CURLEW LAKE RESOURCES INC.

Condensed Interim Financial Statements

Three Months Ended April 30, 2012

(Expressed in Canadian dollars)

NOTICE TO READER

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

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

VANCOUVER, BC
June 29, 2012

CURLEW LAKE RESOURCES INC.
CONDENSED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Apr 30 2012	**Jan 31 2012**
ASSETS		
Current		
Cash	$ 18,629	$ 19,301
Harmonized sales tax recoverable	1,484	43,898
Receivables	-	11,826
	20,113	75,025
Mineral and oil and gas properties (Note 4)	968,657	937,965
	$ 988,770	$ 1,012,990
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 59,638	$ 107,043
Shareholders' equity		
Share capital (Note 5)	15,435,393	15,435,393
Contributed surplus (Note 5)	666,865	666,865
Deficit	(15,173,126)	(15,196,311)
	929,132	905,947
	$ 988,770	$ 1,012,990

Nature and Continuance Of Operations (Note 1)
Commitments (Notes 4, 7)
Subsequent Event (Note 8)

Approved on behalf of the Board:

"ROBERT B. PINCOMBE" Director "ROBERT K. KRAMER" Director

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

CURLEW LAKE RESOURCES INC.
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
FOR THE THREE MONTHS ENDED APRIL 30, 2012 and 2011
(Expressed in Canadian dollars)

	Apr 30 2012	Apr 30 2011
Revenue		
Petroleum and natural gas sales, net	$ 3,369	$ 45,827
Cost of Production		
Operating expense	-	(2,626)
Operating Income	3,369	43,201
Expenses		
Bank charges	329	435
Management fees (Note 6)	-	7,500
Office and miscellaneous	4,535	1,694
Professional fees & consulting	-	4,000
Regulatory and transfer agent fees	5,200	3,596
Rent	120	150
Telephone	-	747
Travel and promotion	-	1,868
Wages and benefits (Note 6)	-	6,637
Write-down of exploration and evaluation assets (Note 4)	-	185
	10,184	26,812
Other Income	30,000	-
Comprehensive and net income for the year	$ 23,185	$16,389
Basic and diluted income per common share	$0.00	$0.00
Weighted average number of common shares outstanding	99,469,526	99,469,526

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

CURLEW LAKE RESOURCES INC.
CONDENSED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED APRIL 30, 2012 and 2011
(Expressed in Canadian dollars)

	Apr 30 2012	Apr 30 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the year	$ 23,184	$ 16,389
Items not affecting cash:		
Write-down of oil and gas properties	-	185
Changes in non-cash working capital items:		
Decrease (increase) in receivables	11,826	1,664
Decrease (increase) in harmonized sales tax recoverable	42,415	2,243
Increase (decrease) in accounts payable and accrued liabilities	(47,405)	(29)
Net cash provided by (used in) operating activities	30,020	20,452
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital issued net of share issue costs	-	-
Net cash provided by financing activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures on exploration and evaluation assets	(30,692)	(199,165)
Net cash provided by (used in) investing activities	(30,692)	(199,165)
Change in cash during the period	(672)	(178,713)
Cash, beginning of period	19,301	519,356
Cash, end of period	$ 18,629	$ 340,643

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

CURLEW LAKE RESOURCES INC.
CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian dollars)

	Share Capital		Contributed		
	Shares	**Amount**	**Surplus**	**Deficit**	**Equity**
Balance, February 1, 2010 (Note 11)	71,769,526	$14,162,393	$ 433,912	$(14,466,992)	$ 129,313
Shares issued	21,700,000	1,085,000	-	-	1,085,000
Shares issued	6,000,000	188,000	112,000	-	300,000
Share-based payments	-	-	120,953	-	120,953
Comprehensive income (loss) for the year	-	-	-	(624,467)	(624,467)
Balance, January 31, 2011 (Note 11)	99,469,526	$15,435,393	$ 666,865	$(15,091,459)	$ 1,010,799
Comprehensive income (loss) for the year	-	-	-	(104,852)	(104,852)
Balance, January 31, 2012	99,469,526	$15,435,393	$ 666,865	$ (15,196,311)	$ 905,947
Comprehensive income for the quarter	-	-	-	23,185	23,185
Balance, April 30, 2012	99,469,526	$15,435,393	$ 666,865	$ (15,173,126)	$ 929,132

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Curlew Lake Resources Ltd. (the "Company") was incorporated January 15, 1987, under the Company Act of British Columbia. The Company is in the business of the acquisition, exploration and development of mineral properties and production from oil and gas properties in Western Canada.

The Company's corporate office and principal place of business is Suite 303, 595 Howe Street, Vancouver, British Columbia, Canada,

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue as a going concern is dependent on obtaining continued financial support, completing public equity financing or generating profitable production in the future. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

	April 30 2012	Jan 31 2012
Deficit	$ (15,173,126)	$ (15,196,311)
Working capital (deficiency)	$ (39,525)	$ (32,018)

These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements for the Company for the quarter-ending April 30, 2012 are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), having previously been prepared in accordance with Canadian Generally Accepted Accounting Principles.

These financial statements were authorized for issue by the Board of Directors on June 29, 2012.

(b) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as FVTPL and available-for-sale which are stated at their fair value.

In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian dollars, which is also the Company's functional currency.

2. BASIS OF PREPARATION (cont'd...)

(c) Use of Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Financial results as determined by actual events could differ from these estimates.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Significant areas requiring the use of management estimates include impairment of exploration and evaluation properties; reclamation and environmental obligations; determining the provision for deferred income taxes and contingencies reported in the notes to the financial statements.

Areas of significant judgment include the classification of financial instruments and the classification of exploration and evaluation expenditures, which requires judgment in determining whether it is likely that future economic benefits will flow to the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening IFRS statement of financial position at February 1, 2010 for the purposes of the transition to IFRS. The accounting policies have been applied consistently by the Company.

The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Financial instruments

Financial Assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans-and-receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit and loss. Regular way purchases and sales of FVTPL financial assets are accounted for at trade date, as opposed to settlement date. The Company has classified its cash as FVTPL.

Financial assets classified as loans-and-receivables and held-to-maturity are measured at amortized cost. The Company's receivables are classified as loans-and-receivables.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. The Company has no assets classified as available-for-sale.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(a) Financial instruments (cont'd…)

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities are classified as other-financial-liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income/loss. The Company has not classified any financial liabilities as FVTPL.

(b) Exploration and evaluation expenditures

Pre -exploration costs
Pre-exploration costs are expensed in the period in which they are incurred.

Exploration and evaluation expenditures
Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they occur. The costs are accumulated in cost centres by well, field or exploration area and not depreciated pending determination of technical feasibility and commercial viability.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash or other consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess consideration accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss/income.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(b) Exploration and evaluation expenditures (cont'd…)

The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proven and/or probable reserves are determined to exist. A review of each exploration license or field is carried out, at least annually, to ascertain whether proven and/or probable reserves have been discovered. Upon determination of proven and/or probable reserves, exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to property, plant and equipment or expensed to exploration and evaluation impairments.

Mineral exploration and evaluation expenditures are classified as intangible assets.

(c) Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the assets are reviewed to determine whether there is any indication that those assets are impaired. Impairment is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. The impairment loss is recognized in the income statement for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount had no impairment loss been recognized. A reversal of an impairment loss is recognized immediately in profit and loss.

(d) Rehabilitation obligations

The Company recognizes the fair value of a legal or constructive liability for an asset retirement obligation in the year in which it is incurred and 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. Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of comprehensive income (loss). Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease to the carrying amount of the liability and the related long-lived asset. The Company does not have significant asset retirement obligations.

(e) Income taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years.

Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(e) Income taxes (cont'd…)

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(f) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants, options and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are recognized as a deduction from equity, net of tax.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as contributed surplus. If the warrants expire unexercised, the value attributed to the warrants is transferred to deficit.

Flow-through shares

Resource expenditure deductions for income tax purposes related to exploratory activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until qualifying expenditures are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(g) Revenue recognition

Revenue from the sale of petroleum and natural gas is recorded when title passes to an external party and is based on volumes delivered to customers at contractual delivery points, and rates and collectability are reasonably assured. The costs associated with the delivery, including operating and maintenance costs, transportation and production-based royalty expenses, are recognized during the same period in which the related revenue is earned and recorded.

(h) Per share amounts

Basic income per common share is computed by dividing the net income for the year by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the period.

(i) Share based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(i) New accounting pronouncements

Certain new accounting standards and interpretations have been published that are not mandatory for the January 31, 2012 reporting period. Each of the new standards is effective for annual periods beginning on or after January 1, 2013 (or as noted) with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 7 – 'Financial Instruments Disclosures' – Disclosures on Transfers of Financial Assets
These amendments are applicable to annual reporting periods beginning on or after July 1, 2011. These amendments add and amend disclosure requirements about transfers of financial assets, including the nature of the financial assets involved and the risks associated with them.

IAS 12 – 'Income Taxes' – Amendments Regarding Deferred Tax: Recovery of Underlying Assets
These amendments are applicable to annual reporting periods beginning on or after January 1, 2012 and a practical approach for the measurement of deferred tax relating to investment properties measured at fair value, property, plant and equipment and intangible assets measured using the revaluation model. The measurement of deferred tax for these specified assets is based on the presumption that the carrying amount of the underlying asset will be recovered entirely through sale, unless the entity has clear evidence that economic benefits of the underlying asset will be consumed during its economic life.

IFRS 9 – Financial Instruments
IFRS 9 addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income.

IFRS 10 – Consolidation
IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 - Joint Arrangements
IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 – Disclosure of Interests in Other Entities
IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

(i) New accounting pronouncements (cont'd…)

IFRS 13 - Fair Value Measurement
IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

IAS 24 – Related Party Disclosures
The objective of this Standard is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

IAS 1 - Amendments to IAS 1 Presentation of Financial Statements
These amendments stipulate the presentation of net earnings and OCI and also require the Company to group items with OCI based on whether the items may be subsequently reclassified to profit or loss. Amendments to IAS 1 are effective for fiscal years beginning on or after July 31, 2012 with retrospective application and early adoption permitted.

(Expressed in Canadian dollars)

4. MINERAL AND OIL AND GAS PROPERTIES

	January 31, 2011	January 31, 2012	April 30, 2012
Oil and Gas properties	$ 665,278	$ 931,951	$ 962,643
Mineral properties	6,263	6,014	6,014
Total	$ 671,541	$ 937,965	$ 968,657

EXPLORATION AND EVALUATION ASSETS
OIL AND GAS PROPERTIES

	Steen River Oil Project	Chin Coulee Oil Project	Leduc Oil Project	Fairydell Oil Project	Total
Balance, January 31, 2011	41,430	110,485	68,944	444,419	665,278
Additions	1,747	2,003	837	360,234	364,821
Write-down/credit	(43,177)	-	-	(54,971)	(98,148)
Balance, January 31, 2012	$ -	$ 112,488	$ 69,781	$ 749,682	$ 931,951
Additions	-	-	-	30,692	30,692
Write-down/credit	-	-	-	-	-
Balance, April 30, 2012	$ -	$ 112,488	$ 69,781	$ 780,374	$ 962,643

MINERAL PROPERTIES

	Typhoon Claims	Peace River Claims	Total
Balance, January 31, 2011	-	6,263	6,263
Additions	1,680	4,334	6,014
Write-down/credit	-	(6,263)	(6,263)
Balance, January 31, 2011	1,680	4,334	6,014
Additions	-	-	-
Write-down/credit	-	-	-
Balance, April 30, 2012	$ 1,680	$ 4,334	$ 6,014

4. MINERAL AND OIL AND GAS PROPERTIES (cont'd…)

OIL AND GAS PROPERTIES

Fairydell Project, Alberta, Canada (unproven)
The Company has acquired freehold and Alberta Crown Petroleum and Natural Gas rights in the Fairydell-Bon Accord area of central Alberta. The Company has a 75% interest in the project subject to a 2.5% GORR in nine and three-quarter sections (6,240 acres).

Chin Coulee Project, Alberta, Canada (unproven)
The Company has acquired 2 sections (1,280 acres) of Alberta Crown Petroleum and Natural Gas Leases in the Chin Coulee area of Southern Alberta. The Company has a 75% interest in the lands subject to a 2.5% GORR.

Leduc Project, Alberta, Canada (unproven)
The Company has acquired 2 sections (1,280 acres) of freehold Petroleum and Natural Gas rights in the prolific Leduc area of central Alberta. The Company has a 75% interest in the lands subject to a 2.5% GORR.

Minard Project, Saskatchewan, Canada (unproven)
The Company has signed a Participation and Joint Operating Agreement with Propel Energy Corp. in the Minard area of Saskatchewan. Under the terms of the agreement Curlew Lake agreed to pay 30% of the cost of drilling and completing an initial well on the prospect to earn a 25% working interest in any subsequent production. The agreement provided for Curlew to pay 25% of the costs and receive 25% of the proceeds of production on any further wells on the project.

During 2008 the Company entered into an agreement with a private Ontario company. The agreement provides for 100% funding by the private company for the second well and for loans to Curlew to cover its share of funding of the following proposed 3 wells. In return the private company will be granted 50% of Curlew's interest in all 5 wells on the prospect. This arrangement will allow Curlew to participate with a 12.5% working interest in 5 horizontal wells in the Frobisher zone on the Minard project with no requirement for further equity financing. The first 2 Minard wells are currently shut-in. Consequently the property was written off during the year ended January 31, 2009.

Steen River Project, Alberta, Canada
The Company signed a letter of intent for an option agreement with a third party pursuant to which it will enter into a two well drilling option agreement by May 27th, 2009, ending March 27th 2012, on 6 sections comprising the Steen River oil and gas prospect of Northern Alberta. The letter of intent calls for an initial payment of $25,000 which has been paid. Curlew Lake Resources Inc. will be responsible for 25% of the drilling costs & crown rentals. The initial 2 wells must be completed prior to February 27, 2012. In 2009 the Company acquired an additional 7.5% in the Steen project. The additional interest acquisition cost was $7,500. The Company did not renew the leases and consequently wrote-off the property as of January 31, 2012.

4. MINERAL AND OIL AND GAS PROPERTIES (cont'd…)

OIL AND GAS PROPERTIES

Turner Valley Oil Project - Calgary, Alberta (proven)

The Company holds various interests, averaging about 4.375%, in certain petroleum and natural gas leases. The Company is in a non-operator position on all leases in this area. The Company has signed multiple farmout agreements on portions of the leases with three separate parties whereby the Company has retained royalty and/or working interests. The Company is now receiving pre-payout royalty income.

In light of the economic climate and uncertainty surrounding the future net cash flows from this property, the property was written off during the year ended January 31, 2009.

MINERAL PROPERTIES

Typhoon Claims, Clear Creek District, Yukon Territories

Curlew Lake holds a 100% interest in 117 mineral claims in the Clear Creek District of the Yukon. The 100% working interest on 98 claims is subject to a 4% Net Smelter Royalty, of which 1% may be purchased by the Company at any time in the future for the price of $600,000, in cash or shares and an additional 2% which may be purchased at any time for $1,000,000 in cash. The 100% working interest on the remaining 19 claims is subject to a 2% NSR Royalty, which may be purchased at any time by Curlew Lake for $1 million for each 1% to the Vendor, Xennex Development Corporation. The Company announced in 2006 an agreement with a private investor whereby Curlew Lake Resources Inc. received additional funds to drill the Yukon property. The private investor received a 2% NSR Royalty on all Yukon properties. The property was written off in the year ended January 31, 2011 as the Company identifies areas for follow up exploration.

Peace River Claims, Clear Hills District, Alberta

Curlew Lake holds a 50% interest in Metallic & Industrial Minerals rights on 37 Townships, an area of approximately 850,000 acres (351,675 hectares), of land on the Peace River Arch geological formation in north western Alberta. The lands will be operated as a joint venture, with Curlew and 2 private partners, and Curlew will be the initial operator of the exploration project. The lands lie north and west of the Clear Hills area and cover a structure known as Halverson Ridge and surrounding areas.

(Expressed in Canadian dollars)

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS

	Number Of Shares	Capital Stock	Contributed Surplus
Authorized			
Common shares without par value	Unlimited		
Issued			
As at February 1, 2010	71,769,526	$14,162,393	$433,912
Issued for cash under private placements	27,700,000	1,385,000	-
Allocation to warrants		(112,000)	112,000
Share-based compensation	-	-	120,953
As at January 31, 2011 and January 31, 2012	99,469,526	$15,435,393	$666,865
As at April 30, 2012	99,469,526	$15,435,393	$666,865

During the quarter ended April 30, 2012, the Company did not complete any share transactions.

During the year ended January 31, 2012, the Company did not complete any share transactions.

(Expressed in Canadian dollars)

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd)

Warrants

Warrant transactions for the respective years and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2011	37,160,000	0.10
Warrants expired	(9,460,000)	(0.05)
Balance, January 31, 2012	27,700,000	$ 0.10
Balance, April 30, 2012	27,700,000	$ 0.10

The following warrants to acquire common shares were outstanding at April 30, 2012

Number of Shares	Exercise Price	Expiry Date
11,200,000	$ 0.10	May 22, 2012*
10,500,000	$ 0.10	August 26, 2012
6,000,000	$ 0.10	December 17, 2012

* subsequent to quarter end these warrants expired unexercised.

Stock options

The Company follows the policies of the TSX Venture Exchange ("TSX-V") 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. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years.

Stock option transactions for the respective years and the number of share options outstanding are summarized as follows:

	Number Of Shares	Weighted Average Exercise Price
Balance, January 31, 2011	6,700,000	$ 0.10
Options cancelled	(3,700,000)	0.10
Options granted	-	0.10
Balance, January 31, 2012	3,000,000	$ 0.10
Options cancelled	-	0.10
Options granted	-	0.10
Balance, April 20, 2012	3,000,000	$ 0.10

(Expressed in Canadian dollars)

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd…)

Stock options (cont'd…)

The Company uses the fair value method for determining stock-based compensation expense for all options granted during the fiscal periods. The fair value of options granted and vested was $Nil (2011 - $Nil).

Stock options outstanding and exercisable at April 30, 2012 are as follows:

Number Of Shares	Exercise Price	Expiry Date
3,000,000	$ 0.10	May 27, 2013

6. RELATED PARTY TRANSACTIONS

<u>Compensation to key management:</u>

The Company entered into the following transactions with related parties:
a) Paid management fees of $nil (2011 - $7,500) to a company controlled by a director.
b) Paid wages and benefits of $nil (2011 - $6,579) to a company controlled by a director.

These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

7. COMMITMENT

The Company was committed to incur exploration expenditures of $300,000 in 2012 from the issuance of flow-through shares in December 2010. As of January 31, 2012 the Company has fulfilled its commitment.

8. SUBSEQUENT EVENT

The Company obtained shareholder approval at its Annual General Meeting held on June 22, 2012 to authorize the directors of the Company in their sole discretion to implement a consolidation of the Company's share capital on a ten (10) old shares for one (1) new share basis, subject to completion by May 18, 2013. The Company currently has 99,469,526 shares outstanding, which, if no further shares are issued, would be reduced to 9,946,953 post-consolidated common shares. There will be no name change with this consolidation. The consolidation is subject to receipt of shareholder and regulatory approval.

9. FINANCIAL INSTRUMENTS

Fair value of financial instruments

The fair values of cash and cash equivalents, receivables and accounts payable and accrued liabilities approximate their carrying values as the financial assets and liabilities have a short-term to maturity.

Fair Value Hierarchy

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

April 30, 2012	Level 1	Level 2	Level 3
Assets:			
Cash	$ 18,629	$ -	$ -

January 31, 2012	Level 1	Level 2	Level 3
Assets:			
Cash	$ 19,301	$ -	$ -

January 31, 2011	Level 1	Level 2	Level 3
Assets:			
Cash	$ 519,356	$ -	$ -

9. FINANCIAL INSTRUMENTS (cont'd…)

Financial Instrument Risks

The Company is exposed in varying degrees to a variety of financial instrument related risks by virtue of its activities. The overall financial risk management program focuses on preservation of capital, and protecting current and future Company assets and cash flows by reducing exposure to risks posed by the uncertainties and volatilities of financial markets.

The types of risk exposure and the way in which such exposures are managed are as follows:

Liquidity Risk - The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The Company believes that these sources will be sufficient to cover the likely short and long-term cash requirements. To the extent that the Company may not have sufficient liquidity to meet these obligations, management considers securing additional funds by issuing more equity instruments. The Company's cash is invested in business accounts with quality financial institutions and which is available on demand for the Company's programs.

Market Risk - The market risk exposure to which the Company is exposed is interest rate risk. This is discussed further below:

Interest rate risk - The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations due to the short term to maturity of its cash and cash equivalents.

Concentration risk - At April 30, 2012, all of the Company's cash was held at a recognized Canadian national financial institution. As a result, the Company is exposed to the risk that the financial institution ceases operations and the Company loses its capital, the Company considers this risk to be minimal.

10. CAPITAL MANAGEMENT

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of 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 properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended April 30, 2012. The Company is not subject to externally-imposed capital requirements.