RANDSBURG INTERNATIONAL GOLD CORP.
(An exploration stage company)

Interim Financial Statements
(Unaudited)

Six Months Ended July 31, 2011

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the 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 interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Randsburg International Gold Corp.
Interim Condensed Consolidated Statements of Financial Position
(Unaudited)

(Expressed in Canadian Dollars)

	(IFRS basis) July 31, 2011	(IFRS basis) January 31, 2011	(IFRS basis) February 1, 2010
ASSETS			
Current			
Cash and cash equivalents (Note 3)	$ 41,817	$ 406	$ 72,990
Receivable (Note 4)	20,555	31,996	10,671
Marketable securities (Note 5)	-	-	1,425
	62,372	32,402	85,086
Other			
Mineral property interests (Note 6)	265,258	380,000	2,584,789
Equipment (Note 7)	949	1,052	1,596
	$ 328,579	$ 413,454	$ 2,671,471
LIABILITIES AND SHAREHOLDERS' EQUITY (DIFICIENCY)			
Current			
Accounts payable and accrued liabilities (Note 8)	$ 384,976	$ 412,672	, $ 556,750
Liability related to flow-through shares	256,451	256,451	256,451
Due to related parties (Note 10)	167,531	274,418	130,972
Total current liabilities	808,958	943,541	944,173
Loan payable (Note 9)	-	183,236	158,981
Total Liabilities	808,958	1,126,777	1,103,154
Shareholders' equity (deficiency)			
Capital stock (Note 11)	13,672,895	13,536,495	13,536,495
Contributed surplus (Note 11)	3,409,104	3,302,704	3,302,704
	17,081,999	16,839,199	16,839,199
Deficit	(17,562,378)	(17,552,522	(15,270,882)
	(480,379)	(713,323)	1,586,317
	$ 328,579	$ 413,454	$ 2,671,471

* Nature of Operations (See Notes to Financial Statements)
* Transactions with Related Parties (Note 10)

Approved on behalf of the Board on September 29 ,2011

" Michael Opara" Director

"Matthew Chodorowicz" Director

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

Randsburg International Gold Corp.
Interim Condensed Statements of Net Loss and Comprehensive Loss
(Unaudited)

($Canadian)	(IFRS basis) Three Months Ended July 31 2011	(IFRS basis) Three Months Ended July 31 2010
ADMINISTRATIVE EXPENSES		
Amortization	$ 50	$ 79
Consulting	9,070	6,000
Interest and bank charges	6,058	(307)
Interest on loan payable (Note 9)	8,383	8,489
Listing and transfer agent fees	9,198	8,559
Management fees	36,000	39,000
Stock – based compensation (Note 11)	21,850	-
Office and miscellaneous	7,464	5,682
Professional fees	28,500	32,130
Loss before other items	(126,573)	(99,632)
Gain on sale of interest in property (note 5)	200,000	-
Net income (loss) and comprehensive income (loss) for the period	73,427	(99,632)
Deficit, beginning of year	(17,635,805)	(15,355,312)
Deficit, end of period	$ (17,562,378)	$ 15,454,944
Basic and income (loss) per common share	$ 0.00	$ (0.00)
Weighted average number of common shares outstanding	25,653,171	21,843,581

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

Randsburg International Gold Corp.
Interim Condensed Statements of Net Loss and Comprehensive Loss
(Unaudited)

(Canadian $)	(IFRS basis) Six Month Period Ended July 31, 2011	(IFRS basis) Six Month Period Ended July 31, 2010
ADMINISTRATIVE EXPENSES		
Amortization	$ 103	$ 160
Consulting	20,069	12,000
Interest and bank charges	14,323	2,887
Interest on loan payable (Note 9)	16,764	16,978
Listing and transfer agent fees	15,381	14,027
Stock-based compensation (note 11)	21,850	-
Management fees	72,000	78,000
Office and miscellaneous	20,866	9,386
Professional fees	28,500	50,630
Loss before other items	(209,856)	(184,068)
Foreign exchange gain (loss)	-	6
Gain on sale of interest in property (note 6)	200,000	-
Net loss and comprehensive loss for the year	(9,856)	(184,062)
Deficit, beginning of year	(17,552,522)	(15,270,882)
Deficit, end of period	$ (17,562,378)	$ (15,454,944)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	25,053,171	21,843,581

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

Randsburg International Gold Corp.
Interim Statement of Equity
July 31, 2011
(Unaudited)

	Number of Shares	Common Shares	Contributed Surplus	Deficit	Total Equity
Balance, January 31, 2011 and 2010	23,873,940	$ 13,536,495	$ 3,302,704	$ (17,552,522)	$ (713,323)
Private placement (note 11)	4,400,000	220,000	-	-	220,000
Stock – based compensation (note 11)	-	-	21,850	-	21,850
Fair vale assigned to warrants	-	(83,600)	83,600		-
Fair value assigned to brokers warrants	-		950		
	28,273,940	13,672,895	3,409,104	(17,552,522)	(471,473)
Comprhensive Loss for the Period	-	-	-	(9,856)	(9,856)
Balance, July 31, 2011	28,273,940	13,672,895	3,409,104	(17,562,378)	$ (481,329)

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

Randsburg International Gold Corp.
Interim Condensed Statements of Cash Flows
(Unaudited)

(Canadian $)	(IFRS basis) Six Month Period Ended July 31, 2011	(IFRS basis) Six Month Period Ended July 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	$ (9,856)	$ (184,096)
Items not involving cash:		
Interest on due to related parties	14,323	2,013
Accretion on loan payable	16,764	6,728
Amortization	103	160
Gain on option agreement	(200,000)	-
Stock-based compensation	22,100	-
Changes in non-cash working capital items:		
(Increase) decrease in receivables	11,441	(5,449)
Increase (decrease) in accounts payable and accrued liabilities	(27,696)	41,564
(Increase)decrease in due to related parties	(120,510)	(12,252)
Net cash used in operating activities	(294,281)	(151.332)
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral property expenditures	-	(31,223)
Option payment	114,742	100,000
Net cash used in investing activities	114,742	68,777
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan payable	-	10,250
Issuance of common shares	220,000	-
Net cash provided by financing activities	220,000	10,250
Increase (decrease) in cash for the period	41,411	(72,305)
Cash, beginning of year	406	72,990
Cash, end of period	$ 41,817	$ 72,990
Cash, paid for interest	Nil	Nil
Cash, paid for income taxes	Nil	Nil

Supplemental disclosure with respect to cash flow (Note 15)

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

Nature and continuation of operations

Randsburg International Gold Corp. (the "Company") was incorporated under the laws of British Columbia. The Company's principal business activity is the acquisition and exploration of mineral property interests in Canada and South America. The Company is considered to be in the exploration stage and substantially all of the Company's efforts are devoted to financing and developing these property interests. The Company has not determined whether its properties contain ore reserves which are economically recoverable. The recovery of the amounts shown for mining properties is dependent upon the existence of economically ore reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of its properties.

1. Basis of preparation, adoption of IFRS and going concern

These interim condensed consolidated financial statements have been prepared by the Company's management in accordance with International Financial Reporting Standards ("IFRS"), and in accordance with IAS 34 "Interim Financial Reporting". They do not include the information required in annual financial statements in accordance with IFRS. As these financial statements represent the Company's first financial statements under IFRS, they have been prepared in accordance with IFRS 1, "First-time adoption of International Financial Reporting Standards. These interim condensed financial statements have been prepared with the accounting policies the Company expects to adopt in its January 31, 2012 financial statements. The accounting policies are based on IFRS standards that the Company expects to be applicable at that time. The policies described in Note 2 were consistently applied to all periods presented unless otherwise noted below.

The Company's financial statements were previously prepared in accordance with Canadian generally accepted accounting principles (Canadian "GAAP"). The transition date is February 1, 2010. Canadian GAAP differs in some areas of IFRS. In preparing these interim condensed financial statements in accordance with IFRS, management has amended certain accounting and measurement methods previously applied in the Canadian GAAP financial statements to comply with IFRS. The comparative figures for 2010 were restated to reflect these adjustments. Disclosures that are considered significant to the understanding of the Company's interim condensed financial statements and which are normally included in annual financial statements in accordance with IFRS are provided in note 13. The note also presents reconciliations and descriptions of the effect of the transition from Canadian GAAP to IFRS on the equity, the net loss and the comprehensive loss. Moreover, in addition to the supplemental disclosures in note 13, other notes have been added for ease of understanding of the interim condensed consolidated financial statements.

These interim condensed consolidated financial statements were prepared on a going concern basis, using the historical cost, except for the financial assets and financial liabilities accounted for at fair value through profit and loss.

The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from mineral properties, obtaining additional financing or maintaining continued support from its shareholders and creditors. The Company has not determined whether its properties contain ore reserves that are economically recoverable. The application of IFRS on a going concern basis may be inappropriate, since there is doubt as to the appropriateness of the going concern assumption.

The preparation of Interim condensed financial statements in accordance with IAS 34 requires the use of certain critical accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.17.

The significant accounting policies that have been applied in the preparation of these interim condensed financial statements are summarized in note 2.1 to 2.17 of the condensed consolidated financial statements for the three and six month periods ended July 31, 2011.

2. Summary of accounting policies

2.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

At the date of authorization of these interim condensed financial statements, certain new standards amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted by the Company.

Management anticipates that all the pronouncements not yet effective will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a significant impact on the Company.

IFRS 9 "Financial Instruments (effective ("January 1, 2013"): The International Accounting Standards Board ("IASB") aims to replace IAS 39 "Financial Instruments: Recognition and Measurement" in its entirety. The replacement standard (IFRS 9) is being issued in phases. To date, the chapters dealing with recognition, classification, measurement and derecognition of financial assets and liabilities have been issue. These chapters are effective for annual periods beginning on or after January 1, 2013. Further chapters, dealing with impairment methodology and hedge accounting are still being developed. Management has not yet assessed the impact that this amendment is likely to have on the financial statements of the Company. However, it does not expect to implement the amendments until the chapters of IFRS 9 have been published and it can comprehensively assess the impact of changes.

2.2 Principles of consolidation

These condensed consolidated financial statements include the accounts of the Company and its 85% owned Blue Falcon Mineracao Ltda. ("Blue Falcon"). All inter-company balances and transactions have been eliminated upon consolidation.

2.3 Stock-based compensation

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of the grant, using the Black-Scholes pricing model, and is recognized over vesting period. Consideration paid for the shares on the exercise of the stock options is credited to capital stock. Upon expiry, the recorded amount is transferred to deficit.

In situations where equity instruments are issued to non-employees and some or all of the goods and services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods and services received.

2.4 Short term investments and marketable securities

Short term investments and marketable securities are valued at fair value using the last bid price.

2.5 Mining assets

The Company records its mining assets, including wholly-owned mining properties, undivided interests in mining properties and deferred exploration costs, at cost less certain recoveries.

Exploration costs are capitalized on the basis of specific mining property or areas of geological interest until the mining assets to which they relate are placed into production, sold or are allowed to lapse.

General exploration costs not related to specific mining assets are expensed in the statement of net loss and comprehensive loss as incurred.

The recoverability of the amounts recorded under mining properties and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the financing needed to complete development, and future profitable production or proceeds from disposal of these assets. The amounts shown for mining properties and deferred exploration costs are not necessarily indicative of present or future values.

2.6 Income taxes

Income tax on profits or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is he expected tax payable on the taxable income for the year, using tax rates, enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of the asset and liabilities, using the tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.7 Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the earnings attributable to ordinary equity holders by the weighted average number of common shares outstanding during the period. Diluted earnings per share are calculated by adjusting earnings attributable to common shareholders, and the weighted average number of common shares outstanding, for the effects of dilutive potential common shares. The calculation considers the dilutive potential of options and warrants to have been converted into potential common shares at the beginning of the period or, if later, at the date of issue of the potential common shares.

Diluted earnings per common share is calculated based on net earnings divided by the average number of common shares outstanding taking into account the dilutive effect of stock options and warrants using the treasury stock method.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash and term deposits with original maturity dates of less than three months.

2.9 Equipment

Equipment is recorded at cost. Amortization based on the estimated useful lives of the assets, is provided as follows:

Geological equipment	20% declining balance

2.10 Asset retirement obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. The Company currently does not have any asset retirement obligations.

2.11 Impairment of assets

Mining properties and exploration costs are tested for impairment when events or changes in circumstances indicate that the carrying may be impaired. If management has not enough information to estimate future cash flows to evaluate recoverability of capitalized amounts, the management compares the fair value and the carrying value. Management also considers whether results for exploration work justify further investments, the confirmation of the interest of the Company in the mining claims, the ability of the Company to obtain the necessary financing to complete the future development or if the disposal of the properties for proceeds is in excess of their carrying value.

2.12 Provisions, contingent liabilities and contingent assets

The Company is in the exploration stage. As none of its properties is at the production stage, no provision is taken.

2.13 Equity

Share capital represents the amount received on the issuance of shares, less issue costs.

Contributed surplus includes charges related to share-based payments until the exercise of options issued as compensation and it also includes warrants granted until the exercise of these warrants.

Deficit includes all current and prior period retained profits and losses.

2.14 Flow-through shares

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow-through shares in excess of the market value of the shares without the flow-through feature at the time of issue is credited to other liabilities and included in income at the same time the qualified expenditures are made.

2.15 Foreign currency translation

Financial statements of the Company's foreign subsidiaries are translated into Canadian dollar equivalents using the temporal method whereby all monetary assets and liabilities are translated at the rate of exchange at the balance sheet date. Non-monetary assets and liabilities are translated at exchange rates prevailing at the transaction date. Income and expenses are translated at rates which approximate those in effect on transaction dates. Exchange gains and losses arising from translation are included in the consolidated statement of operations.

2.16 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Future assets are derecognized when the contractual rights to the cash flows from the financial assets expire, or when the financial assets and all substantial risk and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

Financial assets and financial liabilities are measured initially at the fair value plus transaction costs, except for financial assets and liabilities carried at fair value through profit and loss, which are measured initially at fair value.

Financial assets and financial liabilities are measured subsequently as described below.

Financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon the recognition:

- Loans and receivables;
- Financial assets at fair value through profit and loss;
- Held-to-maturity investment; and
- Available-for-sale financial assets

The category determines subsequent measurement and whether any resulting income and expense is recognized in the income statement or in other comprehensive income.

All financial assets, except at fair value through the income statement, are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognized in the income statement are presented within administrative expenses or other income.

Loans and receivables
Loans and receivables are non-derivative financial assets with a fixed or determinable payment that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method,

2.16 Financial instruments (continued)

less provision for impairment. Discounting is omitted when the effect of discounting is immaterial. The Company has no financial assets in this category.

Financial assets at fair value through the profit and loss
Financial assets through profit and loss include financial assets that are either classified as held-for-trading or that meet certain conditions and are designated at fair value through profit and loss on initial recognition. The Company has no financial assets in this category.

Assets in this category are measured at fair value with gains or losses recognized in the income statement.

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held—to-maturity if the Company has the intention to hold them until maturity.

Held-to-maturity investments are measured subsequently at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of net loss. The Company has no financial assets in this category.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any other category of financial assets. The Company has no financial assets in this category.

Financial liabilities

The Company's financial liabilities include accounts payable and accrued liabilities.

Financial liabilities are measured subsequently at amortized cost using the effective interest rate method, except for financial liabilities held for trading or designated at fair value through the profit and loss that are carried am

If applicable, all interest-related changes in an instrument's fair value that are recognized in the statement of net loss and comprehensive loss are included within financial revenue and administrative costs.

2.17 Accounting estimates and critical judgments

The preparation of financial statements requires management to make estimates, assumptions and judgements about future events. These estimates and judgements are constantly challenged. They are based on past experience and other factors, particularly, forecasts of future events that are reasonable in the circumstances. The actual results are likely to differ from the estimates, assumptions and judgements made by management, and seldom equal estimated results. The following paragraph describes:

-The most critical management estimates and assumptions in the recognition of assets, liabilities and expenses.

-The most critical management judgements in applying accounting policies.

Impairment of assets
An impairment loss is recognized when the carrying amount of an asset is not recoverable and exceeds its fair value. Management reviews on a regular basis the impairment assessment of its Mining assets without a recovery test. (Note - 2.10).

Share based payments
The estimation of share-based payment costs require the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates to the volatility of its own share price. The probable life of options, the time of exercise of those options and expected extinguishments. The model used by the Company is Black-Scholes.

Income taxes and deferred mining taxes

The Company is subject to taxes from different tax jurisdictions. It maintains allowances for uncertain tax positions that, in its opinion, appropriately reflect the risks related to the tax positions related to the tax positions subject to discussions, audits, differences of opinion and appeals with the tax authorities or that are otherwise uncertain. These allowances are determined using best estimates of the amounts payable based on a qualitative assessment of all relevant information. These allowances are reassessed at the end of each financial reporting period to determine if the amount is sufficient. However, audits by the tax authorities could subsequently result in an additional liability.

Significant management judgment in applying accounting policies

Going concern

These interim condensed financial statements were prepared on a going concern basis.

The Company’s ability to continue as a going concern depends upon obtaining additional financing. And while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These financial statements have been prepared in accordance with IFRS applicable to a going concern. The application of IFRS on a going concern basis may be inappropriate, since there is a doubt as to the appropriateness of the going concern assumption.

3. Cash and cash equivalents

	July 31, 2011	January 31, 2011	January 31, 2010
Cash in banks	$ 41,418	$ 406	$ 72,990
	$ 41,418	$ 406	$ 72,990

4. Receivables

	July 31, 2011	January 31, 2011	January 31, 2010
Goods and service tax receivable	$ 20,555	$ 31,996	$ 10,671
	$ 20,555	$ 31,996	$ 10,671

5. Marketable securities

Marketable securities are comprised of the following, at fair value:	July 31, 2011	January 31, 2011	January 31, 2010
Duncan Park Holdings Corporation “Duncan Park”	$ -	$ -	$ 1,425
	$ -	$ -	$ 1,425

During the year ended January 31, 2011, the Company sold the remaining securities for net proceeds of $5,580 resulting in a realized gain of $4,155. During the year ended January 31, 2010 the Company sold securities for net proceeds of $29,740 resulting in a realized loss of $61,400. A director of the Company was formerly a director of Duncan Park.

6. Mining property interests

	July 31, 2011	January 31, 2011	January 31, 2010
Acquisition costs	$ 117,000	$ 117,000	$ 117,000
Exploration costs	148,258	263,000	2,467,789
	$ 265,258	$380,000	$ 2,584,789

A detailed continuity breakdown of mining property interests by property for the last two years is as follows:

July 31, 2011	**Blue Falcon Property**	**McClintock & Livingston Townships**	**Flett & Angus Townships**	**Victory Strike**	**Total**
Acquisition costs					
Balance, beginning and end of year	$ -	$ -	$ 117,000	$ -	$ 117,000
Exploration costs					
Field expenses	-	-	-	-	-
Travel	-	-	-	-	-
Additions in year:	-	-	-	-	-
Balance, beginning of year	30,000	-	233,000	-	263,000
Option payment received	-	-	(114,742)		(114,742)
Balance, end of year	30,000	-	118,528	-	148,258
Total costs	$ 30,000	$ -	$ 235,258	$ -	$ 265,258

January 31, 2011	**Blue Falcon Property**	**McClintock & Livingston Townships**	**Flett & Angus Townships**	**Victory Strike**	**Total**
Acquisition costs					
Balance, beginning and end of year	$ -	$ -	$ 117,000	$ -	$ 117,000
Exploration costs					
Field expenses	38,167	-	484	-	38,651
Travel	7,044	-	-	-	7,044
Additions in year:	45,211	-	484	-	45,695
Balance, beginning of year	199,072	-	2,268,717	-	2,467,789
Option payment received	-	-	(100,000)	-	(100,000)
Write down in year	(214,283)	-	(1,936,201)	-	(2,150,484)
Balance, end of year	30,000	-	233,000	-	263,000
Total costs	$ 30,000	$ -	$ 350,000	$ -	$ 380,000

6. Mining property interests (continued)

January 31, 2010	Blue Falcon Property	McClintock & Livingston Townships	Flett & Angus Townships	Victory Strike	Total
Acquisition costs					
Beginning of year	$ -	$ 1	$ 117,000	$ -	$ 117,001
Write down in year	-	(1)	-	-	(1)
Balance, end of year	-	-	117,000	-	117,000
Exploration costs					
Field expenses	179,842	-	-	-	179,842
Geophysical surveys	4,600	-	-	9,869	24,469
Travel	4,630	-	-	-	4,630
Additions in year	199,072	-	-	9,869	208,941
Balance, beginning of year	-	-	2,468,717	2,298,292	4,767,009
Option payment received	-	-	(200,000)	-	(200,000)
Write down in year	-	-	-	(2,308,161)	(2,308,161)
Balance, end of year	199,072	-	2,268,717	-	2,467,789
Total costs	$ 199,072	$ -	$ 2,385,717	$ -	$ 2,584,789

Blue Falcon Property

On February 18, 2009, the Company's 85% owned subsidiary company Blue Falcon entered into an agreement to acquire a 50% to 75% interest in certain mining claims located in Goias State, Brazil from a private Brazilian company. In addition the Company would acquire a 50% interest in related plant and equipment.

In order to earn its interest in the claims, the Company must spend US$300,000 over a 20 month period and issue 1,000,000 common shares. The Company will be the operator.

The Company has declared "force majeure" in respect of its obligations under the agreement due to flooding on the claims caused by a hydroelectric project. The Company expects that the delay caused by "force majeure" to be determined by legal clarification of allowable mineral exploration and mining activities on the claims in the circumstances. The Company is required to pay up to US$120,000 in additional fees in order to acquire its interest in the claims. The Company has advised its partner that no further payments will be made until the issue of "force majeure" is resolved to the Company's satisfaction. The Company has written off its interests in these claims in the amount of $214,283. The Company has registered and still maintains other claims at a cost of $30,000.

McClintock and Livingstone Townships, Ontario, Canada

The Company holds a 100% interest in certain claims located in McClintock and Livingston Townships in Ontario, Canada, subject to a 3% net smelters returns royalty. The Company wrote down the mineral resource property during the year ended January 31, 2007 by $592,337 to a nominal value of $1. During the year ended January 31, 2010 the Company wrote down the property resulting in a loss of $1.

6. Mining property interests (continued)

Flett and Angus Townships, Ontario, Canada

The Company holds a 100% interest in certain claims located in the Flett Township in Ontario, Canada, subject to a 3% NSR and certain claims in the Angus and Flett Townships that are subject to a 3% NSR that can be purchased by the Company for $1,500,000. On January 14, 2010 the Company entered into an Option Agreement with Prophecy Resources Corp. (“Prophecy”) whereby Prophecy has been granted the option to earn an 80% interest in the Titan Property by paying an aggregate of $500,000 and incurring $200,000 in exploration expenditures by December 31, 2010. The Company has the option of selling its remaining 20% interest in the property to Prophecy until December 31, 2012 for $150,000 or 400,000 common shares of Prophecy. During the year ended January 31, 2011 the Company received $100,000 (2010 - $200,000) in respect of the agreement. Pursuant to the agreement the remaining $200,000 is to be applied against the Company’s loan payable to ensure the property is free and clear of all mortgages and encumbrances (Note 9). Due to delays in development, the company wrote off costs of $1,936,201, leaving the property at its realizable value of $350,000.

On June 1, 2011, Randsburg and Prophecy signed an agreement whereby Prophecy paid Randsburg $114,742.00 in satisfaction of its requirement to spend $200,000 on exploration expenditures prior to December 31, 2011. The payment has been treated as an option payment and the option agreement as amended is current.

Victory Strike, Goias, Brazil

The Company held an 85% interest in certain diamond concessions located in central Goias State, Brazil held through the Company's 85% owned subsidiary, Diadem. During the year ended January 31, 2010, the Company wrote down the property resulting in a loss of $2,308,161.

Title to mineral property interests

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

7. Equipment

	July 31, 2011	January 31, 2011	January 31, 2010
Geological equipment	$ 5,595	$ 5,595	$ 5,595
Accumulated amortization	(4,646)	(4,543)	(3,999)
	$ 949	$ 1,052	$ 1,596

8. Accounts payable and accrued liabilities

	July 31, 2011	January 31, 2011	January 31, 2010
Trade accounts payable	$ 360,020	$ 377,006	$ 536,012
Accrued liabilities	24,076	35,666	20,738
	$ 384,096	$ 412,672	$ 556,750

9. Loan payable

During the year ended January 31, 2010, the Company entered into a loan with a face value of $205,000, bearing interest at 10% per annum, secured by a collateral mortgage registered on its Titan project located in the Flett and Angus Townships, Ontario and maturing May 31, 2012. The Company received total proceeds of $205,000 and granted 1,640,000 warrants exercisable for 1 common share of the Company at a price of $0.10 for a period of 2 years as part of the loan subscription. The Company may repay the loan from the 6th month to the 24th month subject to a 3 month interest bonus with no interest bonus payable within the final year of the loan. The Company has allocated $161,817 of the proceeds to the liability and $43,183 to the valuation of the warrants. The fair value of the liability was estimated by discounting the future payments of interest and principal and will be accreted to the $205,000 face value using the estimated effective interest rate of 20%. The estimated fair value of the warrants was calculated using the Black-Scholes option pricing model with an expected volatility of 100%, a risk free interest rate of 1.23%, an expected life of 1.5 years and an expected dividend yield of 0%.

The Company paid finders fees of 10% totaling $20,500 and granted 82,000 broker warrants with similar terms as the loan unit warrants. An estimated fair value of $5,061 was allocated to the broker warrants using the Black-Scholes option pricing model with an expected volatility of 133%, a risk free interest rate of 1.23%, an expected life of 2 years and an expected dividend yield of 0%.

During the year ended January 31 2010, the Company sold an 80% interest in its Titan project to Prophecy which is mortgaged as collateral on the above loan. The Company was to receive an additional $200,000 from Prophecy to be applied against final payment on the loan (see also note 6).In addition, Prophecy agreed to make all interest payments on the loan with effect to January 31, 2010.

Subsequent to April 30, 2011, Prophecy made the payment of $200,000 in settlement of the loan and discharged the mortgage secured on the Property.

	July 31, 2011	January 31, 2011	January 31, 2010
Loan Principal amount	$ -	$ 205,000	$ 205,000
Valuation of warrants	-	(43,183)	(43,183)
Accretion	-	21,419	7,963
Prepaid interest	-	-	(10,799)
	$ -	$ 183,236	$ 158,981

10. Related party transactions

During the six month period ended July 31, 2011, the Company entered into the following transactions with related parties not disclosed elsewhere in the financial statements:

a) Paid or accrued management fees of $72,000 (2010 - $78,000) to two directors of the Company.

b) Accrued interest of $23,671 (2010 - $37,350) to a director and person related to the president of the Company.

As at July 31, 2011 and January31, 2011, due to related parties includes the following:

Advances from a director of $30,026 (2010 - $30,026) that bears interest at an annual rate of 12%, is unsecured, and has no fixed terms of repayment. The total includes accrued interest of $19,310 (2010- $16,516).	$	49,336	$	46,542
Advances net of repayment from a person related to the president of the Company that bears interest at an annual rate of 18% and have no fixed terms of repayment. The advances are secured by the Company's equity interest in its subsidiary Blue Falcon as well as a General Security Agreement. The total includes accrued interest of $4,361; (2010 - $20,834).		4,361		69,258
Advances due to the President and a Company controlled by the President that are non-interest bearing and have no Fixed terms of repayment.		60,104		94,545
Amounts due to a director that are unsecured, non-interest bearing and have no fixed terms of repayment.		53,730		64,073
	$	167,531	$	274,418

11. Common shares

	Period ended July 31, 2011		Year ended January 31, 2011	
	Common Shares	Amount	Common Shares	Amount
Balance, Beginning of year	23,873,940	13,536,495	23,873,940	13,536,495
Issued for private placement	4,400,000	220,000	-	-
Balance, end of period	28,273,940	13,756,495	23,873,940	13,536,495

11. Capital stock and contributed surplus (continued)

Private placements

On May 24, 2011, the Company completed a non-brokered private placement of $220,000 consisting of the sale of 4,400,000 Units at $0.05 per unit. Each Unit consists of 1 common share and 1 non-transferable share purchase warrant. Each share purchase warrants grants the holder the right to purchase 1 common share at an exercise price of $0.10 per share for a period of 1 year from the date of closing.

In addition the Company paid finder's fee of 50,000 broker's warrants to an agent. Each brokers warrant can be exercised at a price of $0.10 for 1 year from the date of closing and are subject to a hold period of 4 months from the date of closing. Total stock-based compensation recognized in the statement of operations during the six month period ended July 31, 2011includes $950 and the weighted average fair value per option vested was $0.10. The total amount of the stock-based compensation was also added to the contributed surplus on the balance sheet.

The fair value of $950 of the brokers warrants issued was determined using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	0.97%
Expected life of warrants	2 years
Expected volatility	100%
Expected dividend yield	0%

Stock options and warrants

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

	Options		Warrants	
	Number of Options	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2011	1,500,000	$ 0.10	3,359,900	$ 0.15
Granted	1,150,000	0.10	4,450,000	0.10
Expired and cancelled	(350,000)	(0.10)	(1,722,000)	(0.15)
Balance, July 31, 2011	2,300,000	$ 0.10	6,087,900	$ 0.13

11. Capital stock and contributed surplus (continued)

Stock options and warrants (cont'd…)

As at July 31, 2011, the following stock options, warrants and agent's warrants were outstanding:

	Number of Shares	Exercise Price	Expiry Date
(i)**Options**	1,150,000	$0.10	May 20, 2013
	1,150,000	$0.10	November 3, 2011
(ii)Warrants			
	148,900	$0.20	October 29,2011
	1,489,000	$0.20	October 29, 2011
	4,400,000	$0.10	May 20 2013
	50,000	$0.10	May 20, 2013

Stock-based compensation

On May 20, 2011, the Company granted 1,150,000 options to directors, officers, consultants and an employee. Accordingly, using the Black-Scholes option pricing model, the stock options are recorded at fair value in the statement of operations. Total stock-based compensation recognized in the statement of operations during the six month period ended July 31, 2011includes $20,850 and the weighted average fair value per option vested was $0.10. The total amount of the stock-based compensation was also added to the contributed surplus on the balance sheet.

The following weighted average assumptions were used for the valuation of stock options:

	2011
Risk-free interest rate	4.00%
Expected life of options	2 years
Annualized volatility	100.00%
Dividend rate	0.00%

12. Financial instruments and risk factors

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, marketable securities, due to related parties and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote. Receivables are due primarily from government agencies.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at July 31, 2011, the Company had cash balances of $41,817 and $406 at January 31, 2011, to settle current liabilities of $808,958 at July 31, 2011 and $943,541 at January 31, 2011. In total, the Company has a working capital deficiency of $745,586 as at July 31, 2011 and $911,139 at January 31, 2011 and is dependent upon obtaining additional financing.

12. Financial instruments and risk factors (continued)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to maintain cash and term deposits in its banking institutions and does not believe interest rate risk to be significant.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables, accounts payable and accrued liabilities that are denominated in Canadian dollars. Management believes the risk is currently insignificant as most transactions are denominated in Canadian dollars.

(c) Price risk

The Company is not a producing entity so is not directly exposed to fluctuations in commodity prices. The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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 and exploration of mineral properties. 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 Company defines capital that it manages as share capital and cash.

The Company is in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

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

14. Commitments and contingencies

During 2005, an individual brought a claim against the Company alleging entitlement to incentive stock options. The individual is seeking damages of $500,000. In the opinion of management the claim is without merit and no provision has been made in the accounts of the Company.

In December 2005, a legal action was commenced against the Company by a company that assisted in constructing roads for the Company at its Titan project in Flett and Angus Township, Ontario. The amount of the claim is for $106,782, plus accrued interest. While the Company has accrued for the principal of these invoices in its consolidated financial statements, the Company disputes the total amount that was charged and the quality of the work provided and has filed a defence in this action.

15. Supplemental disclosures with respect to cash flows

Significant non-cash transactions during the six month period ended July 31, 2011 include:

a) Incurred general exploration expenditures of $14,738 through due to related parties.

b) Recorded additional interest on the loan payable of $16,764 through the loan payable account.

Significant non-cash transactions during the year ended January 31, 2011 include:

a) Incurred mineral property expenditures of $35,644 through due to related parties.

16. Segmented information

The Company's one reportable operating segment is the acquisition and exploration of mineral resource properties. Geographic information is as follows:

	July 31, 2011	January 31, 2011	January 31, 2010
Capital assets			
Canada	$ 235,358	$ 351,052	$ 2,387,313
Brazil	30,000	30,000	199,072
	$ 265,358	$ 381,052	$ 2,586,385

17. Subsequent events

On August 11, 2001 the Company signed a Memorandum of Understanding ("MOI") in respect of its Flett Project which is located in Flett Township, Northern Ontario. Randsburg holds a 100% interest, subject to a 3% Net Smelter Return Royalty ("NSR") in 10 claims covering an area of 5,440 acres. Under the terms of the MOI the purchaser can acquire an 80% interest in the property after a 45 day due diligence period by paying Randsburg $50,000 upon signing a definitive agreement, making payments of $90,000 in the first year, and $25,000 per month thereafter up to $2,000,000. In addition the purchaser must spend a minimum of $200,000 on exploration and development work prior to June 30, 2012.

18. Transition to IFRS

The Company's financial statements for the year ended January 31, 2012 will be the first annual financial statements that comply with IFRS. These interim condensed financial statements were prepared as described in note 1, including the applicable IFRS 1. The effect of the transition to IFRS on equity, comprehensive income and cash flows is presented and described in this note, and is explained in greater detail in the notes associated with the tables.

IFRS 1 also requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was February 1, 2010 (the "transition date"). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS as of the end of the reporting date, which for the Company will be January 31, 2012. However, it also provides for certain optional exemptions and certain mandatory exemptions.

Initial election upon adoption:

Upon transition, IFRS 1 permits certain optional exemptions and dictates certain mandatory exemptions from full retrospective application. The Company applied mandatory exemptions and certain optional exemptions. The following in

IFRS optional exemption applied at the time of transition

Share based payment- IFRS 1 encourages, but does not require, the application of IFRS 2 "Share-based-payment" to equity instruments that were granted on or before November 2, 2002. A first-time adopter is also encouraged, but not required, to apply IFRS 2 to equity instruments that were granted after November 7, 2002 and vested before the transition. The Company has elected to apply IFRS 2 only to equity instruments that were granted before the date of transition but were not entirely vested at that time.

IFRS mandatory exemption applied at the time of transition

Estimates – Hindsight is not used to create or revise estimates. The estimates previously made by the Company under Canadian GAAP were not revised for application of IFRS except where necessary to reflect any differences in accounting policy.

18. Transition to IFRS (continued)

Reconciliation of Canadian GAAP to IFRS

IFRS requires an entity to reconcile equity, comprehensive income and cash flows for prior periods. The Company's first time adoption of IFRS did not have an impact on the total operating, financing or investing cash flows. The following presents the reconciliation from Canadian GAAP to IFRS for the respective periods noted for equity, the statement of net loss and comprehensive loss:

Reconciliation of Equity

For the periods ended:	January 31, 2011	July 31, 2010	February 1, 2010
Equity under Canadian GAAP	$ (713,323)	$ 1,384,255	$ 1,568,317
Impact of the transition to IFRS:			
1. Share- based payment	-	-	-
2. Flow-through shares	-	-	-
Total Equity under IFRS	$ (713,323)	$1,384,255	$ 1,568,317

Reconciliation of the statement of net loss and comprehensive loss

For the periods ended:	January 31, 2011	July 31, 2010
The statement of loss and comprehensive loss under Canadian GAAP	$ (2,281,640)	$ (184,062)
Impact of the transition to IFRS:		
1. Share- based payment	-	-
2. Flow-through shares	-	-
The statement of net loss and comprehensive loss under IFRS	$ (2,281,640)	$ (184,062)

18. Transition to IFRS (continued)

Notes relating to reconciliations

In addition to the optional exemptions and mandatory exemptions discussed above, the following narratives explain the significant differences between the previous Canadian GAAP accounting policies and the current IFRS accounting policies applied by the Company .Only those differences that impact the Company as of the transition date are described below. The following is not a complete summary of all of the differences between Canadian GAAP and IFRS. Relative to the impacts on the Company, the descriptive caption next to each numbered item below corresponds to the same numbered and descriptive caption in the table above, which reflects the quantitative impacts from each change. Unless a quantitative impact was noted below, the impact of the change was not material to the Company.

Share based payment - As stated in the section entitled "IFRS optional exemptions applied at the time of the Transition', the Company has elected to apply IFRS 2 to equity instruments that were granted before the date of transition but that were not entirely vested at the time, however there is no adjustment required.

Recognition of expense
Canadian GAAP – For grants of share-based payments with granting vesting, the total fair value of the award is recognized on a straight-line basis over the employment period necessary for the award.

IFRS – Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis. As a result, there is no adjustment required to expense for any share-based-payment to reflect the difference in recognition.

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 estimates.

On the transition date, There has been no increased or decrease in its deficit by corresponding to the increase of the share - based payment expenses which were recorded before the transition date resulting in no increase or decrease of the contributed surplus by the equivalent amount. Thus, the effect on equity is nil.

Flow through shares – The Company has financed some exploration expenditures through the issuance of flow-through shares. The resource expenditures deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. The Company recognizes a deferred tax liability for flow-through shares and a deferred tax expense, when the eligible expenditures are incurred. The difference between the quoted price in common shares and the amount the investors pay for the shares (the 'premium) is recognized as flow-through share liability which is reversed when eligible expenditures have been incurred. The Company decreased its accounts payable and accrued liabilities at January 31, 2010 by $256,451 and increased its taxes related to flow-through shares by the same amount.

Reconciliation of the financial statements previously presented under Canadian GAAP to the financial statements prepared under IFRS.

The following are reconciliations of the financial statements presented under Canadian GAAP to the financial Statements under IFRS.

18. Transition to IFRS (continued)

Reconciliation of the statement of financial position as at February 1, 2010

Canadian GAAP accounts	Canadian GAAP balance	IFRS Adjustments	IFRS Balance	IFRS accounts
	$	$	$	
ASSETS				**Assets**
Current assets				**Current assets**
Cash	72,990	-	72,990	Cash
Receivables	10,671	-	10,671	Receivables
Marketable securities	1,425	-	1,425	Marketable securities
	85,086	-	85,086	
Mineral property interests	2,584,789	-	2,584,789	Mining property interests
Equipment	1,596	-	1,596	Equipment
	2,586,385	-	2,586,385	
	2,671,471	-	2,671,471	**TOTAL ASSETS**
Liabilities				**LIABILITIES**
Current liabilities				**Current liabilities**
Accounts payable and accrued liabilities	813,201	(256,451)	556,750	Accounts payable and accrued liabilities
	-	256,451	256,451	Liability related flow-through shares
Due to related parties	130,972	-	130,972	Due to related parties
	944,173	-	687,722	
Loan payable	158,981	-	158,981	Loan payable
	1,103,154	-	1,103,154	**Total Liabilities**
Shareholders' equity				**EQUITY**
Capital stock	13,536,495	-	13,536,495	Capital stock
Contributed surplus	3,302,704	-	3,302,704	Contributed surplus
Deficit	(15,270,882)	-	(15,270,882)	Deficit
	1,586,317	-	1,586,317	**TOTAL EQUITY**
	2,671,471	-	2,671,471	**TOTAL LIABILITIES AND EQUITY**

18. Transition to IFRS (continued)

Reconciliation of the statement of net loss and comprehensive loss for the six months ended July 31, 2010

Canadian GAAP accounts	Canadian GAAP balance	IFRS adjustments	IFRS Balance	IFRS accounts
	$	$	$	
Administrative Expenses				**Administrative expenses**
Amortization	160	-	160	Amortization
Consulting	12,000	-	12,000	Consulting
Interest and bank charges	2,887	-	2,887	Interest and bank charges
Interest on loan payable	16,978	-	16,978	Interest on loan payable
Listing and transfer agents fees	14,027	-	14,027	Listing and transfer agents' fees
Management fees	78,000	-	78,000	Management fees
Office and miscellaneous	9,386	-	9,386	Office and miscellaneous
Professional fees	50,630	-	50,630	Professional fees
	(184,068)	-	(184,068)	**OPERATING LOSS**
Other Income (expenses)				**Other income**
Foreign exchange gain (loss)	6	-	6	Foreign exchange gain (loss)
Net loss and comprehensive loss	(184,062)	-	(184,062)	**NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD**
Basic and diluted loss per share	(0.004)	-	(0.004)	**BASIC (LOSS) PER SHARE**
Weighted average number of shares outstanding	21,843,581	-	21,843,581	**WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING**

18. Transition to IFRS (continued)

Reconciliation of the statement of net loss and comprehensive loss for the year ended January 31, 2011

Canadian GAAP accounts	Canadian GAAP balance	IFRS adjustments	IFRS Balance	IFRS accounts
	$	$	$	
Administrative Expenses				**Administrative expenses**
Amortization	544	-	544	Amortization
Consulting	24,194	-	24,194	Consulting
Interest and bank charges	25,417	-	25,417	Interest and bank charges
Interest on loan payable	24,254	-	24,254	Interest on loan payable
Listing and transfer agents fees	17,256	-	17,256	Listing and transfer agent's fees
Management fees	156,000	-	156,000	Management fees
Office and miscellaneous	19,440		19,400	Office and miscellaneous
Professional fees	122,300	-	122,300	Professional fees
	(389,405)	-	(389,405)	**OPERATING LOSS**
Other income (expenses)				**Other income**
Gain on sale of marketable securities	4,155	-	4,155	Gain on sale of marketable securities
Cost recoveries	254,094	-	254,094	Cost recoveries
Write off of mineral property interests	(2150,484)	-	(2,150,484)	Write off of mineral property Interests
Net loss and comprehensive loss	(2,281,640)	-	(2,281,640)	**NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD**
Basic and diluted loss per share	(0.100)	-	(0.100)	**BASIC (LOSS) PER SHARE**
Weighted average number of shares outstanding	23,870,940	-	23,870,940	**WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING**

18. Transition to IFRS (continued)

Reconciliation of the statement of financial position as at January 31, 2011

Canadian GAAP accounts	Canadian GAAP balance	IFRS adjustments	IFRS Balance	IFRS accounts
	$	$	$	
ASSETS				**ASSETS**
Current assets				**Current assets**
Cash	406	-	406	Cash
Receivables	31,996	-	31,996	Receivable
	32,402	-	32,402	
Mineral property interests	380,000	-	380,000	Mining property interests
Equipment	1,052	-	1,052	Equipment
	381,052	-	381,052	
	413,454	-	413,454	**TOTAL ASSETS**
LIABILITIES				**LIABILITIES**
Current liabilities				**Current liabilities**
Accounts payable and accrued liabilities	669,123	(256,451)	412,672	Accounts payable and accrued liabilities
	-	256,451	256,451	Liability related to flow-through shares
Due to related parties	274,418	-	274,418	Due to related parties
	943,541	-	943,451	
Loan payable	183,236	-	183,236	Loan payable
	1,126,777	-	1,126,777	**TOTAL LIABILITIES**
Shareholders' equity				**EQUITY**
Capital stock	13,536,495	-	13,536,495	Capital stock
Contributed surplus	3,302,704	-	3,302,704	Contributed surplus
Deficit	17,552,522)	-	(17,552,522)	Deficit
	(713,323)	-	(713,323)	**TOTAL EQUITY**
	413,454	-	413,454	**TOTAL LIABILITIES AND EQUITY**