RESSOURCE AFFINOR INC.

(AN EXPLORATION COMPANY)

Unaudited interim
Financial Statements
For the Six-months period ended
November 30, 2011

AVIS AUX LECTEURS DES ÉTAS FINANCIERS INTERMÉDIAIRES NON VÉRIFIÉS :

Les états financiers intermédiaires non vérifiés de Ressources Affinor Inc. pour la période de six mois terminée le 30 novembre 2011 n'ont pas été révisés par les vérificateurs externes de la société.

NOTICE TO READERS OF THE UNAUDITED INTERIM FINANCIAL STATEMENTS:

The unaudited interim financial statements of Affinor Resources Inc. for the six-months period ended November 30, 2011 have not been reviewed by the Company's external auditors.

(s) *Claude Veillette*,

Administrateur / Director

(s) *Martin Nicoletti*,

Administrateur / Director

Ressource Affinor Inc.
interim financial position
(Unaudited)

	Notes	November 30, 2011	May 31, 2011
		$	$
ASSETS			
CURRENT ASSETS			
Receivable	6	7,999	7,999
		7,999	7,999
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	75,111	75,111
Convertible note		91,714	91,714
EQUITY			
Share capital	8	5,255,136	5,255,136
Equity component of convertible debenture		204,037	204,037
Contributed surplus		484,611	484,611
Retained deficit		(6,102,610)	(6,102,610)
		(158,826)	(158,826)
		7,999	7,999

The accompanying notes are an integral part of the unaudited interim financial statements.

The unaudited interim financial statements were approved and authorized for issue by the board of directors on March 8, 2012

(s) Claude Veillette
Director

(s) Martin Nicoletti
Director

Ressource Affinor Inc.
Interim Statement of Comprehensive Income
For the six month ended November 30, 2011 and 2010
(Unaudited, in Canadian dollars, except data per share)

	Notes	Three-month period ended November 30, 2011 $	Three-month period ended November 30, 2010 $	Six-month period ended November 30, 2011 $	Six-month period ended November 30, 2010 $
EXPENSES					
Consulting fees and professional fees		-	972	-	1,616
Loss before income taxes		-	972	-	1,616
Loss for the period		-	972	-	1,616
Other comprehensive loss:					
Other comprehensive loss for the period		-	-	-	-
Total comprehensive loss for the period		-	972	-	1,616
Loss per share	10	0.00	0.00	0.00	0.00

The accompanying notes are an integral part of the unaudited interim financial statements.

Ressource Affinor Inc.
Interim Statement of Changes in Equity
For the six month ended
November 30, 2011 and 2010
(Unaudited, in Canadian dollars)

	Notes	Number of common shares outstanding	Share Capital	Equity component of convertible debenture	Contributed Surplus	Deficit	Total of equity attribuable to Amex shareholders
			$		$	$	$
Balance at January 1, 2011		11,054,489	5,255,136	204,037	484,611	(6,102,610)	(158,826)
Share-based payments		-	-	-	-	-	-
Transactions with owners		-	-	-	-	-	-
Balance at November 30, 2011		11,054,489	5,255,136	204,037	484,611	(6,102,610)	(158,826)
Balance at June 1, 2010		11,054,489	5,255,136	-	484,611	(6,064,248)	(324,501)
Share-based payments		-	-	-	-	-	-
Transactions with owners		-	-	-	-	-	-
Loss of the period		-	-	-	-	(1,616)	(1,616)
Other comprehensive income (loss)							
Available-for-sale financial assets							
Total comprehensive loss for the period		-	-	-	-	(1,616)	(1,616)
Balance at November 30, 2010		11,054,489	5,255,136	-	484,611	(6,065,864)	(326,117)

The accompanying notes are an integral part of the unaudited interim financial statements.

Ressource Affinor Inc.
Interim Statement of Cash Flows
For the six months ended November 30, 2011 and 2010
(Unaudited, in Canadian dollars)

	Notes	Three-month period ended		Six-month period ended	
		November 30, 2011	November 30, 2010	November 30, 2011	November 30, 2010
		$	$	$	$
OPERATING ACTIVITIES					
		-	(972)	-	(1,616)
Net loss					
Items not involving cash		-	(972)	-	(1,616)
Net change in non-cash operating working capital items	12	-	972	-	1,616
		-	-	-	-
CASH AND CASH EQUIVALENTS DECREASE		-	-	-	-
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		-	-	-	-
CASH AND CASH EQUIVALENTS, END OF PERIOD		-	-	-	-

The accompanying notes are an integral part of the unaudited interim financial statements.

1. NATURE OF OPERATIONS

Resources Affinor Inc. and its subsidiaries (hereinafter the "Company") specialize in exploration of gold mining sites located in Canada.

2. GOING CONCERN ASSUMPTION

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) and on a basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economical recoverable, the Company has not yet generated neither income nor cash flow from its operations. As at November 30, 2011, the Company has a deficit of $ 6,119,384 ($ 6,119,384 as at May 31, 2010). These material uncertainties raise doubt regarding the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future.

The carrying amounts of assets, liabilities, revenues and expenses presented in the financial statements and the classification used in the statement of financial position have been adjusted as would be required if the going concern assumption was not appropriate.

3. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

The interim financial statements of the Company have been prepared using the standard IAS34, Interim Financial Reporting and IFRS 1 First-time Adoption of International Financial Reporting Standards, while considering accounting policies that the company proposes to adopt for its financial statements for the year ended May 31, 2012. These accounting policies are based on IFRS and interpretations of International Financial Reporting Interpretations Committee (''IFRIC") which, according to the company, will be in effect at May 31, 2012. The accounting policies described in Note 4 were applied in the same way for all periods presented unless otherwise indicated.

The interim financial statements should be read in conjunction with the financial statements under the old accounting standards and the accompanying notes at May 31, 2011 and for the year then ended.

Note 13 provides a reconciliation of shareholders' equity, net income and comprehensive income according to generally accepted accounting principles ("GAAP") of Canada and under IFRS, as well as a description of the impact of the transition Canadian GAAP to IFRS on these items.

These financial statements have been prepared under the historical cost basis except for financial assets held for sale are carried at fair value through comprehensive income

Ressource Affinor Inc. is the Company's ultimate parent company.

The address of Ressource Affinor Inc.'s registered office and its principal place of business is 410 St-Nicolas Street, Montreal, Quebec, Canada , H2Y 2P5, Ressource Affinor Inc. 's shares are listed on the TSX Venture Exchange.

The financial statements for the reporting period ended November 30, 2011 (including comparatives) were approved and authorized for issue by the Board of Directors on March 8, 2012.

4. SUMMARY OF ACCOUNTING POLICIES

4.1 Overall considerations and first-time adoption of IFRS

The significant accounting policies that have been applied in the preparation of these financial statements are summarized below.

These accounting policies have been used throughout all periods presented in the 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 13.

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

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

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policy 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 material impact on the Company's financial statements.

IFRS 9 Financial Instruments (effective from January 1, 2013)

The 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, measurements and the recognition of financial assets and liabilities have been issued. 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 have yet to access the impact that this amendment is likely to have on the financial statements of the Company. However, they do not expect to implement the amendments until all chapters of IFRS 9 have been published and they can comprehensively access the impact of all changes.

IFRS 12, Disclosure of Interests in Other entities

This new standard provides minimum disclosure requirements when a reporting entity holds an interest in other entities. This standard combines disclosures required for interests in subsidiaries, joint arrangements, associates and structured entities, which were previously located in each applicable individual standard.

IFRS 13, Fair Value Measurement

This new standard is meant to clarify the definition of fair value, provide guidance on measuring fair value and improve disclosure requirements related to fair value measurement.

4.3 Foreign currency translation

The financial statements are presented in Canadian dollar, which is also the functional currency of the parent company and all subsidiaries. The functional currency of the entities in the Company has remained unchanged during the reporting periods.

Foreign currency transactions are translated into the functional currency of the Company, using the gain and loss from exchange rates prevailing at the dates of the transactions (spot exchange rate). Exchange differences resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognized in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

4.4 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks 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 fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, whichare measured initially at fair value

4.4 Financial instruments (continued)

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 initial recognition:

– Loans and receivables;

– Available-for-sale financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income. All income and expenses relating to financial assets that are recognized in profit or loss are presented within Finance costs or Finance income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, cash held for exploration expenses fall into this category of financial instruments.

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 profit or loss.

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 of the other categories of financial assets. The Company's available-for-sale financial assets include marketable securities in quoted mining exploration companies.

Impairment charges are recognized in profit or loss.

All available-for-sale financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognized in profit or loss. When the asset is disposed of or is determined to be impaired, the cumulative gain or loss recognized in other comprehensive income is reclassified to profit or loss in Finance income or Finance costs and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognized in profit or loss within Finance income.

Reversals of impairment losses are recognized in other comprehensive income.

Impairment of financial assets

All financial assets, except for those at fair value through profit or loss, 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 a Company of financial assets is impaired.

Objective evidence of impairment could include:

– Significant financial difficulty of the issuer or counterparty;

– Default or delinquency in interest or principal payments; or

– It becoming probable that the borrower will enter bankruptcy or financial reorganization.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in Companies, which are

4.4 Financial instruments (continued)

determined by reference to the industry and region of counterparty and other available features of shared credit risk characteristics. The percentage of the write-down is then based on recent historical counterparty default rates for each identified Company. Impairment of receivables is presented in profit or loss within other operating expenses.

Financial liabilities

The Company's financial liabilities include trade accounts and amounts payable due to an associate.

Financial liabilities are measured subsequently at amortized cost using the effective interest method.

All interest-related charges are reported in profit or loss within Finance costs.

4.5 Basic and diluted loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by adjusting loss attributable to ordinary equity holders of the parent company, and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. Dilutive potential ordinary shares shall be deemed to have been converted into ordinary shares at the beginning of the period or, if later, at the date of issue of the potential ordinary shares.

For the purpose of calculating diluted loss per share, an entity shall assume the exercise of dilutive options and warrants of the entity. The assumed proceeds from these instruments shall be regarded as having been received from the issue of ordinary shares at the average market price of ordinary shares during the period. The diluted loss per share is equal to the basic loss per share as a result of the anti-dilutive effect of the outstanding options and warrants as explained in Note 10.

4.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with othershort-term, highly liquid investments with original maturities of six months or less, and that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.7 Tax credits and credit on duties

The Company is entitled to a refundable credit on duties for losses under the Mining Duties Act. This refundable credit on duties for losses is applicable on exploration costs incurred in the Province of Quebec.

Furthermore, the Company is entitled to a refundable tax credit for resources for mining companies on qualified expenditures incurred. In accordance with IAS 20, the credit on duties and the exploration tax credit have been applied against the costs incurred.

4.8 Exploration and evaluation expenditures and exploration and evaluation assets

Exploration and evaluation expenditures are costs incurred in the course of initial search for mineral deposits with economic potential. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, the costs of acquiring mineral rights, expenses related to the exploration and evaluation of mining properties and refundable tax credits and credits on duties related to these expenses are charged to the cost of exploration. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase.

4.8 Exploration and evaluation expenditures and exploration and evaluation assets (continued)

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts (see Note 4.11); the difference is then immediately recognized in profit or loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment (see Note 4.11) and any impairment loss is recognized in profit or loss before reclassification.

To date, neither the technical feasibility nor the commercial viability of a mineral resource has been demonstrated.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, however these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Assignment of interest under the option agreement.

During transfer of interest, as part of option agreement, the company does not record the expenses related to exploration and evaluation made by the purchaser on the property. In addition, amounts received directly from the purchaser shall be credited against the costs previously capitalized to property; the surplus is recorded as gain on disposal of exploration and evaluation assets to the expenses.

4.9 Property and equipment

Property and equipment are recognized at cost less accumulated depreciation and amortization and accumulated impairment losses.

Cost includes all costs incurred initially to acquire or construct an item of property and equipment, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs incurred subsequently to add to or replace part of it. Recognition of costs in the carrying amount of an item of property and equipment ceases when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs of day-to-day servicing of property and equipment are recognized in profit or loss when incurred. Costs of day-to-day servicing are primarily the costs of labour and consumables, and may include the cost of small parts.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are transferred to property and equipment under Mining assets under construction. Upon this transfer, all subsequent expenditures on the construction, installation or completion of equipment and infrastructure facilities are capitalized within Mining assets under construction. When development stage is completed, all assets included in the mining assets under construction category are then transferred to Mining assets. To date, neither the technical feasibility nor the commercial viability of a mineral resource has been demonstrated.

	Useful life
Furniture and fixtures	20 %
Software	25 %

The amortization expense for each period is recognized in profit or loss except for certain items of property and equipment related to exploration and evaluation activities where the amortization expense is included in the carrying amount of an exploration and evaluation asset when it relates to a specific exploration and evaluation project. Depreciation of an asset ceases when it is classified as held for sale (or included in a disposal Company that is classified as held for sale) or when it is derecognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

The residual value, depreciation method and the useful life of each asset are reviewed at least at each financial year-end.

The carrying amount of an item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the recognition of an item of property and equipment is included in profit or loss when the item is derecognized.

4.9 Property and equipment (continued)

Gains or losses arising on the disposal of property and equipment, and exploration equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss.

4.10 Operating lease agreements

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under an operating lease are charged to the statement of comprehensive income on a straight-line basis over the period of the lease. Related expenses, such as maintenance and insurance expenses are charged to income as they are incurred.

4.11 Impairment of non-financial assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment. Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluations assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the assets or cash-generating units carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use. To determine the value in use, management estimates expected future cash flows from each asset or cash-generating unit, and then determines an appropriate interest rate for the calculation of the expected present value of the cash flows.

The impairment loss reduces the asset or is changed pro rata on the basis of the carrying amount of each asset in the cash-generation unit. All the assets are assessed whether there is any indication that an impairment loss recognized in prior periods may no longer exist. An impairment charge is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

4.12 Provisions, contingent liabilities and contingent assets

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legalor constructive commitment that has resulted from past events, for example, legal disputes, decommissioning, restoration and similar liabilities, or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks anduncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized, unless it was assumed in the course of a business combination.

Possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realized.

4.12 Provisions, contingent liabilities and contingent assets (continued)

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. The Company's operations are in compliance with current laws and regulations. Site restoration costs currently incurred are negligible and are capitalized to the cost of exploration and evaluation assets as incurred. When the technical feasibility and commercial

viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

4.13 Employee benefits

A defined contribution plan is a pension plan under which the Company pays fixed contributions to an independent entity. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contributions. The Company contributes to several state plans for individual employees that are considered defined contribution plans. Contributions to the plans are recognized as an expense in the period that relevant employee services are rendered.

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care) is recognized in the period in which the services are rendered and is not discounted.

The expected cost of compensated absences is recognized in profit or loss as the employees render services that increase their entitlement.

The cost of bonus payments is recognized in profit or loss when there is a legal or constructive obligation to make such payments as a result of past performance.

4.14 Deferred income taxes

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. For management's assessment of the probability of future taxable income to utilize against deferred tax assets, see Note 11.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

Under the provisions of tax legislation relating to flow-through shares, the Company is required to renounce tax deductions for expenses related to exploration activities to the benefit of the investors. Deferred income taxes relating to temporary differences are recorded when the renouncement forms are filed with the tax authorities.

4.15 Equity

Share capital represents the amount received on the issue of shares.

Unit placements

Proceeds from unit placements are allocated between shares and warrants issued using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and any residual in the proceeds is allocated to warrants.

4.15 Equity (continued)

Flow-through placements

Issuance of flow-through shares is accounted for similarly to the issuance of a compound financial instrument. The liability component represents the obligation to revert the tax benefit to the investors. Proceeds from the issuance of shares by flow-through private placements are allocated between

shares issued and a liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and any residual in the proceeds is allocated to the liability.

Gains and losses on certain financial instruments are included in reserves for available-for-sale financial assets.

Retained deficit includes all current and prior period retained profits or losses less issuance costs, net of any underlying income tax benefit for these issuance costs.

4.16 Equity-settled share-based payments

The Company operates equity-settled share-based remuneration plans (share options plans) for its eligible directors, officers, employees and consultants. None of the Company's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of the services rendered by the employees is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments except broker's warrants are ultimately recognized as an expense in the profit or loss or capitalized as an exploration and evaluation asset, depending on the nature of the paymentwith a corresponding credit to Contributed surplus, in equity.

Brokers' warrants are recorded as cost of issuing equity instruments and the consideration is credited to Contributed surplus.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting year, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the share options recorded in contributed surplus are then transferred to share capital.

4.17 Segmental reporting

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision-maker, i.e. the Chairman and the Board of Directors. The Chairman and the Board of Directors have joint responsibility for allocating resources to the Company's operating segments and assessing their performance.

To identify the operating segments, management generally uses the geographical areas of the Company's exploration and evaluation activities. Discrete financial information is available on the operating results and assets of the geographical areas of the Company's exploration and evaluation activities and is examined on a regular basis by the chief operating decision-maker.

All intersegment transfers are carried out at arm's length prices. The measurement methods used by the Company for its segmental disclosures in accordance with IFRS, operating segments, are consistent with those used for the financial statements, except that:

- Share-based payments;
- Profit and loss for exchange differences;
- Finance income;
- Share of loss from equity accounted investments;
- Deferred income taxes;

4.17 Segmental reporting (continued)

are not included in determining the operating loss of the operating segments. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. In the financial periods under review, this primarily applies to the Company's assets at the headquarters.

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Exploration and evaluation assets

Technical feasibility and commercial viability

Decisions regarding the technical feasibility and commercial viability of the exploration and evaluation assets involves a number of assumptions, such as estimated reserves, resource price forecasts, expected production volumes and discount rates, which could all change significantly in the future.

Impairment of property and equipment and exploration and evaluation costs

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses are a subjective process involving judgment and a number of estimates and interpretations in many cases.

Determining whether to test for impairment of exploration and evaluation assets requires management's judgment, among others, regarding the following: the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs must be determined. Identifying the cash generating units requires considerable management judgment. In testing an individual asset or cash generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances.

These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company's assets and earnings may occur during the next period.

Deferred taxes

The assessment of availability of future taxable profits involves judgment. A deferred tax asset is recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized.

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment.

Share-based payments

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

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (continued)

Provisions and contingent liabilities

Judgements are made as to whether a past event has led to a liability that should be recognized in the financial statements or disclosed as a contingent liability. Quantifying any such liability often involves judgments and estimations. These judgments are based on a number of factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received previous experience and the probability of a loss being realized. Several of these factors are source of estimation uncertainty.

6. RECEIVABLE

	November 30, 2011	May 31, 2011
	$	$
Sales tax receivable	7,999	7,999
Receivables	7,999	7,999

7. TRADE AND OTHER PAYABLES

	November 30, 2011	May 31, 2011
	$	$
Trade accounts	75,111	75,111
Trade and other payables	75,111	75,111

8. EQUITY

8.1 Capital stock

The share capital of Resources Affinor Inc. consists only of fully paid ordinary shares

Authorized

Unlimited number of shares without par value. All shares are equally eligible to receive dividends and the repayment of capital, and represent one vote each at the shareholders' meeting of Resources Affinor Inc.

	November 30, 2011	May 31, 2011
	$	$
Total shares issued and fully paid	11,054,489	11,054,489

9. CONVERTIBLE DEBENTURE

During the previous year, the Company sold to a private company $ 312,525 of accounts payable due to individuals and due to directors, for a convertible debenture with a face value of $ 312,525 nominal interest rate of 10% (effective rate of 51%), principal and accrued interest payable at maturity in May 2014. The debenture can be converted at the holder's option in common shares at market price diminished by a discount of 15 %, with a minimum conversion price of $0.05 per share.

These convertible debentures are recorded at their substance and financial statements are presented according to their own component, valued at their fair value at the time of issue.

The debt component is calculated the present value of interest payment and the refund of principal discounted at a rate representing the rate of interest that would have been requested for a non-convertible debenture at the time of issuance. The equity component was evaluated from the residual amount of the value of the instrument as a whole after deduction of the amount determined separately for the liability component.

Convertible Debenture

Balance beginning of the year	312 525
Gross proceeds	-
Amount Allocated to the equity component	-
Amount allocated to deferred revenues	-
Interest capitalized on convertible debenture	-
Balance, end of the year	-
Deferred revenues	-
Balance, beginning of the year	-
Amount allocated to deferred revenues	-
Amortization of deferred revenues	-
Balance, end of the year	312 525

	Debt Componenet	Equity Component	Total
	$	$	$
Issued value	91,714	204,037	295,751

10. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period divided by the weighted average number of shares in circulation during the period. In calculating the diluted loss per share, potential ordinary shares such as share options and warrants have not been included as they would have the effect of decreasing the loss per share. Decreasing the loss per share would be antidilutive.

Both the basic and diluted loss per share have been calculated using the loss attributable to owners of the parent company as the numerator, i.e. no adjustment to the loss were necessary in 2011 and 2010.

	Three-month period ended		**Six-month period ended**	
	November 30, 2011	**November 30, 2010**	**November 30, 2011**	**November 30, 2010**
	$	$	$	$
Loss (Income)for the period attributable to owners of the parent company	-	972	-	1,616
Weighted average number of shares in circulation	11,054,489	11,054,489	11,054,489	11,054,489
Basic and diluted loss per share	0.00	0.00	0.00	0.00

There have been no other transactions involving ordinary shares between the reporting date and the date of authorization of these financial statements.

11. INCOME TAXES

Deferred tax assets and liabilities relating to deductible and taxable temporary differences and unused tax losses are recognized in the statement of financial position.

As at May 31, 2010, the Company had deferred non-capital losses of $ 1,747,077 not recognized in deferred tax assets that can be used to reduce taxable benefit in future years and expire in 2030.

	May 31, 2011
	$
Recognized future income tax assets	
Mining assets and deferred exploration expenses	597,832
Losses carried forward	461,854
Capital losses	1,561
Share issue expenses	2,027
Fixed assets	10,542
	1,073,816
Recognized future income tax liabilities	
	(1,073,816)

12. ADDITIONAL INFORMATIONS – CASH FLOWS

The changes in working capital items are detailed as follows:

	Three-month period ended		**Six-month period ended**	
	November 30, 2011	**November 30, 2010**	**November 30, 2011**	**November 30, 2010**
	$	$	$	$
Receivables	-	(126)	-	(209)
Trade and other payables.	-	1,098	-	1,825

-	972	-	1,616

13. FIRST-TIME ADOPTION OF IFRS

These are the Company's first financial statements prepared in accordance with IFRS. The date of transition to IFRS is June 1, 2010.

The Company's IFRS accounting policies presented in Note 3 have been applied in preparing the financial statements for the reporting period ended November 30, 2011, the comparative information and the opening statement of financial position at the date of transition.

The Company has applied IFRS 1 in preparing these first IFRS financial statements. The effects of the transition to IFRS on equity, total comprehensive loss and reported cash flows already established are presented in this section and are further explained in the notes that accompany the tables.

13.1 First-time adoption – exemptions applied

Upon transition, IFRS 1 dictate certain mandatory exceptions and certain optional exemptions from full retrospective application. The exceptions and exemptions adopted by the Company are set out below:

Mandatory exceptions

The estimates established by the Company in accordance with IFRS at the date of transition to IFRS are consisted with estimates made for the same date in accordance with Canadian GAAP, after adjustments to reflect any difference in accounting principles, if applicable.

GAAP were not recognized under IFRS. The Company has early applied the change in IFRS 1 in this respect regarding the application date of the exception, i.e. June 1, 2010.

Optional exemptions

The Company has chosen not to apply IFRS 2, Share-based Payment, retrospectively to options granted on or before November 7, 2002 or granted after November 7, 2002 and vested before the date of transition to IFRS.

The Company has elected not to apply IFRS 3, Business Combinations, retrospectively to business combinations that occurred before the date of transition (June 1, 2010).

13.2 Reconciliation of equity

Equity at the date of transition and at May 31, 2010 can be reconciled to the amounts reported under pre-change accounting standards as follows:

	Notes	May 31, 2010	November 30, 2010
		$	$
Equity under pre-change accounting standards		(158,026)	(326,117)
Increases (decreases) in equity reported in accordance with pre-change accounting standards, as a result of the following differences between pre-change accounting standards and IFRS:			
Share issued by Flow-through private placements		72,900	72,900
Share capital - impact of adjustments		(72,900)	(72,900)
Equity under IFRS		(158,026)	(326,117)

13.3 Reconciliation of deficit

Deficit at the date of transition and at May 31, 2010 can be reconciled to the amounts reported under pre-change accounting standards as follows:

	Notes	May 31, 2010	November 30, 2010
		$	$
Deficit under pre-change accounting standards		(6,102,510)	(6,138,764)
Increases (decreases) in deficit reported in accordance with pre-change accounting standards, as a result of the following differences between pre-change accounting standards and IFRS:			
Share issued by Flow-through private placements		72,900	72,900
Deficit under IFRS		(6,175,610)	(6,065,864)

13.4 Presentation differences

Certain presentation differences between pre-change accounting standards and IFRS have no impact on reported loss or total equity.

As can be seen in the following tables, some line items are described differently (renamed) under IFRS compared to pre-change accounting standards, although the assets and liabilities included in these line items are unaffected.

The following table shows the total effect of the transition on the consolidated statement of financial position:

Pre-change accounting standards description	Notes	Previous GAAP	Effect of transition to IFRS	IFRS	IFRS description
		November 30, 2011			
		$	$	$	
ASSETS					***ASSETS***
Current assets					**Current assets**
Cash and cash equivalents					Cash and cash equivalents
Tax receivable					Tax receivable
Cash reserved for exploration					Cash held for exploration expenses
Accounts receivables		7 999		7 999	Receivables
Advance to related parties, without interest					Advance to related parties, without interest
Subscription receivable					Subscription receivable
Other short-term financial assets					Other short-term financial assets
Marketable securities in quoted mining exploration companies					Marketable securities in quoted mining exploration companies
Tax credits and credit on duties receivable					Tax credits and credit on duties receivable
Prepaid expenses and deposits					Prepaid expenses and deposits
		7 999		7 999	
Non-current					**Non-current**
Cash held for exploration expenses					Cash held for exploration expenses
Advance for exploration expenses					Advance for exploration expenses
Advance to a subsidiary, whitout interest or repayment condition before January 1, 2011					Advance to a subsidiary, whitout interest or repayment condition before January 1, 2011
Fixed assets					Property and equipement
Exploration equipment					Exploration equipment
Investments availables for sale					
Mining properties					Mining properties
Deferred exploration expenses					Exploration and evaluation assets
Investments accounted for using the equity method					Investments accounted for using the equity method
Other long-term financial assets					Other long-term financial assets
Total assets		7 999		7 999	**Total assets**
LIABILITIES					***LIABILITIES***
Current liabilities		250 095		250 095	Provision
Convertible debenture					
Due to Individuals		15 000		15 000	Due to Indi
Due to directors		69 021		69 021	Due to dire
Tax payable					
Account payable and accrued liabilities					Trade and other payables
Total liabilities		334 116		334 116	**Total liabilities**
EQUITY					***EQUITY***
Capital stock		5 328 036	(72 900)	5 255 136	Share capital
Convertible debenture of equity component					
Warrants					Warrants
Stock options					Stock options
Accumulated unrealized gain on invesments available for sale					Other components of equity
Contributed surplus		484 611		484 611	Contributed surplus
Deficit		(6 138 764)	72 900	(6 065 864)	Retained deficit
Total equity attributable to owners of the parent		(326 117)		(326 117)	**Total equity attributable to owners of the parent**
Total liabilities and equity		7 999		7 999	**Total liabilities and equity**

Ressource Affinor Inc

Notes to interim Financial Statements

For the six months ended November 30, 2011 and 2010

(Unaudited)

The following table shows the total effect of the transition on the consolidated statement of comprehensive loss:

		Three-month period ended November 30, 2010			Six-month period ended November 30, 2010			
Pre-change accounting standards description	Notes	Previous GAAP	Effect of transition to IFRS	IFRS	Previous GAAP	Effect of transition to IFRS	IFRS	IFRS description
		$	$	$	$	$	$	
Administrative expenses								Salaries and benefits expenses
Professional fees		972		972	1 616		1 616	Consulting fees and professional fees
Consulting and management fees								Management fees
General administrative expenses								General administrative expenses
Registration, listing fees and information to shareholders								Registration and information to shareholders
Amortization fixed assets								Depreciation fixed assets
Stock-based compensation costs								Stock-based compensation costs
Impairment of non-financial assets								Impairment of non-financial assets
Gain on disposal of exploration equipment								Gain on disposal of exploration equipment
Loss (Gain) on foreign exchange								Profit or loss from exchange differences
Office and general fees								Office and general fees
Office rent and facilities								Rent
Telecomunications								Telecomunications
Travel and entertainment								Travel and entertainment
Wages and benefits								Wages and benefits
Part II.6 taxes								Listing fees, rights and part XII.6 taxes
Taxes and permits								Taxes and permits
Interest and bank charges								Interest and bank charges
General expenses advertising								General expenses Advertising
Write-off of deferred exploration expenses								Write-off of deferred exploration expenses
Operating loss		972		972	1 616		1 616	**Operating loss**
Interest revenus								Finance income
Loss before income taxes		972		972	1 616		1 616	**Loss before income taxes**
Deferred income taxes								Deferred income taxes
Loss for the period attributable to owners of the parent		972		972	1 616		1 616	**for the period attributable to owners of the parent**
Other comprehensive loss for the period								**Other comprehensive income (loss)**
Available-for-sale financial assets								Available-for-sale financial assets
Current period gains (losses)								Current period gains (losses)
Reclassification to the profit or loss								Reclassification to the profit or loss
Income tax relating to component of other comprehensive income								Income tax relating to component of other comprehensive income
Other comprehensive loss for the period, net of tax								Other comprehensive loss for the period, net of tax
Total comprehensive loss for the period attributable to owners of the parent		972		972	1 616		1 616	**Total comprehensive loss for the period attributable to owners of the parent**

13.5 Notes to reconciliation

a) Business combination

The Company has elected not to restate business combinations that occurred before the date of transition to IFRS. There are only minor differences between the accounting for business combinations under pre-change accounting standards and IFRS. No difference has been recorded for the acquisitions, i.e. there are no adjustments to the acquired identifiable assets and liabilities.

b) Share-based payments

Under pre-change accounting standards, for grants of share-based payments with graded vesting, the total fair value of the awards is recognized on a straight-line basis over the employment period necessary to vest the awards. Moreover, forfeitures of awards are recognized as they occur.

Under IFRS 2, 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. Also, an estimate of the number of share-based payments expected to be forfeited is required, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate.

There is no impact for the shared-based payments.

c) Deferred taxes

Deferred taxes have been adjusted for the changes to net book values arising as a result of the adjustments for first-time adoption of IFRS as discussed above.

13.6 Statement of cash flows

Under pre-change accounting standards, interest paid and received were presented through the notes. Under IFRS, interests are allocated to investing and financing activities where they can be identified with transactions within those categories. There are no other material adjustments to the statement of cash flows. The components of cash and cash equivalents under pre-change accounting standards are similar to those presented under IFRS.

14. Subsequent events

On December 5, 2011, the Company acquired a 100% interest in the Destor property in exchange for a cash payment of $ 5,000 and the issuance of 750,000 common shares to the vendor of the property. The vendor retains a 2% NSR.

The property consists of 83 cells, is located in the geological environment favorable to the Destor- Porcupine on which there are several gold deposits including the old mine Beattie (Clifton Star-Osisko), the Fayolle deposit and the mine Duquesne.