



CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED JANUARY 31, 2012 AND 2011
(Unaudited)
(Expressed in Canadian Dollars)

NOTICE TO READER

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

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

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

WABI EXPLORATION INC.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

As at	January 31, 2012 \$	April 30, 2011 \$
ASSETS		
(Note 18)		
CURRENT		
Cash (Note 14)	40,353	22,235
Amounts receivable (Note 5)	4,701	1,634
Prepaid expenses	1,215	2,000
	46,269	25,869
Equipment (Note 8)	1,206	1,608
Exploration and evaluation property (Note 7)	21,000	21,000
	68,475	48,477
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	70,820	42,449
Convertible debt (Note 9)	65,000	-
	135,820	42,449
DUE TO SHAREHOLDER (Note 9)	-	34,508
	135,820	76,957
SHAREHOLDER'S EQUITY		
CAPITAL STOCK (Note 11(a) and (b))	2,245,964	2,135,964
CAPITAL STOCK TO BE ISSUED (Note 11(b)(i))	-	25,000
SHARE-BASED PAYMENTS RESERVE (Note 12)	109,503	94,503
DEFICIT	(2,442,812)	(2,283,947)
	(67,345)	(28,480)
	68,475	48,477

GOING CONCERN (Note 1)
COMMITMENT (Note 17)
POST-REPORTING DATE EVENTS (Note 19)

APPROVED ON BEHALF OF THE BOARD:

Signed, "Andrew McQuire" Director

Signed, "Galen McNamara" Director

See notes to the accompanying condensed interim financial statements

WABI EXPLORATION INC.
Condensed Interim Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

For the periods ended January 31,	Three Months Ended		Nine Months Ended	
	2012	2011	2012	2011
	\$	\$	\$	\$
				(Note 18)
EXPENSES				
Exploration expenditures				
Geology	-	-	12,486	-
Technical consulting	-	-	18,533	-
Program planning and reports	-	-	10,713	-
Lab work	-	-	686	-
Licences and permits	-	-	120	-
	-	-	42,538	-
General and administrative expenses				
Professional fees	1,520	4,015	30,627	12,944
Office and general	5,725	1,189	33,871	1,189
Shareholder relations	2,746	1,628	31,272	3,380
Stock-based compensation	-	-	-	12,092
Amortization	134	-	402	-
Interest and bank charges	22	18	155	127
	10,147	6,850	96,327	29,732
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	10,147	6,850	138,865	29,732
Loss per share - basic and diluted	(0.00)	(0.00)	(0.01)	(0.00)
Weighted average number of shares outstanding - basic and diluted	18,840,116	16,140,116	18,314,754	13,659,505

See notes to the accompanying condensed interim financial statements

WABI EXPLORATION INC.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

For the nine months ended January 31,	2012 \$	2011 \$ (Note 18)
Operating activities:		
Net loss for the year	(138,865)	(29,732)
Non-cash items included in net loss:		
Stock-based compensation	-	12,092
Amortization	402	-
Net change in non-cash working capital balances:		
Amounts receivable	(3,067)	836
Prepaid expenses	785	-
Accounts payable and accrued liabilities	28,371	(6,521)
Advances	-	(15,000)
Cash used in operating activities	(112,374)	(38,325)
Financing activities:		
Proceeds from private placement	100,000	-
Issuance of convertible debt	65,000	-
(Payments to) advances from shareholder	(34,508)	40,392
Cash provided by financing activities	130,492	40,392
Increase (decrease) in cash	18,118	2,067
Cash, beginning of year	22,235	719
Cash, end of year	40,353	2,786
Supplemental Information:		
Interest paid	-	-
Taxes paid	-	-

See notes to the accompanying condensed interim financial statements

WABI EXPLORATION INC.
Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number of Shares	Capital Stock \$	Share-based Payments Reserve \$	Shares to be issued \$	Total Capital \$	Retained Earnings (Deficit) \$	Total Equity \$
Balance May 1, 2010	12,336,512	2,013,527	15,760	-	2,029,287	(2,233,778)	(204,491)
Net Loss After Tax	-	-	-	-	-	(29,732)	(29,732)
Shares issued for debt	3,803,604	108,784	-	-	108,784	-	108,784
Warrants issued	-	-	81,396	-	81,396	-	81,396
Shares issued for property	200,000	6,000	-	-	6,000	-	6,000
Share-based payments	-	-	12,092	-	12,092	-	12,092
Balance January 31, 2011	16,340,116	2,128,311	109,248	-	2,237,559	(2,263,510)	(25,951)
Net Loss After Tax	-	-	-	-	-	(20,437)	(20,437)
Warrants issued-adjustment	-	-	(7,653)	-	(7,653)	-	(7,653)
Shares issued for debt	-	7,653	-	-	7,653	-	7,653
Private placement	-	-	-	25,000	25,000	-	25,000
Share-based payments-adjustment	-	-	(7,092)	-	(7,092)	-	(7,092)
Balance April 30, 2011	16,340,116	2,135,964	94,503	25,000	2,255,467	(2,283,947)	(28,480)
Net Loss After Tax	-	-	-	-	-	(138,865)	(138,865)
Private placement	2,500,000	110,000	15,000	(25,000)	100,000	-	100,000
Balance January 31, 2012	18,840,116	2,245,964	109,503	-	2,355,467	(2,422,812)	(67,345)

See notes to the accompanying condensed interim financial statements

WABI EXPLORATION INC.

Notes to the Condensed Interim Unaudited Financial Statements For the three and nine months ended January 31, 2012 and 2011

1. NATURE OF OPERATIONS AND GOING CONCERN

Wabi Exploration Inc. (the "Company") currently has an interest in an exploration property in Canada. The Company is in the process of exploring and developing its interests in resource properties. Substantially all of the Company's efforts are devoted to financing and developing this property. There has been no determination whether the Company's interest in its mineral property contains mineral reserves which are economically recoverable. The Company is incorporated and domiciled in Ontario, Canada. The registered address of the Company and its principal place of business is 1010-130 Adelaide Street West, Toronto, ON M5H 3P5. The Company's shares are listed on the CNSX (Canadian National Stock Exchange).

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the property on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of the property, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements.

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, under which material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern must be disclosed. As at January 31, 2012, the Company has not yet achieved profitable operations and continues to be dependent upon its ability to obtain sufficient working capital from external financing to meet the Company's liabilities as they become payable and ultimately to generate profitable future operations. As at January 31, 2012 the Company had a working capital deficit of \$89,551. These unaudited condensed interim financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in the accompanying financial statements.

2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements of the Company were prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). As these financial statements represent the Company's initial presentation of its results and financial position under IFRS, they were prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting and by IFRS 1, First-time Adoption of IFRS. These unaudited condensed interim financial statements have been prepared in accordance with the accounting policies the Company expects to adopt in its April 30, 2012 financial statements. Those accounting policies are based on the IFRS standards and International Financial Reporting Interpretations Committee ("IFRIC") interpretations that the Company expects to be applicable at that time. The policies set out below were consistently applied to all the periods presented unless otherwise noted.

The Company's financial statements were previously prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). Canadian GAAP differs in some areas from IFRS. Certain information and footnote disclosures which are considered material to the understanding of the Company's interim financial statements and which are normally included in annual financial statements prepared in accordance with IFRS are provided in notes along with reconciliations and descriptions of the effect of the transition from Canadian GAAP to IFRS on equity, operations, comprehensive loss, and the statements of financial position and cash flows (note 18).

WABI EXPLORATION INC.

Notes to the Condensed Interim Unaudited Financial Statements

For the three and nine months ended January 31, 2012 and 2011

As these are the Company's first set of condensed interim financial statements in accordance with IFRS, the Company's disclosures exceed the minimum requirements under IAS 34. The Company has elected to exceed the minimum requirements in order to present the Company's accounting policies in accordance with IFRS and the additional disclosures required under IFRS, which also highlight the changes from the Company's 2011 annual financial statements prepared in accordance with Canadian GAAP. In 2012 and beyond, the Company may not provide the same amount of disclosure in its interim financial statements under IFRS as the reader will be able to rely on the annual financial statements, which will be prepared in accordance with IFRS. These condensed interim financial statements should be read in conjunction with the Company's Canadian GAAP financial statements for the year ended April 30, 2011.

These financial statements were prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. These unaudited condensed interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited condensed interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and estimated future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Accounting Estimates:

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverability of development and exploration costs incurred;
- the estimated life of the ore body based and the estimated recoverable tons mined from proven and probable reserves of development and exploration costs which are included in the unaudited condensed interim financial statements of financial position and the related depletion included in profit or loss;
- the estimated useful lives and residual value of equipment which are included in the unaudited condensed interim financial statements of financial position and the related amortization included in profit or loss;
- the inputs used in accounting for share-based compensation transactions in profit or loss;
- management assumption of the amount of material restoration, rehabilitation and environmental obligations, based on the facts and circumstances that existed during the period;
- the recognition of deferred taxes;
- contingencies; and,
- acquisitions.

Critical Accounting Judgments:

The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are as follows:

- asset carrying values and impairment charges;
- contingencies;
- share-based payments; and,
- depreciation and amortization.

WABI EXPLORATION INC.
Notes to the Condensed Interim Unaudited Financial Statements
For the three and nine months ended January 31, 2012 and 2011

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been applied in the preparation of these unaudited condensed interim financial statements are summarized below and have been prepared using accounting policies specified by those IFRSs that are in effect as at March 29, 2012, the date the Board of Directors approved these condensed interim unaudited financial statements for issue.

These accounting policies have been used throughout all periods presented in the unaudited condensed interim financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to IFRS. The exemptions applied by the Company and the effects of transition to IFRS are presented in Note 18.

(i) Presentation currency

The Company's presentation and functional currency is the Canadian Dollar ("CAD").

(ii) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate for those options that do not vest immediately.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods, or when the counterparty renders the service.

(iii) Taxation

Current tax

Income tax expense represents the tax currently payable on the taxable income using tax rates that have been enacted or substantively enacted by the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are presented as non-current.

WABI EXPLORATION INC.

Notes to the Condensed Interim Unaudited Financial Statements For the three and nine months ended January 31, 2012 and 2011

(iv) Exploration and evaluation property

All acquisition costs and/or option payments are capitalized and recorded as exploration and evaluation properties on the statement of financial position. Exploration and evaluation costs are expensed as incurred. Once a project has been established as commercially viable and technically feasible, subsequent development expenditures are capitalized. On the commencement of commercial production, depletion of each property will be provided on a unit of production basis using estimated resources as the depletion base.

(v) Government grants

Grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Grants relating to intangible assets (for example, capitalized exploration and evaluation expenditures) or property, plant and equipment are deducted from the carrying amount of the asset.

(vi) Impairment of Non-Financial Assets

The carrying values of mineral properties and equipment are assessed for impairment when indicators of such impairment exist. If any indication of impairment exists an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs to sell for the asset and the asset's value in use.

Impairment is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. If this is the case, the individual assets of the Company are grouped together into cash generating units ("CGUs") for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other Company's of assets. This generally results in the Company evaluating its non-financial assets on a geographical basis.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired and an impairment loss is charged to the statement of operations so as to reduce the carrying amount to its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of operations.

(vii) Financial instruments

Financial instruments are classified into one of the following four categories: loans and receivables; fair value through profit or loss; held-to-maturity; and available-for-sale. Financial assets are initially measured at fair value. Subsequent measurement and recognition of the changes in fair value of financial instruments depends upon their initial classifications, as follows

- Financial assets and financial liabilities at fair value through profit and loss include financial assets and financial liabilities that are held for trading or designated upon initial recognition as fair value through profit and loss. These financial instruments are measured at fair value with changes in fair values recognized in the consolidated Statement of Loss and Comprehensive Loss. Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

WABI EXPLORATION INC.

Notes to the Condensed Interim Unaudited Financial Statements For the three and nine months ended January 31, 2012 and 2011

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of all the Company's financial instruments approximates the carrying value, due to their short-term nature.

- Financial assets classified as available-for-sale are measured at fair value, with changes in fair values recognized as Other Comprehensive Income ("OCI") in the Statement of Comprehensive Loss, except when there is objective evidence that the asset is impaired, at which point the cumulative loss that had been previously recognized in OCI is recognized within the consolidated Statement of Loss and Comprehensive Loss.
- Financial assets classified as held-to-maturity and loans and receivables are measured subsequent to initial recognition at amortized cost using the effective interest method.
- Financial liabilities, other than financial liabilities classified as fair value through profit and loss, are measured in subsequent periods at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or where appropriate, a short period, to the net carrying amount on initial recognition.

The Company has classified its financial instruments as follows:

<u>Asset/ Liability</u>	<u>Classification</u>	<u>Measurement</u>
Cash	Loans and receivables	Amortized cost
Amounts receivable	Loans and receivables	Amortized cost
Accounts payable and accruals	Other financial liabilities	Amortized cost
Due to shareholder	Other financial liabilities	Amortized cost

The Company's cash in the statement of financial position is comprised of cash held at financial institutions.

Impairment of Financial Assets:

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset is impaired. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

WABI EXPLORATION INC.
Notes to the Condensed Interim Unaudited Financial Statements
For the three and nine months ended January 31, 2012 and 2011

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

The fair values of the Company's cash and amounts receivable, accounts payable and accruals, promissory note, and shareholder's loan approximate their carrying values because of the immediate or short-term to maturity of these financial instruments.

Derecognition:

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized

(viii) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of the expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. The Company does not have any provisions as of January 31, 2012 and April 30, 2011.

(ix) Cash and Cash Equivalents

The Company defines cash and cash equivalents as cash and short-term investments with maturity dates of less than ninety days. The Company invests cash in term deposits maintained in high credit quality institutions. As at January 31, 2012, the cash balance was \$40,353 (April 30, 2011 - \$22,235).

(x) Equipment

Equipment consists of computers and is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Depreciation is recognized based on the cost of an item of equipment, less its estimated residual value, over its estimated useful life at the following rates:

Computers - 3 years useful life

An asset's residual value, useful life and depreciation method are reviewed, and adjusted if appropriate, on an annual basis.

(xi) Loss per share

Basic earnings per share is calculated by dividing earnings attributable to common shares divided by the weighted average number of shares outstanding during the period.

WABI EXPLORATION INC.
Notes to the Condensed Interim Unaudited Financial Statements
For the three and nine months ended January 31, 2012 and 2011

Diluted earnings per share is calculated using the denominator of the basic calculation described above adjusted to include the potentially dilutive effect of outstanding stock options and warrants. The denominator is increased by the total number of additional common shares that would have been issued by the Company assuming exercise of all stock options and warrants with exercise prices below the average market price for the year.

Shares issuable on exercise of stock options and warrants totaling 10,553,604 (January 31, 2011 – 9,303,604) were not included in the computation of diluted loss per share because the effect would have been anti-dilutive.

(xii) Foreign Currency Translation

The Canadian dollar is the functional currency of the Company's operations. The unaudited condensed interim financial statements, the results and financial position are expressed in Canadian Dollars. In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

(xiii) Rehabilitation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground and/or environment is disturbed at the production location. When the liability is initially recognized, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred prior to the production of related ore. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the income statement as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in the income statement. The Company does not have any rehabilitation provisions as of January 31, 2012 and April 30, 2011.

(xiv) Operating segments

The Company's operating segments are organized around the geographical locations of the projects. Since the Company only has interests in properties in Canada, it only has one operating segment.

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

WABI EXPLORATION INC.

Notes to the Condensed Interim Unaudited Financial Statements For the three and nine months ended January 31, 2012 and 2011

4. FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after March 31, 2011 or later periods. Many of these updates are not applicable or are not consequential to the Company and have been excluded from the list below. The following pronouncements are being assessed to determine their impact on the Company's results and financial position.

IFRS 7 - Amendment to IFRS 7, Financial Instruments: Disclosure

Multiple clarifications related to the disclosure of financial instruments. The amendments to IFRS 7 are effective for annual periods beginning on or after July 1, 2011. The Company has not yet determined the impact of the amendments to IFRS 7 on its consolidated financial statements.

IFRS 9 - Financial Instruments: Classification and Measurement

This standard was published in November 2009 and contained requirements for financial assets. Requirements for financial liabilities were added to IFRS 9 in October 2010. Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk. This standard is required to be applied for accounting periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet determined the impact of the amendments to IFRS 9 on its consolidated financial statements.

IFRS 10 – Consolidated Financial Statements builds on existing principles and standards and identifies the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company (effective from January 1, 2013). The Company has not yet determined the impact of the amendments to IFRS 10 on its consolidated financial statements.

IFRS 11 – Joint Arrangements establishes the principles of financial reporting by entities when they have an interest in arrangements that are jointly controlled (effective from January 1, 2013). The Company has not yet determined the impact of the amendments to IFRS 11 on its consolidated financial statements.

IFRS 12 – Disclosure of Interest in Other Entities provides the disclosure requirements for interests held in other entities including joint arrangements, associates, special purpose entities and other off balance sheet entities (effective from January 1, 2013). The Company has not yet determined the impact of the amendments to IFRS 12 on its consolidated financial statements.

IFRS 13 – Fair Value Measurement defines fair value, requires disclosure of fair value measurements and provides a framework for measuring fair value when it is required or permitted within the IFRS standards (effective from January 1, 2013). The Company has not yet determined the impact of the amendments to IFRS 13 on its consolidated financial statements.

IAS 28 – Investments in Associates and Joint Ventures revised the existing standards and prescribes the accounting for investments and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures (effective January 1, 2013). The Company has not yet determined the impact of IAS 28 on its consolidated financial statements.

IAS 1 – was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012.

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5. AMOUNTS RECEIVABLE

	January 31, 2012	April 30, 2011
Sales tax receivable	\$ 4,702	\$ 1,634

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	January 31, 2012	April 30, 2011
Accounts payable and accrued liabilities	\$ 70,820	\$ 42,449

7. EXPLORATION AND EVALUATION PROPERTIES

	Balance at April 30, 2011	Acquisition costs	Balance at January 31, 2012
Option payments – cash	\$ 15,000	\$ -	\$ 15,000
Option payments – common shares	6,000	-	6,000
	\$ 21,000	\$ -	\$ 21,000

	Balance at May 1, 2010	Acquisition costs	Balance at April 30, 2011
Option payments – cash	\$ -	\$ -	\$ 15,000
Option payments – common shares	-	-	6,000
	\$ -	\$ -	\$ 21,000

In December 2010, the Company entered into an agreement to acquire gold and base metal unpatented mineral exploration claims covering approximately 3,000 hectares in the Snow Lake Area of The Pas Mining District in Manitoba. Pursuant to the terms of the agreement, the Company can earn a 100% interest in these unpatented mining claims by making a cash payment of \$15,000 (paid), by issuing 200,000 common shares (issued, valued at \$6,000 based on calculated market value of the Company's common shares at the date of issuance) and by issuing an additional 200,000 common shares on or before March 15, 2012 (issued).

The property is subject to a Net Smelter Royalty ("NSR") of 2%.

WABI EXPLORATION INC.

Notes to the Condensed Interim Unaudited Financial Statements For the three and nine months ended January 31, 2012 and 2011

8. EQUIPMENT

	Computers
Gross carrying amount	
Balance at May 1, 2010	\$ -
Additions	-
Balance at January 31, 2011	-
Additions	1,608
Balance at April 30, 2011	1,608
Additions	-
Balance at January 31, 2012	\$ 1,608
Accumulated amortization and impairment	
Balance at May 1, 2010	\$ -
Amortization	-
Balance at January 31, 2011	-
Additions	-
Balance at April 30, 2011	-
Additions	402
Balance at January 31, 2012	402
Carrying amount January 31, 2012	\$ 1,206

9. DUE TO SHAREHOLDER

On October 28, 2010, the Company issued 2,859,376 units at a price of \$0.05 per unit to a former director and officer of the Company in settlement of an amount payable of \$142,969. Each unit consists of one common share of the Company and one common share purchase warrant. The warrants are exercisable at a price of \$0.10 per common share until October 28, 2015 and have a grant date fair value of \$55,437. The grant date fair value was estimated using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 107%, risk free interest rate of 2.80% and an expected life of 5 years.

A former director and officer, who is also a shareholder of the Company, from time to time advances funds to the Company for working capital needs. In August 2011, the Company repaid an amount owing of \$34,508 to the former director and officer, who then advanced the Company an additional \$65,000 in the form of a convertible debenture. The debenture is convertible into common shares of the Company at a price of \$0.05 per common share, has a term of one year, is unsecured and bears interest at 1% per annum.

10. DUE TO RELATED PARTIES

On October 28, 2010, the Company issued 944,228 units at a price of \$0.05 per unit to Mag Copper Limited (formerly Fort Chimo Minerals Inc.) in settlement of an amount payable of \$47,211. A former director of the Company is a director of Mag Copper Limited (formerly Fort Chimo Minerals Inc.) Each unit consists of one common share of the Company and one common share purchase warrant. The warrants are exercisable at a price of \$0.10 per common share until October 28, 2015 and have a grant date fair value of \$18,306. The grant date fair value was estimated using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 107%, risk free interest rate of 2.80% and an expected life of 5 years.

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11. CAPITAL STOCK

(a) As at January 31, 2012 and April 30, 2011, the Company's authorized number of common shares was unlimited without par value.

(b) Common Shares

Issued

18,840,116 Common Shares

	Shares #	Amount \$
Balance, May 1, 2010	12,336,512	2,013,527
Shares issued in settlement of debts (Notes 9 and 10)	3,803,604	116,437
Shares issued for property (Note 7)	200,000	6,000
Balance, April 30, 2011	16,340,116	2,135,964
Shares issued in private placement (i)	2,500,000	110,000
Balance, January 31, 2012	<u>18,840,116</u>	<u>2,245,964</u>

- (i) On June 22, 2011, the Company announced the completion of a private placement through the issuance of 2,500,000 units of the Company for gross proceeds of \$125,000. Each unit is comprised of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company for a period of two years from the date of issuance of the warrants at an exercise price of \$0.15 per share. During the year ended April 30, 2011, the Company received \$25,000 relating to this private placement. This amount has been recorded as capital stock to be issued on the balance sheet at April 30, 2011.
- (ii) On May 31, 2011, the Company completed a share consolidation of one common share for every 100 shares outstanding. On June 1, 2011, immediately following the share consolidation, the Company completed a share split of 100 common shares for every one common share outstanding.
- (iii) On August 9, 2011, the Company received approval of its application to list its common shares on the Canadian National Stock Exchange ("CNSX"). Effective August 11, 2011, the Company's common shares began trading on the CNSX under the trading symbol "WAB".

12. SHARE-BASED PAYMENTS RESERVE

	Number of Options	Weighted Average Exercise Price	Value of Options	Number of Warrants	Weighted Average Exercise Price	Value of Warrants	Total Value
Balance May 1, 2010	-	\$ -	\$ -	5,000,000	0.05	\$ 15,760	\$ 15,760
Granted	500,000	0.10	5,000	3,803,604	0.10	73,743	78,743
Balance April 30, 2011	500,000	\$ 0.10	\$ 5,000	8,803,604	0.07	\$ 89,503	\$ 94,503
Granted	-	-	-	1,250,000	0.15	15,000	15,000
Balance January 31, 2012	500,000	\$ 0.10	\$ 5,000	10,053,604	0.08	\$104,503	\$109,503

Warrants

Pursuant to the issuance of 2,500,000 units at \$0.05 per unit in connection with the private placement (Note 11(b)(i)), the Company issued 1,250,000 warrants. The fair value of the warrants was estimated to be \$15,000, using the Black-Scholes option pricing model assuming a risk-free interest rate of 1.8% on the date of issue, an expected life of 2 years, an expected volatility of 100% and expected dividends of \$Nil. The warrants expire on June 20, 2013.

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Summary of warrants and broker warrants outstanding at January 31, 2012:

Number of Warrants	Weighted Average Exercise Price \$	Estimated Grant Date Fair Value \$	Expiry Date
5,000,000	0.05	15,760	November 21, 2012
3,803,604	0.10	73,743	October 28, 2015
1,250,000	0.15	15,000	June 20, 2013
10,053,604	0.08	104,503	

Options

The Company's Stock Option Plan ("the Plan") provides for the granting of stock options to directors, officers, employees and consultants of the Company. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, number of shares reserved for optioning to each individual (not to exceed 5% of issued and outstanding shares to any one individual) and the vesting period. The maximum number of shares of the Company that are issuable pursuant to the Plan is limited to 10% of the issued and outstanding shares of the Company as at the date of the grant of options.

Options to purchase common shares outstanding at January 31, 2012 carry exercise prices and remaining terms to maturity as follows:

Number of Options	Options exercisable	Weighted Average Exercise Price \$	Fair value at grant date	Expiry Date	Contractual Remaining Life (Years)
500,000	500,000	0.10	\$5,000	October 29, 2013	2.249

The grant date fair value of the options was estimated, using the Black-Scholes option pricing model, with the following assumptions: a risk-free interest rate of 2.80% on the date of issue, an expected life of 3 years, a volatility of 107% and dividend yield of 0%.

13. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation properties. The capital of the Company consists of shareholder's loan, capital stock and share-based payments reserve. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The property in which the Company currently has an interest is in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the periods ended January 31, 2012 or 2011. The Company is not subject to externally imposed capital requirements.

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14. FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, and financial liability are disclosed in Note 3.

Financial assets and financial liabilities as at January 31, 2012 and April 30, 2011 were as follows:

	Cash, loans and receivables	Other liabilities	Total
January 31, 2012			
Cash	40,353	-	40,353
Receivables	4,702	-	4,702
Accounts payable and accrued liabilities	-	(70,820)	(70,820)
Convertible debt	-	(65,000)	(65,000)
	45,055	(135,820)	(90,765)
April 30, 2011			
Cash	22,235	-	22,235
Receivables	1,634	-	1,634
Accounts payable and accrued liabilities	-	(42,449)	(42,449)
Shareholder's loan	-	(34,508)	(34,508)
	23,869	(76,957)	(53,088)

Financial Instrument Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies or procedures during the quarter ended January 31, 2012 and 2011.

Credit Risk

The Company's credit risk is primarily attributable to cash and amounts receivable. The Company has no significant concentration of credit risk arising from operations. Cash consists of bank deposits which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist primarily of harmonized sales tax due from the Federal Government of Canada.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2012, the Company had cash of \$40,353 (April 30, 2011 - \$22,235) to settle current liabilities of \$135,820 (April 30, 2011 - \$42,449).

Market Risk

(a) Interest rate risk

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management considers interest rate risk to be minimal given that, as at January 31, 2012, no amounts were held in short-term deposit certificates.

(b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions at this time are

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small and therefore, does not hedge its foreign exchange risk. The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not currently a revenue producing entity.

Fair value

The Company has designated its cash and amounts receivable as loans and receivables, which are measured at amortized cost. Accounts payable and accruals, and shareholder's loan are classified as other financial liabilities, which are measured at amortized cost.

Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates. The carrying amounts for cash, amounts receivable, and accounts payable and accruals on the balance sheet approximate fair value because of the limited term of the instruments. It is not possible to determine if the shareholder's loan is at fair value as there is no comparable market value for such a loan.

At January 31, 2012, the Company had no financial instruments that are carried at fair value.

15. RELATED PARTY TRANSACTIONS

During the period, the Company entered into the following transactions in the ordinary course of business with related parties of the Company:

	<u>Amounts owed to related parties</u>	
	<u>31-Jan-12</u>	<u>30-Apr-11</u>
Due to shareholder	\$ -	\$ 34,508
Convertible debt	\$ 65,000	\$ -

The amount due to shareholder relates to a shareholder loan which is due on demand, unsecured and non-interest bearing. No guarantees have been given for this amount. The convertible debt is owed to a director of the Company and is convertible into common shares of the Company at a price of \$0.05 per common share, has a term of one year, is unsecured and bears interest at 1% per annum (Note 9).

Included in accounts payable and accrued liabilities at January 31, 2012 was an amount owing to officers of the Company of \$64,083 (April 30, 2011 - \$32,764). Of that amount, \$62,388 relates to professional fees that were incurred for legal services rendered by a lawyer who also acts as the Company's Corporate Secretary (April 30, 2011 - \$32,764).

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the period was as follows:

	Three months ended January 31,		Nine months ended January 31,	
	2012	2011	2012	2011
Salaries including bonuses	\$ 4,500	\$ -	\$ 25,075	\$ -
Share-based payments	-	-	-	12,092
Total remuneration	\$ 4,500	\$ -	\$ 25,075	\$ 12,092

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In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

16. ENVIRONMENTAL CONTINGENCIES

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

17. COMMITMENT

See Note 7.

18. IFRS TRANSITION

The Company's financial statements for the year ending April 30, 2012 will be the first annual financial statements that comply with IFRS and these condensed interim financial statements were prepared as described in Note 2.

IFRS 1 also requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was May 1, 2010 (the "Transition Date"). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS standards as of the reporting date, which for the Company will be April 30, 2012. However, it also provides for certain optional exemptions and certain mandatory exceptions for first time IFRS adopters.

FIRST TIME ADOPTION OF IFRS

IFRS 1 requires an entity to adopt IFRS in its first annual financial statements prepared under IFRS by making an explicit and unreserved statement in those financial statements of compliance with IFRS.

Set forth below are the IFRS 1 applicable and optional exemptions and exceptions to this retrospective treatment.

IFRS Exemption Options

1. *Business combinations* – IFRS 1 provides the option to apply IFRS 3, Business Combinations, retrospectively or prospectively from the Transition Date. The Company elected to apply IFRS 3 prospectively from the transition date. The retrospective basis would require restatement of all business combinations that occurred prior to the Transition Date. The Company did not apply IFRS 3 retrospectively to business combinations that occurred prior to its Transition Date and such business combinations have not been restated. Any goodwill arising on such business combinations before the Transition Date has not been adjusted from the carrying value previously determined under Canadian GAAP as a result of applying this exemption.
2. *Share-based payments* - IFRS 2, Share-based Payments, encourages application of its provisions to equity instruments granted on or before November 7, 2002, but permits the application only to equity instruments granted after November 7, 2002 that had not vested by the Transition Date. The Company elected to avail itself of the exemption provided under IFRS 1 and applied IFRS 2 for all equity instruments granted after November 7, 2002 that had not vested by its Transition Date.
3. *IAS 27 – Consolidated and separate financial statements* - In accordance with IFRS 1, if a Company elects to apply IFRS 3 Business Combinations retrospectively, IAS 27 Consolidated and Separate Financial Statements must also be applied retrospectively. As the Company elected to apply IFRS 3 prospectively, the Company has also elected to apply IAS 27 prospectively.

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Changes in accounting policies:

In addition to the exemptions and exceptions discussed above, the following narratives explain the significant differences between the previous historical Canadian GAAP accounting policies and the current IFRS policies applied by the Company.

a. Share-based payments

IFRS 2 is effective for the Company as of May 1, 2010 and is applicable to stock options and grants that are unvested at that date. The transition rules in IFRS 1 and IFRS 2 as applied by the Company result in the following:

- Stock option grants made prior to November 7, 2002 are not taken into account for IFRS 2;
- Stock option grants made subsequent to November 7, 2002 are only taken into account if they have not vested as at May 1, 2010; and,
- From May 1, 2010, all stock options, share grants and other share-based payments will be expensed in accordance with the policy stated in Note 3.

Forfeitures

Canadian GAAP - Forfeitures of awards are recognized as they occur.

IFRS – An estimate is required of the number of awards expected to vest, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate. The Company estimated a 0% forfeiture rate and, as a result, no adjustments were recognized.

b. Equity Reserves

Canadian GAAP –The Company recorded the value of share-based payments to contributed surplus. Warrants issued were included in capital stock.

IFRS – IFRS allows a company to record the value of share-based payments, such as outstanding options, and warrants as a separate component of shareholder's equity. IFRS requires an entity to present for each component of equity, a reconciliation between the carrying amount at the beginning and end of the period, separately disclosing each change. IFRS requires a separate disclosure of the value that relates to "Reserves for warrants", "Reserves for share-based payments" and any other component of equity. At the transition date, the Company credited the share-based payments reserve in the amount of \$15,760 related to warrants outstanding at that date. During the year ended April 30, 2011, the Company credited the share-based payment reserve for \$73,743 for warrant activity during the year and an additional \$5,000 was credited to the account for share-based payments through the granting of options.

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Reconciliation of Consolidated Statement of Financial Position as of January 31, 2011

As at		CGAAP	IFRS	IFRS
	Notes	January 31, 2011	Adjustments 2011	January 31, 2011
Assets				
Current assets				
Cash		\$ 2,786	-	\$ 2,786
Amounts receivable		1,160	-	1,160
Advances		15,000	-	15,000
Total assets		<u>18,946</u>	-	<u>18,946</u>
Liabilities and Shareholder's equity				
Current liabilities				
Accounts payable and accruals		28,277	-	28,277
Due to shareholder		22,620	-	22,620
Total liabilities		<u>50,897</u>	-	<u>50,897</u>
Shareholder's equity				
Capital stock		2,128,776	-	2,128,776
Warrants	18(b)	90,691	(90,691)	-
Contributed surplus	18(b)	12,092	(12,092)	-
Share-based payments reserve	18(b)	-	102,783	102,783
Deficit		(2,263,510)	-	(2,263,510)
Total equity		<u>(31,951)</u>	-	<u>(31,951)</u>
Total liabilities and shareholder's equity		<u>\$ 18,946</u>	-	<u>\$ 18,946</u>

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Reconciliation of Consolidated Statement of Financial Position as of April 30, 2011

As at	Notes	CGAAP April 30, 2011	IFRS Adjustments 2011	IFRS April 30, 2011
Assets				
Current assets				
Cash		\$ 22,235	-	\$ 22,235
Amounts receivable		1,634	-	1,634
Prepaid expenses		2,000	-	2,000
Total assets		48,477	-	48,477
Liabilities and Shareholder's equity				
Current liabilities				
Accounts payable and accruals		42,449	-	42,449
Due to shareholder		34,508	-	34,508
Total liabilities		76,957	-	76,957
Shareholder's equity				
Capital stock		2,135,964	-	2,013,527
Capital stock to be issued		25,000	-	25,000
Contributed surplus		5,000	(5,000)	-
Warrants	18(b)	89,503	(89,503)	-
Share-based payments reserve	18(b)	-	94,503	94,503
Deficit		(2,283,947)	-	(2,283,947)
Total equity		(28,480)	-	(28,480)
Total liabilities and shareholder's equity		\$ 48,477	-	\$ 48,477

Reconciliation of Consolidated Statement of Operations and Comprehensive Loss for the nine months ended January 31, 2011

	CGAAP	IFRS Adjustments	IFRS
General and Administrative Expenses			
Interest and bank charges	\$ 127	-	\$ 127
Office and general	1,189	-	1,189
Professional fees	12,944	-	12,944
Stock-based compensation	12,092	-	12,092
Shareholders' information	3,380	-	3,380
Total Expenses	29,732	-	29,732
Net Loss After Tax and Comprehensive loss	\$ (29,732)	-	\$ (29,732)
Weighted average number of shares outstanding - basic and diluted	13,659,505	-	13,659,505
Loss per share	\$ (0.00)	\$ -	\$ (0.00)

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Reconciliation of Consolidated Statement of Operations and Comprehensive Loss for the year ended April 30, 2011

	CGAAP	IFRS Adjustments	IFRS
Exploration Expenses			
Program planning and reports	\$ 2,400	-	\$ 2,400
General and Administrative Expenses			
Interest and bank charges	145	-	145
Office and general	9,505	-	9,505
Professional fees	26,336	-	26,336
Shareholders' information	6,783	-	6,783
Stock-based compensation	5,000	-	5,000
	<u>47,769</u>	-	<u>47,769</u>
Net Loss After Tax and Comprehensive loss	<u>\$ (50,169)</u>	-	<u>\$ (50,169)</u>
Weighted average number of shares outstanding - basic and diluted	14,290,120	-	14,290,120
Loss per share	<u>\$ (0.00)</u>	-	<u>\$ (0.00)</u>

19. POST-REPORTING DATE EVENTS

i) There are no material post-reporting date events.

20. AUTHORIZATION OF FINANCIAL STATEMENTS

The condensed interim financial statements for the period ended January 31, 2012 (including comparatives) were approved by the board of directors on March 29, 2012.