Grasslands Entertainment Inc.

Interim Consolidated Financial Statements

For the three and six month periods ended December 31, 2010 and 2009

(unaudited)

NOTICE TO READER

The accompanying unaudited interim consolidated financial statements have been prepared by the Company’s management and the Company’s independent auditors have not performed a review of these financial statements.

Toronto, Ontario
February 11, 2011

Grasslands Entertainment Inc.
Interim Consolidated Balance Sheets
As at December 31, 2010
(unaudited)

		Dec 31, 2010		June 30, 2010
		(unaudited)		(audited)
Assets				
Current				
Cash and cash equivalents	**$**	**107,319**	$	157,819
Accounts receivable		**19,000**		19,617
Government assistance receivable (Note 4)		**21,592**		21,592
		147,911		199,028
Property and equipment (Note 5)		**1,336**		1,572
Investments (Note 6)		**75,001**		75,001
	$	**224,248**	$	275,601
Liabilities				
Current				
Accounts payable and accrued liabilities	**$**	**19,000**	$	63,010
Shareholders' Equity				
Share capital (Note 7)		**1,504,738**		1,480,189
Contributed Surplus (Note 8)		**16,331**		16,331
Warrants (Note 9)		**-**		24,549
Deficit		**(1,315,821)**		(1,308,478)
		205,248		212,591
	$	**224,248**	$	275,601

Basis of Presentation and Going Concern (Note 1)
Contingency (Note 10)
Related Party Transactions (Note 11)
Subsequent Events (Note 14)

Approved by the Board **"Jim Ripley"** Director **(Signed)** **"Ned Studer"** Director **(Signed)**

See accompanying notes to consolidated financial statements

Grasslands Entertainment Inc.
Interim Consolidated Statements of Operations and Comprehensive Income (Loss) and Deficit
For the three and six month periods ended December 31, 2010 and 2009
(unaudited)

	For the three months ended		For the six months ended	
	Dec 31, 2010	Dec 31, 2009	**Dec 31, 2010**	Dec 31, 2009
Revenue				
Television production	**$ -**	$ -	**$ -**	$ -
Other	**-**	6,064	**7,256**	13,456
	-	6,064	**7,256**	13,456
Expenses				
Amortization of property and equipment	**118**	168	**236**	337
General and administrative	**(5,099)**	55,298	**14,363**	92,816
	(5,217)	55,466	**14,599**	93,153
Comprehensive income (loss) before other expenses and income taxes	**5,217**	(49,402)	**(7,343)**	(79,697)
Contingent liability	**-**	60,500	**-**	60,500
Net and comprehensive income (loss) for the period	**5,217**	(109,902)	**(7,343)**	(140,197)
Deficit, beginning of period	**(1,321,038)**	(1,053,725)	**(1,308,478)**	(1,023,430)
Deficit, end of period	**$ (1,315,821)**	$ (1,163,627)	**$ (1,315,821)**	$ (1,163,627)
Basic and diluted (loss) per share	**$ (0.001)**	$ (0.006)	**$ (0.002)**	$ (0.008)
Weighted average number of shares outstanding	**16,997,696**	16,997,696	**16,997,696**	16,997,696

See accompanying notes to consolidated financial statements

Grasslands Entertainment Inc.

Interim Consolidated Statements of Cash Flows
For the three and six month periods ended December 31, 2010 and 2009
(unaudited)

	For the three months ended		For the six months ended	
	Dec 31, 2010	Dec 31, 2009	**Dec 31, 2010**	Dec 31, 2009
Cash provided by (used in)				
Operating activities				
Net income (loss) for the period	**$ 5,217**	$ (109,902)	**$ (7,343)**	$ (140,197)
Items not involving cash				
Amortization of equipment	**118**	168	**236**	337
	5,335	(109,734)	**(7,107)**	(139,860)
Change in non-cash working capital				
Accounts receivable	**(2,626)**	55,378	**617**	71,536
Work-in-progress, deposits and prepaid expenses	**-**	5,625	**-**	(9,566)
Accounts payables and accrued liabilities	**(35,000)**	57,247	**(44,010)**	(6,003)
	(32,291)	(2,734)	**(50,500)**	(83,893)
Net decrease in cash and cash equivalents	**(32,291)**	(2,734)	**(50,500)**	(83,893)
Cash and cash equivalents, beginning of period	**139,610**	240,986	**157,819**	322,145
Cash and cash equivalents, end of period	**$ 107,319**	$ 238,252	**$ 107,319**	$ 238,252

Supplemental Disclosure

	2010	2009
Cash paid for interest	**$ 55**	$ 129

Cash and cash equivalents consist of:

Cash on hand	**$ 25,255**	$ 29,535
Term deposits - GIC	**82,064**	208,717
	$ 107,319	$ 238,252

See accompanying notes to consolidated financial statements.

1. BASIS OF PRESENTATION AND GOING CONCERN

Grasslands Entertainment Inc. (the "Company" or "Grasslands") is a public company listed on the TSX Venture Exchange. Prior to October 1, 2007 the Company's main business was in creating, developing, producing and marketing television broadcast entertainment content. Subsequent to that date the Company has primarily been involved in seeking strategic alternatives to maximize share value.

The consolidated financial statements of the Company are the representations of management prepared in accordance with Canadian generally accepted accounting principles, consistently applied. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic consolidated financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgment in the light of available information.

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern and acquire an active business interest and/or other assets depends on its ability to successfully complete the transaction disclosed in Note 14, raise additional financing and ultimately achieve profitable operations. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might arise from this uncertainty.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the assets, liabilities and results of operations, after elimination of inter-company transactions and balances of the Company, and its wholly owned subsidiary 1183290 Alberta Inc. and that subsidiary's 50% interest in GR2 Productions, a joint venture established to develop and produce the initial year of the Eat, Shrink & Be Merry series for television.

Cash and Cash Equivalents

The Company considers all highly liquid investments, with an insignificant risk of change in value, purchased with an original maturity of three months or less to be cash equivalents. The cash equivalents held by the Company at year end are 30-day term deposits, bearing interest at 0.3% per annum.

Revenue Recognition

Revenue from television program and commercial production consists primarily of license fees for the right to broadcast television programs and commercial productions in specified geographic markets and over limited periods of time. Revenue is recognized in the period in which it is earned, which generally coincides with the period that the production has been completed and the contractual delivery arrangements have been met. Payments received or advances or other amounts due under a contractual arrangement are treated as deferred revenue until the conditions for revenue recognition are satisfied.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Interest income is recognized when earned and reasonable assurance as to collectibility exists.

Property and Equipment

Property and equipment consists of office equipment which is recorded at cost. Office equipment is amortized using the declining balance method at a rate of 30% per annum and leasehold improvements are amortized on a straight line basis over the length of the lease.

Impairment of Long-lived Assets

Property and equipment with finite lives are reviewed for impairment when events or circumstances indicate that carrying values may not be recoverable. Impairment exists when the carrying value of the asset is greater than the undiscounted future cash flows expected to be provided by the asset. The amount of impairment loss, if any, is the excess of its carrying value over its fair value.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, as well as for the benefit of losses available to be carried forward to future years for tax purposes. Future income tax assets and liabilities are measured using enacted tax rates and laws that are expected to be in effect when the differences are likely to reverse. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at historical exchange rates. Revenue and expenses are translated at the rate of exchange at each transaction date. Gains or losses on translation are included in income.

Stock-based Compensation

The Company applies a fair value based method of accounting to all stock-based payments, as set out in the CICA handbook section 3870 "Stock-Based Compensation and Other Stock-Based Payments".

Accordingly, stock-based payments are measured at the fair value of the consideration received or the fair value of the equity instruments issued or liabilities incurred, whichever is more reliably measurable. Stock-based compensation is charged to operations over the vesting period and the offset is credited to contributed surplus. Consideration received upon the exercise of stock options is credited to share capital and the related contributed surplus is transferred to share capital.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Valuation of Warrants

Warrants issued are valued at fair value of the warrants on the date of the grant, determined using the Black-Scholes option-pricing model. Option pricing models require input of highly subjective assumptions, including the expected price volatility. Changes to these assumptions can materially affect the fair value estimate.

Share Issue Costs

Costs that are directly attributable to issuance of capital stock are charged to share capital when the related shears are issued.

Loss Per Share

The Company uses the treasury stock method to compute the dilutive effect of options and similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options and similar instruments. It assumes that proceeds would be used to purchase common shares at the average market price during the period.

Basic loss per share is calculated using the weighted-average number of shares outstanding during the year.

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. The significant area requiring the use of estimates involves the determination of fair value of stock options granted and warrants issued and the impairment of investments. Actual results may differ from these estimates.

Measurement Uncertainty

The amounts recorded as the amortization of the recorded cost of individual television program productions are based on estimates. By their nature these estimates are subject to measurement uncertainty and the effect on the financial statements is such that changes in estimates in future periods may be significant.

Comprehensive Income

Section 1530 establishes standards for the reporting and presenting of comprehensive income which is defined as the change in equity from transaction and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments

CICA Handbook section 3855 requires that all financial assets and liabilities be carried at fair value in the consolidated balance sheet, except for loans and receivables, financial assets held to maturity, other liabilities and certain available for sale assets. The latter are carried at amortized cost using the effective interest method. Investments in equity instruments that are available for sale and do not have a quoted market price in an active market are recorded at cost subject to impairment for other than temporary declines in value. Changes in the fair value of financial instruments carried at fair value are charged or credited to the consolidated statement or operations for the current year.

The company has classified its financial assets and liabilities as follows:

Assets/Liabilities	Category	Measurement
Cash and cash equivalents	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost
Investments	Available for sale	Cost

Fair Value Hierarchy and Liquidity Risk Disclosure

In June 2009, the CICA issued an amendment to Handbook Section 3862 to provide improvements to fair value and liquidity risk disclosures. The amendment applies to the Company's fiscal year ending June 30, 2010. This adoption resulted in additional disclosure as provided below.

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments where measurement is required. The fair value of financial instruments approximated their carrying amounts due to the relatively short period to maturity. These include cash and cash equivalents. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in GAAP. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data.

	Level One	Level Two	Level Three
Cash and cash equivalents	$ 107,319	$ -	$ -

3. RECENT ACCOUNTING PRONOUNCEMENTS

Recent accounting pronouncements issued but not yet effective:

Business Combinations

The CICA recently introduced Handbook Section 1582 – Business Combinations to replace Handbook Section 1581 – Business Combinations. The new standard will become effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. The Company is currently in the process of evaluating the potential impact of this standard on its financial statements.

Consolidated Financial Statements and Non-Controlling Interests

The CICA recently introduced Handbook Section 1601 – Consolidated Financial Statements and Section 1602 – Non-Controlling Interests, which will replace Handbook Section 1600 – Consolidated Financial Statements establishing a new section for accounting for a non-controlling interest in a subsidiary. These new sections apply to interim and annual consolidated statements for the years beginning on or after January 1, 2011. The Company is currently in the process of evaluating the potential impact of these standards on its financial statements.

International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board (“ASB”) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards for public companies are required to converge with International Financial Reporting Standards (“IFRS”) for fiscal years beginning on or after January 1, 2011, with comparative figures presented on the same basis. The Company has commenced the process to determine the impact of the transition to IFRS on its reporting process.

4. GOVERNMENT ASSISTANCE RECEIVABLE

The Company has applied for or is entitled to apply for credits and grants from federal and provincial government programs. The following funding has been, or will be applied for, and has reduced the cost of production of "The Thirsty Traveller" "V" and "Eat, Shrink & Be Merry".

	Dec 31, 2010	**June 30, 2010 (Audited)**
Federal tax credit outstanding	**$ 21,592**	$ 21,592

5. PROPERTY AND EQUIPMENT

December 31, 2010		**Cost**		**Accumulated Amortization**		**Net**
Office equipment	**$**	**23,126**	**$**	**21,790**	**$**	**1,336**

June 30, 2010		Cost		Accumulated Amortization		Net
Office equipment	**$**	**23,126**	**$**	**21,554**	**$**	**1,572**

6. INVESTMENTS

At December 31, 2010, investments in private companies consisted of the following:

(a) 300,000 units of Caldera Geothermal Inc. with each unit comprising of one common share and one half share purchase warrant, exercisable at $0.50 per share expiring on April 2, 2012.

(b) 75 units of Enerasia Renewable Corp. with each unit comprising of $1,000 principal amount convertible Debenture and 2,500 common share purchase warrant exercisable at $0.20 per share expiring on April 2, 2014.

The Debentures have a term of 24 months and bear interest at the rate of 15% per annum and payable in equity securities of Enerasia Renewable Corp.

During the year, it was determined that the fair value of the debentures were impaired and were written down to $1. During the year-ended June 30, 2010, $11,737 interest income was earned from this investment and was also written down to $Nil.

The following is a summary of the investments held by the Company in private companies.

		Dec 31, 2010		**June 30, 2010 (Audited)**
Caldera Geothermal Inc.	**$**	**75,000**	$	75,000
Enerasia Renewable Corp.		**1**		1
	$	**75,001**	$	75,001

7. CAPITAL STOCK

	Number of Shares	Amount
Authorized		
unlimited number of Class A voting shares		
unlimited Class B non-voting shares		
unlimited Class C preference shares		
Issued and Outstanding Class A Common Shares		
Issued and outstanding at June 30, 2008	**12,570,336**	$ 1,356,071
Issued under private placement [(a)]	**4,427,360**	124,118
Issued and Outstanding at June 30, 2010	**16,997,696**	$ 1,480,189
Prescribed value of unexercised warrants	**-**	24,549
Issued and outstanding at December 31, 2010	**16,997,696**	$ 1,504,738

Private Placement

(a) On December 12, 2008 the Company announced it had completed a private placement of 4,427,360 units at an issue price of $0.05 per unit for gross proceeds of $221,238 (net proceeds of $152,557 after share issue costs of $68,681). Each unit was comprised of one common share and one-half of one common share purchase warrant, with each whole warrant being exercisable into one common share at an exercise price of $0.10 for two years from the closing date of the private placement. The warrants were valued at $24,549 (note 9).

In addition, as broker compensation in connection with the private placement, the Company issued 350,800 broker compensation options, each such option being exercisable into one common share at an exercise price of $0.10 for two years from the closing date of the private placement. The cost of these stock options in the amount of $3,890 was netted off capital stock.

The warrants issued on December 12, 2008 have expired in this period unexercised.

8. STOCK OPTIONS

The Company has a Stock Option Plan for the benefit of agents, directors, officers and employees. Options may be granted to purchase not more than 2,514,255 of the common shares of the Company at the discretion of the Board of Directors. The Company has no options outstanding as at December 31, 2010. The Plan permits options to be granted by the Directors of the Company for a term not exceeding five (5) years at a price not lower than the lower of market price less the TSX permitted discount, or minimum per share price specified by the TSX. Options are exercisable for Common shares and generally vest immediately or over a three year period on the basis of one third per year on each of the first three grant anniversary dates and are generally available for five years.

8. STOCK OPTIONS (Cont'd)

The weighted average fair value of the options granted in fiscal year 2010 was estimated at $0.01 by using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	2010
Risk-free interest rate	1.52%
Dividend yield	0%
Volatility	75%
Expected life	2 years

A summary of the Company's outstanding stock options as of December 31, 2010 and the changes during the period then ended is presented below:

	Number of Options	**Weighted Average Exercise price**
Outstanding at June 30, 2009	**425,800**	$ 0.10
Expired, unexercised during the period	**(75,000)**	$ 0.10
Outstanding at June 30, 2010	350,800	$ 0.10
Expired, unexercised during the period	(350,800)	$ 0.10
Outstanding at December 31, 2010	**Nil**	$ 0.00

The outstanding options at September 30, 2010 expired on December 12, 2010.

Stock Based Compensation and Contributed Surplus

	Amount
Contributed surplus:	
Balance at June 30, 2010	$ 16,331
Balance at December 31, 2010	$ 16,331

9. WARRANTS

Each warrant is exercisable for one Common share and the warrants expire within 2 years. In prior year, the Company issued 2,213,680 warrants valued at $24,549 (note 7)

The weighted average fair value of the warrants granted in fiscal year 2010 was estimated at $0.01 by using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	2010
Risk-free interest rate	1.52%
Dividend yield	0%
Volatility	75%
Expected life	2 years

A summary of the Company's outstanding warrants as of December 31, 2010 and the changes during the year then ended is presented below:

	Number of Warrants	**Weighted Average Exercise price**
Outstanding and exercisable at June 30, 2010	**2,213,680**	$ 0.10
Expired, unexercised during the period	(2,213,680)	$ 0.10
Outstanding at December 31, 2010	**Nil**	$ 0.00

The outstanding warrants expired on December 12, 2010.

10. CONTINGENCY

There is a possible claim against the company as at December 31, 2010 with regards to a contract signed over 10 years ago for the "Thirsty Traveller I" television series. The Company is examining alternatives for determining the validity of the claim and its ultimate disposition. The Company believes the claim is without merit and has quantified the maximum exposure at $60,000. No provision has been made in the financial statement, as the outcome is not determinable.

11. RELATED PARTY TRANSACTIONS

During the six month period ended December 31, 2010 the Company paid a director and executive officer of the Company a total of $18,000 (2009 - $25,000) for services provided in managing the Company.

These transactions occurred in the normal course of operations and have been recorded at the exchange amount being the amount of consideration agreed by the parties.

12. FINANCIAL INSTRUMENTS

Risk Management Policies

The Company is exposed to risk due to the nature of its financial instruments. Risk management is the responsibility of management and the Company did not use derivative instruments to manage risks.

Fair Value

The Company estimates the fair value of its financial instruments based on current interest rates, market value and pricing of financial instruments with comparable terms. Unless otherwise indicated, the carrying value of these financial instruments approximates their fair market value because of the near maturity of those instruments.

As at December 31, 2010, the carrying value of term deposit is considered to approximate fair value since it bears interest at current rates for similar types of borrowing arrangements or investments.

The fair value of investments has not been disclosed because of the unavailability of a quoted market price.

Credit Risk and Interest Rate Risk

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risk arising from its financial instruments.

Price Risk

All investments in securities present a risk of loss of capital. Management mitigates this risk through careful selection of securities within specified limits. The maximum risk for financial instruments owned by the Company is determined by the fair value thereof. As at December 31, 2010, the Company has invested in equity securities of private companies. Equities are susceptible to market price risk arising from uncertainties about future prices of those instruments.

12. FINANCIAL INSTRUMENTS (Cont'd)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in Note 13 ("Capital Disclosures"). It also manages liquidity risk by continuously monitoring actual and projected cash flows. The Board of Directors reviews and approves the Company's operating and capital budgets, as well as any material transactions out of the normal course of business.

As at December 31, 2010, the Company was holding cash and cash equivalents and term deposits of $107,319. Given the Company's available liquid resources as compared to the timing of the payments of liabilities, management assesses the Company's liquidity risk to be high and will have to complete an equity raise to secure additional funding.

Foreign Exchange

The Company is not exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of these rates. All of the Company's expenses are denominated in Canadian dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

13. CAPITAL DISCLOSURES

The Company's objective when managing capital is to safeguard its ability to continue as a going concern for the benefit of its shareholders.

In order to maintain capital structure, the Company, is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares and incentive stock options. In the management of capital, the Company includes the components of shareholders' equity.

The Company prepares annual estimates of expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest penalty. The Company currently has sufficient capital to cover its administrative costs for the next year. The Company is not subject to any externally imposed capital requirements.

14. SUBSEQUENT EVENTS

On January 20, 2011, the Company entered into an arm's length binding letter agreement (the "Agreement") with Lakeside Minerals Corp. ("Lakeside" or "TargetCo."), a non-reporting issuer incorporated under the laws of the Province of Ontario on August 21, 2007, pursuant to which Grasslands will, subject to a number of conditions, acquire all of the issued and outstanding securities of Lakeside. The transaction will constitute a reverse take-over (the "RTO") of Grasslands under the policies of the TSX Venture Exchange (the "Exchange"). Foundation Opportunities Inc. ("FOI") is a controlling shareholder of Lakeside, and this Agreement shall supersede and terminate any prior agreements between Grasslands and Foundation Financial Holding Corp. (the parent company of FOI) in respect of any potential reverse takeover transaction. FOI is controlled by Jeremy Goldman (of North York, Ontario), Yannis Banks (of Toronto, Ontario) and the Goomie Trust, a trust formed under the laws of the province of Ontario, who together hold a 95% interest in FOI.

Pursuant to the Agreement, Grasslands has agreed to form a new corporation ("Newco") for the purpose of amalgamating with TargetCo. Newco will be a wholly-owned subsidiary of Grasslands and will be created under the Business Corporations Act (Ontario). As a condition of the amalgamation, Grasslands will hold a meeting (the "Meeting") of the shareholders (the "Grasslands Shareholders") of Grasslands to approve the RTO pursuant to the rules and policies of the Exchange. The shareholders will also be asked to approve a consolidation (the "Share Consolidation") of the Class A voting shares of Grasslands on a five (5) old shares ("Pre-Consolidated Shares") for one (1) new share basis (a "Consolidated Share"). If approved, the Share Consolidation shall become effective prior to completion of the RTO. At the meeting, Lakeside shall have the right to nominate up to six (6) new directors for a board of directors of Grasslands (the "Board") comprised of seven (7) directors.

Upon the amalgamation of TargetCo. and Newco, holders of common shares in the capital of TargetCo. ("TargetCo. Shares") will be entitled to receive one (1) Consolidated Share for each TargetCo. Share (the "Consideration Ratio"). The foregoing Consolidated Shares will be issued at an ascribed price of $0.175 per Consolidated Share. Currently, TargetCo has 10,005,100 shares issued and outstanding as at the date hereof. TargetCo has options on 7 properties in Quebec, Canada.

15. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.