Share"*. SFAS No. 128 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the consolidated income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all potentially dilutive common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all potentially dilutive shares if their effect is anti-dilutive.

Comprehensive loss

SFAS No. 130, "*Reporting Comprehensive Income*", establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As at 30 June 2009, the Company has no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the consolidated financial statements.

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Segments of an enterprise and related information

SFAS No. 131, *"Disclosures about Segments of an Enterprise and Related Information"*, supersedes SFAS No. 14, *"Financial Reporting for Segments of a Business Enterprise."* SFAS No. 131 establishes standards for the way that public companies report information about operating segments in annual financial statements and requires reporting of selected information about operating segments in interim financial statements issued to the public. It also establishes standards for disclosures regarding products and services, geographic areas and major customers. SFAS No. 131 defines operating segments as components of a company about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company has evaluated this SFAS and does not believe it is applicable at this time.

Start-up expenses

The Company has adopted Statement of Position No. 98-5, "*Reporting the Costs of Start-up Activities"*, which requires that costs associated with start-up activities be expensed as incurred. Accordingly, start-up costs associated with the Company's formation have been included in the Company's general and administrative expenses for the period from the date of inception on 5 December 2003 to 30 June 2009.

Foreign currency translation

The Company's functional and reporting currency is in U.S. dollars. The consolidated financial statements of the Company are translated to U.S. dollars in accordance with SFAS No. 52, "*Foreign Currency Translation"*. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income. The Company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Comparative figures

Certain comparative figures have been adjusted to conform to the current year’s presentation.

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Changes in Accounting Policy

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-02, *"Accounting and Reporting for Decreases in Ownership of a Subsidiary - a Scope Clarification"*. ASU No. 2010-02 addresses implementation issues related to the changes in ownership provisions in the Consolidation - Overall Subtopic (Subtopic 810-10) of the FASB ASC, originally issued as Statement of Financial Accounting Standards ("SFAS") No. 160, *"Non-controlling Interests in Consolidated Financial Statements"*. Subtopic 810-10 establishes the accounting and reporting guidance for non-controlling interests and changes in ownership interests of a subsidiary. An entity is required to deconsolidate a subsidiary when the entity ceases to have a controlling financial interest in the subsidiary. Upon deconsolidation of a subsidiary, an entity recognizes a gain or loss on the transaction and measures any retained investment in the subsidiary at fair value. The gain or loss includes any gain or loss associated with the difference between the fair value of the retained investment in the subsidiary and its carrying amount at the date the subsidiary is deconsolidated. In contrast, an entity is required to account for a decrease in ownership interest of a subsidiary that does not result in a change of control of the subsidiary as an equity transaction. ASU No. 2010-02 was effective for the Company starting 1 January 2010. The Company's adoption of ASU No. 2010-02 did not have a material impact on the Company's consolidated financial statements.

In January 2010, the FASB issued ASU No. 2010-01, *"Equity (ASC Topic 505): Accounting for Distributions to Shareholders with Components of Stock and Cash"*, which clarifies that the stock portion of a distribution to shareholders that allow them to elect to receive cash or stock with a potential limitation on the total amount of cash that all shareholders can elect to receive in the aggregate is considered a share issuance that is reflected prospectively in earnings per share and is not considered a stock dividend for purposes of ASC Topic 505 and ASC Topic 260. ASU No. 2010-01 was effective for the Company starting 1 January 2010. The adoption of the ASU No. 2010-01 did not have a material impact on the Company's consolidated financial statements.

In August 2009, the FASB issued ASU No. 2009-05, "*Fair Value Measurement and Disclosure (Topic 820) – Measuring Liabilities at Fair Value*", which provides valuation techniques to measure fair value in circumstances in which a quoted price in an active market for the identical liability is not available. The guidance provided in this update is effective 1 October 2009. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In June 2009, the FASB issued SFAS No. 167, "*Amendments to FASB Interpretation No. 46(R)*". SFAS No. 167, which amends ASC 810-10, "*Consolidation*", prescribes a qualitative model for identifying whether a company has a controlling financial interest in a variable interest entity ("VIE") and eliminates the quantitative model. The new model identifies two primary characteristics of a controlling financial interest: (1) provides a company with the power to direct significant activities of the VIE, and (2) obligates a company to absorb losses of and/or provides rights to receive benefits from the VIE. SFAS No. 167 requires a company to reassess on an ongoing basis whether it holds a controlling financial interest in a VIE. A company that holds a controlling financial interest is deemed to be the primary beneficiary of the VIE and is required to consolidate the VIE. SFAS No. 167, which is referenced in ASC 105-10-65, has not yet been adopted into the Codification and remains authoritative. SFAS No. 167 was effective 1 January 2010. The adoption of SFAS No. 167 did not have a material impact on the Company's consolidated financial statements.

In June 2009, the FASB issued SFAS No. 166, "*Accounting for Transfer of Financial Assets – an amendment of FASB Statement*". SFAS No. 166 removes the concept of a qualifying special-purpose entity from ASC 860-10, "*Transfers and Servicing*", and removes the exception from applying ASC 810-10, "*Consolidation*". This statement also clarifies the requirements for isolation and limitations on portions of financial assets that are eligible for sale accounting. SFAS No. 166, which is referenced in ASC 105-10-65, has not yet been adopted into the Codification and remains authoritative. This statement was effective 1 January 2010. The adoption of SFAS No. 166 did not have a material impact on the Company's consolidated financial statements.

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In April 2008, the FASB issued new guidance for determining the useful life of an intangible asset, which is now part of ASC 350, "*Intangibles – Goodwill and Other*". In determining the useful life of intangible assets, ASC 350 removes the requirement to consider whether an intangible asset can be renewed without substantial cost of material modifications to the existing terms and conditions and, instead, requires an entity to consider its own historical experience in renewing similar arrangements. ASC 350 also requires expanded disclosure related to the determination of intangible asset useful lives. The new guidance was effective for financial statements issued for fiscal years beginning after 15 December 2008. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

Recent accounting pronouncements

In February 2010, the FASB issued ASU No. 2010-11, *"Derivatives and Hedging (Topic 815): Scope Exception Related to Embedded Credit Derivatives"*. ASU No. 2010-11 clarifies the type of embedded credit derivative that is exempt from embedded derivative bifurcation requirements. Specifically, only one form of embedded credit derivative qualifies for the exemption – one that is related only to the subordination of one financial instrument to another. As a result, entities that have contracts containing an embedded credit derivative feature in a form other than such subordination may need to separately account for the embedded credit derivative feature. The amendments in ASU No. 2010-11 are effective for each reporting entity at the beginning of its first fiscal quarter beginning after 15 June 2010. Early adoption is permitted at the beginning of each entity's first fiscal quarter beginning after 5 March 2010. The adoption of ASC No. 2010-11 is not expected to have a material impact on the Company's consolidated financial statements.

In February 2010, the FASB issued ASU No. 2010-09, *"Amendments to Certain Recognition and Disclosure Requirements"*, which eliminates the requirement for Securities and Exchange Commission ("SEC") filers to disclose the date through which an entity has evaluated subsequent events. ASU No. 2010-09 is effective for its fiscal quarter beginning after 15 December 2010. The adoption of ASU No. 2010-09 is not expected to have a material impact on the Company's consolidated financial statements

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In January 2010, the FASB issued ASC No. 2010-06, *"Fair Value Measurement and Disclosures (Topic 820): Improving Disclosure and Fair Value Measurements"*, which requires that purchases, sales, issuances, and settlements for Level 3 measurements be disclosed. ASU No. 2010-06 is effective for its fiscal quarter beginning after 15 December 2010. The adoption of ASU No. 2010-06 is not expected to have a material impact on the Company's consolidated financial statements.

3. Acquisition

In accordance with ASC 805, *Business Combinations*, acquisitions are accounted for under the purchase method of accounting. Under the purchase method of accounting, assets acquired and liabilities assumed are recorded at their estimated fair values. Goodwill is recorded to the extent the purchase price consideration, including certain acquisition and closing costs, exceeds the fair value of the net identifiable assets acquired at the date of the acquisition.

On 24 July 2008, the Company acquired Silverdale. The aggregate consideration paid by the Company was $791,860 of which $141,760 was paid in cash, and the Company issued 4,334,000 common shares of the Company valued at $650,100 to acquire 100% of the issued and outstanding common shares of Silverdale (Notes 3, 5 and 11). Silverdale was acquired pursuant to a Stock Exchange Agreement with Silverdale and the former shareholders of Silverdale dated 13 June 2008. The acquisition of Silverdale expanded the Company's business of acquiring and exploring mineral properties.

A valuation of certain assets was completed and the Company internally determined the fair value of other assets and liabilities. In determining the fair value of acquired assets, standard valuation techniques were used including the market and income approach.

The purchase price allocation has been determined as follows:

	$
Assets purchased:	
Cash and cash equivalents	1,539
Mineral property interests	790,321
Total assets acquired	791,860
Purchase price	791,860

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4. Website Development Costs

	Cost	Accumulated amortization / Impairment	Net Book Value	
			30 September 2013	30 September 2012
	$	$	$	$
Website and development costs	6,600	(6,600)	-	-
	6,600	(6,600)	-	-

During the year ended 30 September 2013, the Company incurred website development costs of $Nil (2012 - $Nil).

5. Mineral Property Costs

Rose Prospect Lode Mining Claim

During the year ended 30 September 2006, the Company acquired an interest in a mineral claim located in Clark County, Nevada (the "Rose Prospect Lode Mining Claim") for $6,375. In May 2006, the Company commissioned a geological evaluation report of the Rose Prospect Lode Mining Claim and in June 2006, the Company commissioned a Phase I work program as recommended by the evaluation report. During the Phase I work program, the Company staked a second claim adjacent to the west of the Rose Lode Claim to cover other indicated mineralized zones observed in that area (the "Rose Prospect II Lode Mining Claim"). The acquisition cost of $6,375 was initially capitalized as a tangible asset.

Expenditures related to the Rose Prospect Lode Mining Claim property for the year ending 30 September 2012 were $Nil (2011 - $Nil, 2010 - $Nil).

During the year ended 30 September 2006, the Company recorded a write-down of mineral property acquisition costs of $6,375 related to the Rose Prospect Lode Mining Claim.

Pinehurst Properties

During the year ended 30 September 2007, the Company entered into a mineral property option agreement, through its wholly-owned subsidiary, to acquire an undivided 100% right, title and interest in eight unpatented mining claims described as the “Corby”, “Cory FR”, “Walker”, “Linda”, “Eddie”, “Smokey”, “Dorian” and “Valerine” claims (the “Pinehurst Properties”) located near Pinehurst, Shoshone County, Idaho. The mineral property option agreement calls for cash payments of $1,000,000 ($50,000 paid), the issuance of 1,000 restricted common shares of the Company and the completion of exploration expenditures of $1,000,000 on the claims detailed as follows:

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		Payments	Shares	Exploration expenditures
		$		$
Upon execution of agreement	(paid)	50,000	100	100,000
On or before 14 September 2009		100,000	150	200,000
On or before 14 September 2010		350,000	250	300,000
On or before 14 September 2011		500,000	500	400,000
Total		1,000,000	1,000	1,000,000

Expenditures related to the Pinehurst Properties for the year ended 30 September 2012 consist of geology and engineering of $Nil (2011 - $Nil). During the year ended 30 September 2012, the Company recorded a recovery of expenditures related to the Pinehurst Properties of $Nil (2011 - $Nil).

The Company is in default under the terms of the option agreement, and does not have any short term prospects for raising the funds needed to complete these projects and has written off its deferred mineral property costs related to the project.

Silver Strand Properties

On 1 March 2008, the Company entered into a mineral property option agreement with New Jersey Mining Company ("NJMC") to purchase a 50% Joint Venture Interest in mining operations on certain mining properties collectively known as the Silver Strand Properties, located in Kootenai County, Idaho. The terms of the option agreement calls for the Company to make payments as follows:

i. $120,000 upon the signing of the agreement (paid);

ii. $150,000 on or before 30 April 2008 (paid); and

iii. $230,000 on or before 30 May 2008.

The terms of the option agreements call for the Company to contribute 50% of the reclamation bond held as a treasury bill, the receipt of which is due on or before 30 May 2008, for the benefit of the Joint Venture. NJMC will be the operator of the mine.

Expenditures related to the Silver Strand Properties for the year ended 30 September 2012 consist of acquisition costs of $Nil (2011 - $Nil).

The Company is in default under the terms of the option agreement, and does not have any short term prospects for raising the funds needed to complete these projects and has written off its deferred mineral property costs related to the project.

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Cobalt Canyon Gold Project

On 8 September 2008, the Company entered into a letter of intent with Gold Canyon Properties, LLP to examine and possibly acquire 100% of the Cobalt Canyon Gold Project located in Lincoln County, Nevada. The Cobalt Canyon properties are located in the Chief Mining District of southeastern Nevada. The project includes numerous small underground mines within the Chief District situated just north of Caliente, Nevada. The project includes 22 unpatented federal lode claims (approximately 363 acres) and an option to acquire 59 acres in three patented mining claims.

Expenditures related to the Cobalt Canyon Gold Project for the year ended 30 September 2012 consist of acquisition costs of $Nil (2011 - $Nil).

The Company wrote off its deferred mineral property costs related to the Gold Canyon Gold Project.

AHB Claims

On 16 May 2011, the Company entered into an Agreement of Purchase and Sale with Jaime Mayo to acquire 100% of the AHB claims located in British Columbia, Canada. The AHB Claims consist of 3 claims (approximately 1,006 ha).

The Company paid $10,000 cash as a deposit and issued 2,000 common shares upon closing (Note 11) and is subject to a 2% NSR (Net Smelter Royalty). The Company has an option to purchase 1% of the NSR for $1 million and an additional 0.5% of the NSR $500,000.

On 7 February 2012 the Company paid Terracad Geoscience Services $4,040 to restake the claims, which had expired, in the name of Silverstar Mining Corp.

On 12 June 2012 the Company paid Terracad Geoscience Services $10,000 as a pre-payment against an estimated $15,000 charge to prepare the National Instrument 43-101 compliant technical report for the Quesnel property, Central British Columbia, Canada. The work was completed in late July and the Company will be receiving final invoicing for the work in due course.

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are non-interest bearing, unsecured and have settlement dates within one year.

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7. Convertible Debentures

	Balance at 30 September 2013 $	Balance at 30 September 2012 $
Three convertible debentures issued to three unrelated parties bearing interest at a rate of 10% per annum on any unpaid principle balances, unsecured, and having no fixed terms of repayment. The holders of the convertible debentures have the right to convert any portion of the unpaid principle and/or accrued interest into restricted common shares of the Company at any time within thirty-six months from the issue date on the basis of $0.0025 per common share for each dollar of principle and/or interest due and payable. On March 19, 2012 the Company extended the right to convert for an additional 36 months. The Company may repay principal amounts due at any time without premium or penalty. During the year ended 30 September 2013, the Company accrued interest expense of $1,500 (30 September 2012 – $1,506). The balance as at 30 September 2013 consists of principal of $15,000 (30 September 2012 – $15,000) and accrued interest of $6,624 (30 September 2012 – $5,124), respectively.		
The Company recorded a $15,000 interest expense in relation to amortization of debt discount (Note 13) in the year ended 30, September, 2009.	201,807	20,124

On July 22, 2013 the Company entered into settlement agreements with all Demand Loan note holders converting the Demand Loans to Convertible Debentures with rights to convert any portion of the unpaid principle and/or accrued interest into restricted common shares of the Company at any time within forty-eight months from the settlement date. The Company may repay principal amounts due at any time without premium or penalty.

The column in the table below representing 30 September 2012 balances are for the Demand Loans that were in effect at that date, and the column representing 30 September 2013 balances are for the Convertible Debentures in effect as at that date. Conversion rates and interest rates for the Convertible Debentures are detailed in description column for each Note.

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	Balance at 30 September 2013 $	Balance at 30 September 2012 $
A demand loan issued to a shareholder bearing interest at a rate of 10% per annum on any unpaid principle balances, unsecured, and having no fixed terms of repayment. The Company may repay principal amounts due at any time without premium or penalty. In addition, the Company will issue 250 common shares in the Company upon repayment of the loan (Note 14). The replacement Convertible Debenture bears interest at a rate of 10% per annum on any unpaid principle balance and is convertible to restricted common shares of the Company on the basis of $0.0025 per common share for each dollar of principle and/or interest due and payable. During the year ended 30 September 2013, the Company accrued interest expense of $789 (30 September 2012 - $3,008). The balance as at 30 September 2013 consists of principal of $41,118 (30 September 2012 - $30,000) and accrued interest of $789 (30 September 2012 - $8,693).	41,907	38,693
A demand loan issued to a shareholder who is also the Company's sole officer and director bearing interest at a rate of 10% per annum on any unpaid principle balances, unsecured, and having no fixed terms of repayment. The Company may repay principal amounts due at any time without premium or penalty. The replacement Convertible Debenture bears interest at a rate of 17% per annum on any unpaid principle balance and is convertible to restricted common shares of the Company on the basis of $0.35 per common share for each dollar of principle and/or interest due and payable. During the year ended 30 September 2013, the Company accrued interest expense of $107 (30 September 2012 - $250). The balance as at 30 September 2013 consists of principal of $3,297 (30 September 2012 - $2,500) and accrued interest of $107 (30 September 2012 - $595).	3,404	3,095

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	Balance at 30 September 2013 $	Balance at 30 September 2012 $
During the year ended 30 September 2011, the Company accepted demand loans from a shareholder bearing interest at a rate of 9% per annum on any unpaid principle balances. The demand loans are unsecured and have no fixed terms of repayment. The Company may repay principal amounts due at any time without premium or penalty. The replacement Convertible Debenture bears interest at a rate of 17% per annum on any unpaid principle balance and is convertible to restricted common shares of the Company on the basis of $0.35 per common share for each dollar of principle and/or interest due and payable. During the year ended 30 September 2013, the Company accrued interest expense of $2,470 (30 September 2012 – $5,704) (Note 11). The balance as at 30 September 2013 consists of principal of $75,754 (30 September 2012 – $63,184) and accrued interest of $2,470 (30 September 2012 – $7,973).	78,224	71,157
During the year ended 30 September 2011, the Company accepted a demand loan from a shareholder bearing interest at a rate of 9% per annum on any unpaid principle balances. The demand loan is unsecured and has no fixed terms of repayment. The Company may repay principal amounts due at any time without premium or penalty. The replacement Convertible Debenture bears interest at a rate of 17% per annum on any unpaid principle balance and is convertible to restricted common shares of the Company on the basis of $0.35 per common share for each dollar of principle and/or interest due and payable. During the year ended 30 September 2013, the Company accrued interest expense of $639 (30 September 2012 – $1,444) (Note 11). The balance as at 30 September 2013 consists of principal of $19,586 (30 September 2011 – $16,000) and accrued interest of $639 (30 September 2012 – $2,422).	20,225	18,422

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	Balance at 30 September 2013 $	Balance at 30 September 2012 $
During the years ended 30 September 2012 and 2013, the Company accepted demand loans from a third part bearing interest at a rate of 10% per annum on any unpaid principle balances. The demand loans are unsecured and have no fixed terms of repayment. The Company may repay principal amounts due at any time without premium or penalty. The replacement Convertible Debenture bears interest at a rate of 17% per annum on any unpaid principle balance and is convertible to restricted common shares of the Company on the basis of $0.35 per common share for each dollar of principle and/or interest due and payable. During the year ended 30 September 2013, the Company accrued interest expense of $1,150 (30 September 2012 – $468). The balance as at 30 September 2013 consists of principal of $35,273 (30 September 2012 – $15,000) and accrued interest of $1,150 (30 September 2012 – $468).	36,423	15,468
Demand Loans Total	Nil	146,835
Convertible Debentures Total	201,807	20,124

8. Demand Loans

On July 22, 2013 the Company entered into settlement agreements with all Demand Loan note holders converting the Demand Loans to Convertible Debentures with rights to convert any portion of the unpaid principle and/or accrued interest into restricted common shares of the Company at any time within forty-eight months from the settlement date. The Company may repay principal amounts due at any time without premium or penalty (Note 7).

9. Due to Related Parties and Shareholder Advances

Amounts due to related parties are due to individuals or companies controlled by individuals who are shareholders, directors and/or former directors of the Company.

As at 30 September 2013 a shareholder of the Company had made advances for payment on behalf of the Company leaving a net balance owing of $6,655.

10. Related Party Transactions

On 1 April 2008, the Company agreed to pay an officer and director of the Company of $6,500 per month for management and consulting services commencing 1 March 2008 expiring in 30 days upon cancellation notice by either party. The Company paid or accrued $26,000 to the director for these services during the year ended 30 September 2009. This officer and director of the Company resigned during the year ended 30 September 2009.

On 1 April 2008, the Company agreed to pay an officer of the Company of $3,500 per month for management and consulting services commencing 1 March 2008 expiring in 30 days upon cancellation notice by either party. The Company paid or accrued $17,500 to the officer for these services during the year ended 30 September 2009. This officer of the Company resigned during the year ended 30 September 2009.

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During the year ended 30 September 2009, the Company paid or accrued $9,000 to a company related to the Company by way of a director in common for investor relation services.

During the year ended 30 September 2009, the Company paid or accrued $28,500 to a Company related to the Company by way of a shareholder in common for accounting services.

During the year ended 30 September 2009, the Company paid or accrued $4,500 to a shareholder of the Company for management and consulting services.

During the year ended 30 September 2009, an officer and director of the Company made contributions to capital for management fees in the amount of $22,000 and rent in the amount of $4,500 (Notes 11 and 13).

During the year ended 30 September 2009, former officer of the Company forgave loans to the Company totaling $39,000. This loan forgiveness has been recorded as contributions to capital (Notes 11 and 13).

During the year ended 30 September 2011, an officer and director of the Company made contributions to capital for management fees in the amount of $18,000 (2010 - $18,000) and rent in the amount of $6,000 (2010 - $6,000) (Notes 11 and 13).

During the year ended 30 September 2012, an officer and director of the Company made contributions to capital for management fees in the amount of $18,000 (30 September 2011 - $18,000) and rent in the amount of $6,000 (30 September 2011 - $6,000) (Notes 11 and 13).

During the year ended 30 September 2013, an officer and director of the Company made contributions to capital for management fees in the amount of $13,500 (30 September 2012 - $18,000) and rent in the amount of $4,500 (30 September 2012 - $6,000) (Notes 11 and 13).

11. Capital Stock

Authorized capital stock consists of 225,000,000 post reverse split common shares with a par value of $1.00 per common share. The total issued and outstanding capital stock is 193,929 common shares with a par value of $1.00 per common share.

On 7 September 2011 the Company announced effective 22 September 2011, the Company will complete a reverse split with a 1,000 to 1 ratio thereby reducing issued and outstanding capital stock from 42,168,837 common shares with a par value of $0.001 to 42,171 common shares with a par value of $1.00. Unless otherwise noted, all references herein to number of shares, price per share or weighted average number of shares outstanding have been adjusted to reflect this reverse stock split on a retroactive basis.

On 3 December 2003, a total of .003 common shares of the Company were issued for cash proceeds of $1.

Silverstar Mining Corp.

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Notes to Consolidated Financial Statements

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30 September 2013

On 1 January 2006, a total of 30,000 common shares were issued to an officer and director of the Company for cash proceeds of $10,000.

On 1 January 2006, a total of .003 common shares of the Company were redeemed for proceeds of $1. These common shares were cancelled on the same date.

On 3 May 2007, the Company completed a public offering of securities pursuant to an exemption provided by Rule 504 of Regulation D, registered in the State of Nevada, and issued 25,500 common shares for total cash proceeds of $85,000.

On 4 March 2008, the Company affected a three (3) for one (1) forward stock split of all outstanding common shares and a corresponding forward increase in the Company's authorized common stock. The effect of the forward split was to increase the number of the Company's common shares issued and outstanding from 18,500,000 to 55,500,000 and to increase the Company's authorized common shares from 75,000,000 shares par value $0.001 to 225,000,000 shares par value $0.001. The consolidated financial statements have been retroactively adjusted to reflect this stock split.

On 24 July 2008, the Company issued 4,334 common shares of the Company valued at $650,100 to acquire 100% of the issued and outstanding common shares of Silverdale (Note 13).

On 24 July 2008, the Company issued 1,000 common shares related to a public offering of securities in error. A total of 500 of these common shares were returned to treasury and cancelled. A total of 500 of these common shares remain outstanding and the Company is in the process of obtaining these common shares for return to treasury and cancellation. The Company has placed a trading restriction on these common shares pending their receipts to treasury and cancellation and has excluded them from total number of common shares reported as issued and outstanding at 30 September 2009.

On 30 September 2008, a former director and officer of the Company returned to treasury 15,000 common shares of the Company for proceeds of $Nil. These shares were cancelled during the year ended 30 September 2008 (Note 13).

On 10 October 2008, the Company completed a public offering of securities pursuant to an exemption provided by Rule 504 of Regulation D, registered in the State of Nevada, and issued 950 common shares for total cash proceeds of $237,500. As noted above on 24 July 2008, the Company issued 1,000 common shares related to this public offering of securities in error. A total of 500 of these common shares were returned to treasury and cancelled. A total of 500 of these common shares remain outstanding and the Company is in the process of obtaining these common shares for return to treasury and cancellation. The Company has placed a trading restriction on these common shares pending their receipts to treasury and cancellation and has excluded them from total number of common shares reported as issued and outstanding at 30 September 2009.

On 15 January 2009, the Company completed a public offering of securities pursuant to an exemption provided by Rule 504 of Regulation D, registered in the State of Nevada, and issued 487 common shares for total cash proceeds of $218,176.

During the year ended 30 September 2009, former directors and officers of the Company returned to treasury 4,100 common shares of the Company for proceeds of $Nil. These shares were cancelled during the year ended 30 September 2009 (Note 13).

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During the year ended 30 September 2009, an officer and director of the Company made contributions to capital for management fees in the amount of $22,000 (2008 - $9,000, 2007 - $18,000) and rent in the amount of $4,500 (2008 - $3,000, 2007 - $6,000) (Notes 10 and 13).

During the year ended 30 September 2009, former officer of the Company forgave loans to the Company totaling $39,000. This loan forgiveness has been recorded as contributions to capital (Notes 10 and 13).

On 22 December 2011 the Company completed a public offering of securities pursuant to an exemption provided by Rule 504 of Regulation D, registered in the State of Nevada, and issued 125,000 common shares for total cash proceeds of $50,000.

On 22 December 2011, the Company issued 2,000 common shares of the Company valued at $320 as part of an Agreement of Purchase and Sale with Jaime Mayo to acquire 100% of the AHB claims located in British Columbia, Canada. The AHB Claims consist of 3 claims (approximately 1,006 ha) (Note 5).

On 1 February 2012 the Board of Directors authorized an increase in the Company’s Authorized Shares from 225,000 common share at par of $1.00 each, to 225,000,000 common shares at par of $1.00 each.

During the year ended 30 September 2012, an officer and director of the Company made contributions to capital for management fees in the amount of $18,000 (2011 - $18,000, 2010 - $18,000, 2009 - $22,000, 2008 - $9,000, 2007 - $18,000) and rent in the amount of $6,000 (2011 - $6,000, 2010 - $6,000, 2009 - $4,500, 2008 - $3,000, 2007 - $6,000) (Notes 11 and 13).

On 9 January 2013 the Company issued 24,750 common shares to a note holder that was entitled to this amount of shares based on the terms pursuant to a note payable of $30,000, still outstanding as of 31 December 2012 in the amount of $39,449 (Note 8 and 14). The Company is still obligated to issue an additional 250 common shares to satisfy the terms of the note (Note 14).

On 28 March 2013 warrants to purchase 80,000 common shares were exercised by related parties yielding proceeds of $56,000 in cash received (Notes 10 and 11).

On 2 April 2013 warrants to purchase 5,000 common shares were exercised by related parties yielding proceeds of $3,500 in cash received (Notes 10 and 11).

On 20 June 2013 warrants to purchase 17,857 common shares were exercised by related parties yielding proceeds of $12,500 in cash received (Notes 10 and 11).

On 17 July 2013 the Company received $70,000 in a private transaction to purchase 46,667 shares of common stock of the Company (Notes 10 and 11).

On 10 September 2013 warrants to purchase 2,143 common shares were exercised by related parties yielding proceeds of $1,500 in cash received (Notes 10 and 11).

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During the year ended 30 September 2013, an officer and director of the Company made contributions to capital for management fees in the amount of $13,500 (2012 – $18,000, 2011 - $18,000, 2010 - $18,000, 2009 - $22,000, 2008 - $9,000, 2007 - $18,000) and rent in the amount of $4,500 (2012 - $6,000, 2011 - $6,000, 2010 - $6,000, 2009 - $4,500, 2008 - $3,000, 2007 - $6,000) (Notes 11 and 13).

12. Income Taxes

The Company has losses carried forward for income tax purposes to 30 September 2013. There are no current or deferred tax expenses for the period ended 30 September 2013 due to the Company's loss position. The Company has fully reserved for any benefits of these losses. The deferred tax consequences of temporary differences in reporting items for financial statement and income tax purposes are recognized, as appropriate. Realization of the future tax benefits related to the deferred tax assets is dependent on many factors, including the Company's ability to generate taxable income within the net operating loss carry-forward period. Management has considered these factors in reaching its conclusion as to the valuation allowance for financial reporting purposes.

The provision for refundable federal income tax consists of the following:

	For the year ended 30 September 2013 $	For the year ended 30 September 2012 $
Deferred tax asset attributable to:		
Current operations	98,851	30,839
Contributions to capital by related parties	(6,120)	(8,160)
Less: Change in valuation allowance	(92,731)	(22,679)
Net refundable amount	-	-

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(Expressed in U.S. Dollars)

30 September 2013

The composition of the Company's deferred tax assets as at 30 September 2013 and 30 September 2012 are as follows:3

	As at 30 September 2013 $		As at 30 September 2012 $	
Income tax operating loss carry-forward	1,919,166		1,628,428	
Statutory federal income tax rate	34	%	34	%
Contributed rent and services	0	%	0	%
Effective income tax rate	0	%	0	%
Deferred tax assets	652,516		553,666	
Less: Valuation allowance	(652,516	)	(553,666	)
Net deferred tax asset	-		-	

The potential income tax benefit of these losses has been offset by a full valuation allowance.

As at 30 September 2013, the Company has an unused net operating loss carry-forward balance of approximately $1,919,166 that is available to offset future taxable income. This unused net operating loss carry-forward balance expires between 2024 and 2033.

13. Supplemental Disclosures with Respect to Cash Flows

On 24 July 2008, the Company issued 4,334 common shares of the Company valued at $650,100 to acquire 100% of the issued and outstanding common shares of Silverdale (Note 10).

On 30 September 2008, a former director and officer of the Company returned to treasury 15,000 common shares of the Company for proceeds of $Nil. These shares were cancelled during the year ended 30 September 2008 (Note 10).

On 30 September 2009, a former directors and officers of the Company returned to treasury 4,100 common shares of the Company for proceeds of $Nil. These shares were cancelled during the year ended 30 September 2009 (Note 10).

During the year ended 30 September 2009, an officer and director of the Company made contributions to capital for management fees in the amount of $22,000 (2008 - $9,000, 2007 - $18,000) and rent in the amount of $4,500 (2008 - $3,000, 2007 - $6,000) (Notes 9 and 10).

During the year ended 30 September 2009, former officer of the Company forgave loans to the Company totaling $39,000. This loan forgiveness has been recorded as contributions to capital (Notes 9 and 10).

During the year ended 30 September 2009, the Company accrued interest of $616 related to the convertible debentures and $15,000 related to authorization of debt discount (Note 7).

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During the year ended 30 September 2010, the Company accrued interest of $4,186 related to the convertible debentures (Note 7) and demand loans and $7,500 related to the issuance of 250 post reverse share issuance liability (Note 8).

On 22 December 2011 the Company completed a public offering of securities pursuant to an exemption provided by Rule 504 of Regulation D, registered in the State of Nevada, and issued 125,000 common shares for total cash proceeds of $50,000.

On 22 December 2011 the Company issues 2,000 shares in accordance with the terms of the ABH Claims Purchase and Sale Agreement (Note 5) with a value of $320. The valuation was based on the closing price of the shares on 22 December 2011.

During the year ended 30 September 2012, the Company accrued interest of $17,348 (2012 - $12,380) related to the convertible debentures (Note 7) and demand loans (Note 8).

During the year ended 30 September 2013, an officer and director of the Company made contributions to capital for management fees in the amount of $13,500 (2012 – $18,000, 2011 - $18,000, 2010 - $18,000, 2009 - $22,000, 2008 - $9,000, 2007 - $18,000) and rent in the amount of $4,500 (2012 - $6,000, 2011 - $6,000, 2010 - $6,000, 2009 - $4,500, 2008 - $3,000, 2007 - $6,000) (Note 11).

14. Commitment

The Company is committed to issue 71,667 common shares of the Company based on subscriptions received for warrants exercised and shares purchased through a private transaction, as of 30 September 2013 (Note 11).

15. Subsequent Events

On December 23, 2013 we authorized the issuance of 9,500,000 shares to two subscribers at the price of $0.0025 per share ($23,750 in the aggregate) pursuant to a convertible debenture with Tina Bressert dated July 22, 2013.

On December 23, 2013 we authorized the issuance of 10,020 shares to one subscriber at the price of $0.35 per share ($3,507 in the aggregate) pursuant to a convertible debenture with Tina Bressert dated July 22, 2013.

On December 23, 2013 we authorized the issuance of 59,531 shares to one subscriber at the price of $0.35 per share ($20,836 in the aggregate) pursuant to a convertible debenture with Nottingham Group dated July 22, 2013.

On December 23, 2013 we authorized the issuance of 2,906,400 shares to one subscriber at the price of $0.0025 per share ($7,266 in the aggregate) pursuant to a convertible debenture with Lilia Mishal dated May 28, 2009.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

There were no disagreements with our accountants related to accounting principles or practices, financial statement disclosure, internal controls or auditing scope or procedure during the two fiscal years and subsequent interim periods.

Item 9A. Controls and Procedures

Management's Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that the information disclosed in the reports we file with the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our chief executive officer and chief financial officer (our principal executive officer and our principal financial and accounting officer), as appropriate, to allow timely decisions regarding required disclosure.

Management, including our chief executive officer and chief financial officer (our principal executive officer and our principal financial and accounting officer), evaluated the effectiveness of our disclosure controls and procedures, as of January 31, 2013, in accordance with Rules 13a-15(b) and 15d-15(b) of the Securities and Exchange Act of 1934, as amended are not effective to ensure the information required to be disclosed by us in the reports that we file or submit under the Securities and Exchange Act of 1934, as amended is recorded, processed, summarized and reported within the time period specified in SEC rules and forms.

Our management, including our chief executive officer and chief financial officer (our principal executive officer and our principal financial and accounting officer), do not expect that our disclosure controls, and procedures or internal controls will prevent all possible error and fraud. Our disclosure controls and procedures are, however, designed to provide reasonable assurance of achieving their objectives, and our president (our principal executive officer and our principal financial and accounting officer) have concluded that our financial controls and procedures are not effective at that reasonable assurance level.

Management's Report on Internal Control Over Financial Reporting

Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer (our principal executive officer and our principal financial and accounting officer), we conducted an evaluation of the effectiveness of our internal control over financial reporting as of September 30, 2013 based on the framework stated by the Committee of Sponsoring Organizations of the Treadway Commission. Furthermore, due to our financial situation, we will be implementing further internal controls as we become operative so as to fully comply with the standards set by the Committee of Sponsoring Organizations of the Treadway Commission.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our internal control system was designed 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. Because of inherent limitations, a system of internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on its evaluation as of September 30, 2013, our management concluded that our internal controls over financial reporting were not effective. A material weakness is a deficiency, or a combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our company’s annual or interim financial statements will not be prevented or detected on a timely basis.

The material weakness relates to the following:

1. Accounting and Finance Personnel Weaknesses – Our current accounting staff is relatively small and we do not have the required infrastructure of meeting the higher demands of being a U.S. public company. This material weakness also relates to a lack of personnel with expertise in preparing financial statements in accordance with U.S. GAAP, in addition to the small size of the staff.

2. Lack of Internal Audit Function – We lack sufficient resources to perform the internal audit function.

In order to mitigate these material weaknesses to the fullest extent possible, all work of the chief financial officer is reviewed by the chief executive officer. All unexpected results are investigated. At any time, if it appears that any control can be implemented to continue to mitigate such weaknesses, it will be immediately implemented. Our company continues to study the implementation of additional internal controls over accounting and financial reporting.

This annual report does not include an attestation report of our company’s registered public accounting firm regarding internal control over financial reporting. Management’s report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only management’s report in this Annual Report on Form 10-K.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting that occurred during the year ended September 30, 2013 that have materially or are reasonably likely to materially affect, our internal controls over financial reporting.

Item 9B. Other Information

On March 3, 2013, Mr. Jared G. Robinson, was appointed as chief financial officer of our company by consent of a majority of the shareholders of our company.

Effective August 11, 2013, Mr. Neil Kleinman resigned as chief executive officer and as a director of our company, and Mr. Jared Robinson resigned as our chief financial officer. Neither resignation was the result of any disagreement with our company regarding our operations, policies, practices or otherwise. Mr. Robinson remains as a director on our board of directors.

Effective August 11, 2013, we appointed Mr. Sean Carrick as president, Mr. Joseph Graham as corporate secretary, and Mr. Guy Martin as chief financial officer of our company. Each Messrs. Carrick, Graham, and Martin was concurrently appointed as a director on our board of directors.

Effective November 13, 2013, Sean Carrick resigned as chief executive officer and as a director of our company. His resignation was not the result of any disagreement with our company or with our board of directors regarding our operations, policies, practices or otherwise.

Concurrently with Sean Carrick's resignation, we appointed Guy Martin as our chief executive officer. Mr. Martin will continue to serve as a director and as chief financial officer of our company. Our board of directors now consists of three directors, Jared Robinson, Guy Martin and Joseph Graham.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The following individuals serve as the directors and executive officers of our company as of the date of this annual report. All directors of our company hold office until the next annual meeting of our shareholders or until their successors have been elected and qualified. The executive officers of our company are appointed by our board of directors and hold office until their death, resignation or removal from office.

Name	Position Held with Our Company	Age	Date First Elected or Appointed
Guy Martin	Chief Executive Officer, Chief Financial Officer and Director	55	August, 11, 2013
Joseph Graham	Secretary and Director	29	August, 11, 2013
Jared Robinson	Chairman Director	41	March 3, 2013 (as Director)

Business Experience

The following is a brief account of the education and business experience during at least the past five years of each director, executive officer and key employee of our company, indicating the person's principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

Guy Martin – Chief Executive Officer, Chief Financial Officer and Director

Guy Martin was appointed as chief executive officer, chief financial officer and director of our company on August 11, 2013. Guy Martin has over 30 years of corporate operational and financial experience, while having served some 25 years in C-Suite executive capacities for a number of domestic and international companies. From 2000 to 2005, Mr. Martin served as chief operating officer and chief financial officer of Belimed, a medical/pharmaceutical equipment manufacturer/distributor located in Miami, Florida. From 2005 to 2008, Mr. Martin served as a principal/contractor of Backyard Dreams LLC, a residential remodeling company in Davie, Florida. From 2008 to 2010, Mr. Martin served as corporate director of Strategy and Project Management of Intcomex, an information technology product distributor to Latin America located in Miami, Florida. Mr. Martin then served as chief operating officer of Chukka Caribbean Adventures, an adventure tour operator headquartered in Montego Bay, Jamaica, from 2010 to 2011. In 2011, Mr. Martin formed Blue Moon Advisors, an operations, financial planning and management consulting firm to start-ups, mining and tourism companies and currently serves as principal/consultant. Mr. Martin currently holds the positions of chief executive officer at Coyote Resources Inc. (COYR) and Tungsten Corp.

(TUNG), both publicly traded junior precious metals exploration and development companies. Mr. Martin earned a Bachelor of Science degree in Electrical Engineering from New Jersey Institute of Technology, Newark, New Jersey.

Joseph Graham – Secretary and Director

Joseph Graham was appointed as secretary and director of our company on August 11, 2013. Joseph Graham is an attorney at law admitted to the Bar in the States of New York and New Jersey. Mr. Graham has a diverse skill set through his various jobs in the legal field. In 2008 Mr. Graham worked in the U.S. EPA Office of Enforcement and Compliance Assurance, Air Enforcement Division. In 2009 he worked with the Community Health Law Project, a project that prosecuted civil rights cases on behalf of the handicapped and indigent. In 2010 Mr. Graham worked for the Honorable Michael J. Yavinsky in the New York Criminal Court System where he reviewed party motion submissions, researched legal issues for pending motion hearings and decisions, and helped create a sentencing chart as a reference for all New York City Criminal Court Judges. In 2011 to 2012, Mr. Graham worked with Fred Alger Management where he received his training on SEC law and worked with general counsel of the mutual fund complex and was responsible for various regulatory filings with the SEC, reviewed all agreements, acted as a liaison with sales and marketing departments regarding their responsibilities under securities law, and provided guidance to portfolio managers and analysts regarding investment restrictions. Mr. Graham currently practices with the Community Health Law Project, advising and representing clients on a range of family, consumer, and housing law matters. Mr. Graham graduated from Pace University School of Law in 2010 and received his Bachelor of Arts from Montclair State University and was a magna cum laude in 2007.

Jared Robinson – Director

Jared Robinson has acted as a director of our company's board of Directors since March 3, 2013 and as Chairman since August 11, 2013. Mr. Robinson has more than 15 years of management experience and substantial financial experience gained from creating and operating two successful start-ups from conception through sale.

In September of 2010 Mr. Robinson sold Navicus, a company that he founded in 2001 to Pinkerton C and I. Mr. Robinson served as President and was integral in all aspects of the company's success, from securing key accounts, overseeing all the financials, vendor relationships, and managing the 30 plus employees. Prior to Navicus, Mr. Robinson served as COO of Greene's Pharmacy. Greene's was founded in 1996 and sold in 2000. Greene's was an institutional pharmacy that sold pre-packaged prescriptions to the Assisted Living Facility community in South Florida. Mr. Robinson secured key accounts, managed the operations, and oversaw all of the financials.

Most recently, Mr. Robinson served as COO of Clean Beach Technologies. Clean Beach Technologies was a company formed with technology approved by British Petroleum to remediate oil from the beach sand following the Deep Water Horizon Oil spill in the Gulf Coast. After running the company for a year and securing contracts with the municipalities in the Gulf Coast, the company eventually sold its technology. Mr. Robinson is currently an active member of MSHA (Mine Safety and Health Administration).

Family Relationships

There are no family relationships among any of our directors, executive officers and proposed directors or executive officers.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has, during the past ten years:

1. been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
2. had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
3. been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;

4. been found by a court of competent jurisdiction in a civil action or by the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;

5. been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

6. been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Our common stock is not registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Accordingly, our officers, directors, and principal stockholders are not subject to the beneficial ownership reporting requirements of Section 16(a) of the Exchange Act.

Committees of the Board

All proceedings of our board of directors were conducted by resolutions consented to in writing by all the directors and filed with the minutes of the proceedings of the directors. Such resolutions consented to in writing by the directors entitled to vote on that resolution at a meeting of the directors are, according to the corporate laws of the state of Nevada and the bylaws of our company, as valid and effective as if they had been passed at a meeting of the directors duly called and held.

Our audit committee consists of our entire board of directors.

Our company currently does not have nominating, compensation committees or committees performing similar functions nor does our company have a written nominating, compensation or audit committee charter. Our board of directors does not believe that it is necessary to have such committees because it believes that the functions of such committees can be adequately performed by our directors.

Our company does not have any defined policy or procedure requirements for shareholders to submit recommendations or nominations for directors. The directors believe that, given the early stage of our development, a specific nominating policy would be premature and of little assistance until our business operations develop to a more advanced level. Our company does not currently have any specific or minimum criteria for the election of nominees to the board of directors and we do not have any specific process or procedure for evaluating such nominees. Our directors assess all candidates, whether submitted by management or shareholders, and make recommendations for election or appointment.

A shareholder who wishes to communicate with our board of directors may do so by directing a written request addressed to our president, at the address appearing on the first page of this annual report.

Audit Committee and Audit Committee Financial Expert

Our board of directors has determined that none of the members of our audit committee qualifies as an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K, and is "independent" as the term is used in Item 7(d)(3)(iv) of Schedule 14A under the Securities Exchange Act of 1934, as amended.

We believe that the members of our board of directors are collectively capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. We believe that retaining an independent director who would qualify as an "audit committee financial expert" would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development and the fact that we have not generated any material revenues to date. In addition, we currently do not have nominating, compensation or audit committees or committees performing similar functions nor do we have a written nominating, compensation or audit committee charter. Our board of directors does not believe that it is necessary to have such committees because it believes the functions of such committees can be adequately performed by our board of directors.

Code of Ethics

We adopted a Code of Ethics applicable to all of our directors, officers, employees and consultants, which is a "code of ethics" as defined by applicable rules of the SEC. Our Code of Ethics is attached as an exhibit to our annual report on Form 10-KSB filed on December 29, 2008. If we make any amendments to our Code of Ethics other than technical, administrative, or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of our Code of Ethics to our chief executive officer, chief financial officer, or certain other finance executives, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies in a Current Report on Form 8-K filed with the SEC.

We will provide a copy of the Code of Business Conduct and Ethics to any person without charge, upon request. Requests may be sent in writing to: Silverstar Mining Corp., 1489 West Warm Springs Road, Ste. 110, Henderson, Nevada 89014.

Item 11. Executive Compensation

The particulars of the compensation paid to the following persons:

(a) our principal executive officer;

(b) our principal financial officer;

(c) each of our three most highly compensated executive officers who were serving as executive officers at the end of the years ended September 30, 2013 and 2012; and

(d) up to two additional individuals for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as our executive officer at the end of the years ended September 30, 2013 and 2012, who we will collectively refer to as the named executive officers of our company, are set out in the following summary compensation table, except that no disclosure is provided for any named executive officer, other than our principal executive officers, whose total compensation did not exceed $100,000 for the respective fiscal year:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Guy Martin[1] *Chief Executive Officer, Chief Financial Officer and Director*	2013 2012	Nil 10,000	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	17,300[6] N/A	27,300 N/A
Joseph Graham[2] *Secretary and Director*	2013 2012	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Jared Robinson[3] Chairman, Director, Former Chief Financial Officer	2013 2013	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Sean Carrick[4] *Former Chief Executive Officer and Former Director*	2013 2012	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A
Neil Kleinman[5] *Former Chief Executive Officer and Director*	2013 2012	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A

(1) Guy Martin was appointed as our chief financial officer and director on August 13, 2013. Mr. Martin was subsequently appointed as our chief executive officer on November 13, 2013.
(2) Joseph Graham has been our secretary and director since August 11, 2013.
(3) Jared Robinson was appointed as our Chief Financial Officer and Director on March 3, 2013. Mr. Robinson resigned as Chief Financial Officer and was appointed Chairman of our Board of Directors on August 13, 2013
(4) Sean Carrick acted as our chief executive officer and director from August 11, 2013 until his resignation on November 13, 2013.
(5) Neil Kleinman acted as our chief executive officer and director from October, 2010 until his resignation on August 11, 2013.
(6) Constitutes consulting fees paid to a corporation controlled by Mr. Martin for accounting services during the period prior to his appointment as an officer of the Company.

Narrative Disclosure to Summary Compensation Table

There are no employment contracts, compensatory plans or arrangements, including payments to be received from our company with respect to any executive officer, that would result in payments to such person because of his or her resignation, retirement or other termination of employment with our company, or its subsidiaries, any change in control, or a change in the person’s responsibilities following a change in control of our company.

Stock Option Plan

Currently, we do not have a stock option plan in favor of any director, officer, consultant or employee of our company.

Stock Options/SAR Grants

During our fiscal year ended September 30, 2013 there were no options granted to our named officers or directors.

Outstanding Equity Awards at Fiscal Year End

No equity awards were outstanding as of the year ended September 30, 2013.

Compensation of Directors

We reimburse our directors for expenses incurred in connection with attending board meetings. We have not paid any director's fees or other cash compensation for services rendered as a director since our inception to September 30, 2013.

We have no formal plan for compensating our directors for their service in their capacity as directors, although such directors are expected in the future to receive stock options to purchase common shares as awarded by our board of directors. Directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of our board of directors. No director received and/or accrued any compensation for their services as a director, including committee participation and/or special assignments.

We have determined that none of our directors are independent directors, as that term is used in Item 7(d)(3)(iv)(B) of Schedule 14A under the *Securities Exchange Act of 1934*, as amended, and as defined by Rule 4200(a)(15) of the NASDAQ Marketplace Rules.

Pension, Retirement or Similar Benefit Plans

There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. We have no material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that stock options may be granted at the discretion of the board of directors or a committee thereof.

Indebtedness of Directors, Senior Officers, Executive Officers and Other Management

None of our directors or executive officers or any associate or affiliate of our company during the last two fiscal years, is or has been indebted to our company by way of guarantee, support agreement, letter of credit or other similar agreement or understanding currently outstanding.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth certain information concerning the number of shares of our common stock owned beneficially as of December 30, 2013, by: (i) each of our directors; (ii) each of our named executive officers; and (iii) each person or group known by us to beneficially own more than 5% of our outstanding shares of common stock. Unless otherwise indicated, the shareholders listed below possess sole voting and investment power with respect to the shares they own.

Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)		Percentage of Class	
Guy Martin(3) 1489 West Warm Springs Road Suite 110 Henderson, NV 89014	Nil		(2	)
Joseph Graham(4) 1489 West Warm Springs Road Suite 110 Henderson, NV 89014	Nil		(2	)
Jared Robinson(5) 1489 West Warm Springs Road Suite 110 Henderson, NV 89014	Nil		(2	)
Directors and Executive Officers as a Group	**Nil**		(2	)
Lilia Mishal **[Address]**	2,907,935		22.95	%
Tournamount Capital(6)	2,928,800	(7)	18.77	%
Elco Securities(8) Loyalist Plaza, Don Mackay Boulevard Marsh Harbour Abaco Bahamas	3,032,011	(9)	19.30	%
Marlie Capital(10)	4,546,667		35.88	%
Jaime Mayo	5,005,000		39.50	%
Tina Bressert	7,590,600	(11)	37.51	%
Other Shareholders	26,011,013		173.91	%

(1) Under Rule 13d-3, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (i) voting power, which includes the power to vote, or to direct the voting of shares; and (ii) investment power, which includes the power to dispose or direct the disposition of shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for

example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding on January 10, 2014. As of January 10, 2014, there were 12,774,880 shares of our company's common stock issued and outstanding.

(2) Less than 1%
(3) Guy Martin is Chief Executive Officer, Chief Financial Officer and a Director of our Company.
(4) Joseph Graham is Secretary and a Director of our Company.
(4) Jared Robinson is Chairman of our Board of Directors
(6) Jonathan Thau has voting and dispositive control over securities held by Tournamount Capital
(7) Includes 2,928,800 unissued shares underlying a convertible promissory note issued July 22, 2013
(8) Issac Collie has voting and dispositive control over securities held by Elco Securities
(9) Includes 3,032,011 shares underlying convertible promissory notes issued July 22, 2013
(10) Mark Bloom has voting and dispositive control over securities held by Marlie Capital
(11) Includes 25,200 issued shares and 7,564,800 shares underlying a convertible promissory note issued July 22, 2013

Change in Control

On July 22, 2013 we entered into settlement agreements with four debt holders of our company pursuant to which we restructured outstanding demand loans payable in the aggregate amount of $175,028 (inclusive of accrued interest) as convertible debentures. The details of the transactions are as follows:

On November 19, 2009 we issued a demand promissory note to one lender in consideration of loan proceeds of $30,000. On March 19, 2012, our board of directors approved a plan whereby the debt holder could convert their loan into shares of common stock at a conversion rate of $0.0025 per share, however this plan was not executed. On July 22, 2013 we entered into a settlement agreement with the assignee of the lender, Tina Bressert, to extinguish the demand note and issued a convertible debenture to the assignee of the demand note in the aggregate principal amount of $41,118. The debenture shall bear interest at 10% per annum and shall be payable in full, together with any accrued interest, by July 22, 2017. The holder shall have the option to convert the principal amount and any accrued interest, in whole or in part, at the rate of $0.0025 per share of our common stock. As at December 6, 2013 $23,750 of the $42,662 in combined principal and interest then outstanding pursuant to the note was authorized to be converted into 9,500,000 common shares. These shares were issued to Marlie Capital and Jaime Mayo as assignees of the converted portion of the note. An unconverted balance of $18,913 remains payable to Tina Bressert in respect of the note.

As a result of the above described transactions Tina Bressert became entitled to purchase 7,564,800 shares of our common stock which would result in her holding 42.71% of our outstanding common shares as at December 30, 2013.

We are unaware of any contract or other arrangement or provisions of our Articles or Bylaws the operation of which may at a subsequent date result in a change of control of our company. There are not any provisions in our Articles or Bylaws, the operation of which would delay, defer, or prevent a change in control of our company.

Item 13. Certain Relationships and Related Transactions and Director Independence

Except as described below, none of the following persons has any direct or indirect material interest in any transaction to which we are a party during the past two years, or in any proposed transaction to which our company is proposed to be a party:

A. any director or officer;

B. any proposed nominee for election as a director;

C. any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to our common stock; or

D. any relative or spouse of any of the foregoing persons, or any relative of such spouse, who has the same house as such person or who is a director or officer of any parent or subsidiary.

Director Independence

We currently act with three directors, consisting of Guy Martin, Joseph Graham and Jared Robinson. We have not made any formal determination as to whether any of our directors are “independent director” as defined in NASDAQ Marketplace Rule 4200(a)(15).

We do not have a standing audit, compensation or nominating committee, but our entire board of directors acts in such capacities. We believe that our members of our board of directors are capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. The board of directors of our company does not believe that it is necessary to have an audit committee because we believe that the functions of an audit committee can be adequately performed by the board of directors. In addition, we believe that retaining an independent director who would qualify as an "audit committee financial expert" would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development.

Item 14. Principal Accounting Fees and Services

The aggregate fees billed for the most recently completed fiscal year ended September 30, 2013 and for the fiscal year ended September 30, 2012 for professional services rendered by the principal accountant for the audit of our annual financial statements and review of the financial statements included in our quarterly reports on Form 10-Q and services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for these fiscal periods were as follows:

	Year Ended	
	September 30, 2013	September 30, 2012
	$	$
Audit Fees	26,500	19,400
Audit Related Fees	Nil	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total	26,500	19,400

Our board of directors pre-approves all services provided by our independent auditors. All of the above services and fees were reviewed and approved by the board of directors either before or after the respective services were rendered.

Our board of directors has considered the nature and amount of fees billed by our independent auditors and believes that the provision of services for activities unrelated to the audit is compatible with maintaining our independent auditors' independence.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Financial Statements

(1) Financial statements for our company are listed in the index under Item 8 of this document

(2) All financial statement schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements or notes thereto.

(b) Exhibits

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Exhibit Number	Description
(3)	**Articles of Incorporation and By-Laws**
3.1	Articles of Incorporation and Amendment (incorporated by reference to our Registration Statement on Form SB2 filed on January 30, 2007)
3.2	Bylaws Articles of Incorporation and Amendment (incorporated by reference to our Registration Statement on Form SB2 filed on January 30, 2007)
3.3	Articles of Merger (incorporated by reference to our Current Report on Form 8-K filed on March 5, 2008)
3.4	Certificate of Change (incorporated by reference to our Current Report on Form 8-K filed on March 5, 2008)
3.5	Certificate of Amendment (incorporated by reference to our Current Report on Form 8-K filed on March 6, 2012
(10)	**Material Contracts**
10.1	Share Exchange Agreement dated June 13, 2008 between our company, Silverdale Mining Corp. and the Selling Shareholders (incorporated by reference to our Current Report on Form 8-K filed on June 16, 2008)
10.2	Mineral Property Option Agreement dated September 14, 2007 (incorporated by reference to our Current Report on Form 8-K filed on July 28, 2008)
10.3	Joint Venture Agreement dated March 31, 2008 between our company and New Jersey Mining Company (incorporated by reference to our Current Report on Form 8-K filed on July 28, 2008)
10.4	Letter of Intent dated September 2, 2008 with Gold Canyon Partners, LLP (incorporated by reference to our Current Report on Form 8-K filed on September 9, 2008)
10.5	Share Cancellation / Return to Treasury Agreement dated October 16, 2008 between our company and Donald James MacKenzie (incorporated by reference to our Current Report on Form 8-K filed on October 17, 2008)
10.6	Share Cancellation / Return to Treasury Agreement dated September 30, 2008 between our company and Greg Cowan (incorporated by reference to our Current Report on Form 8-K filed on October 17, 2008)
10.7	Share Exchange Agreement dated December 27, 2012 between our company and Arriba Resources Inc. and the Shareholders of Arriba Resources Inc. (incorporated by reference to our Current Report on Form 8-K/A filed on January 11, 2013)
10.8	Ahbau Lake Technical Report (incorporated by reference to our Current Report on Form 8-K filed on January 24, 2013)
10.9	Settlement Agreement dated July 22, 2013 between our company and Tina Bressert for $30,000 loan (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.10	Settlement Agreement dated July 22, 2013 between our company and Tina Bressert for $2,500 loan (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.11	Convertible Debenture dated July 22, 2013 between our company and Tina Bressert for $41,118 (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.12	Convertible Debenture dated July 22, 2013 between our company and Tina Bressert for $3,297 (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.13	Settlement Agreement dated July 22, 2013 between our company and Elco Securities Ltd. (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.14	Convertible Debenture dated July 22, 2013 between our company and Elco Securities Ltd. (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.15	Settlement Agreement dated July 22, 2013 between our company and Nottingham Group (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.16	Convertible Debenture dated July 22, 2013 between our company Nottingham Group (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.17	

	Settlement Agreement dated July 22, 2013 between our company and Petra Corp. (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.18	Convertible Debenture dated July 22, 2013 between our company and Petra Corp. (incorporated by reference to our Current Report on Form 8-K filed on July 29, 2013)
10.19	Amended Share Exchange dated May 14, 2013 between our company and Arriba Resources Inc. and the shareholders of Arriba Resources Inc. (incorporated by reference to our Quarterly Report on Form 8-K filed on August 14, 2013)
(14)	**Code of Ethics**
14.1	Code of Ethics and Business Conduct (incorporated by reference to our Annual Report on Form 10-KSB filed on December 29, 2008)
(21)	**Subsidiaries of the Registrant**
	Silverstar Mining Canada, Inc. (wholly owned), a Canadian Federal Corporation
21.1	Arriba Resources Inc. (wholly owned), a Canadian Federal Corporation
	Minera Arriba S.A. de C.V. (wholly owned), a company incorporated under the laws of Mexico
(31)	**Section 302 Certifications**
31.1*	Section 302 Certification under Sarbanes-Oxley Act of 2002 of the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer
(32)	**Section 906 Certification**
32.1*	Section 906 Certification under Sarbanes-Oxley Act of 2002 of the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer
101**	**Interactive Data Files**
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

* *Filed herewith*

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

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

SILVERSTAR MINING CORP.
(Registrant)

Dated: January 13, 2014 By: */s/ Guy Martin*
Guy Martin
Chief Executive Officer, Chief Financial Officer and Director
(Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: January 13, 2014 By: */s/ Guy Martin*
Guy Martin
Chief Executive Officer, Chief Financial Officer and Director
(Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)

Dated: January 13, 2014 By: */s/ Joseph Graham*
Joseph Graham
Secretary and Director

Dated: January 13, 2014 By: */s/ Jared Robinson*
Jared Robinson
Director