



**Interim Consolidated Financial Statements**

**Three and Six Months Ended**

**January 31, 2011 and 2010**

**(Unaudited - prepared by management)**

(An exploration stage company)

Maxtech Ventures Inc.  
Head Office: 1250 West Hastings Street  
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Trading Symbol: MVT  
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## **UNAUDITED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 released by Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the Company's interim consolidated financial statements for the three and six months ended January 31, 2011.

**MAXTECH VENTURES INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(Stated in Canadian dollars)

	<b>January 31, 2011</b>	<b>July 31, 2010</b>
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 620,275	\$ 103,250
Short term investments (Note 4)	4,082,279	5,022,032
Marketable securities (Note 5)	312,500	250,000
Amounts receivable	20,955	4,480
Prepaid	-	11,672
	5,036,009	5,391,434
<b>Long term investments</b>	1	1
<b>Equipment (Note 6)</b>	157,594	8,133
<b>Resource property interests (Note 7)</b>	1,087,032	931,530
	\$ 6,280,636	\$ 6,331,098
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 4,851	\$ 15,252
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 8a)	8,130,000	8,130,000
Contributed surplus (Note 8c)	5,349,127	5,349,127
Accumulated other comprehensive income (Note 5)	200,000	137,500
Deficit	(7,403,342)	(7,300,781)
	6,275,785	6,315,846
	\$ 6,280,636	\$ 6,331,098

**Nature of operations (Note 1)**  
**Subsequent events (Note 11)**

Approved by the Board of Directors:

*"Thomas R. Tough"*  
Thomas R. Tough, Director

*"Sonny Janda"*  
Sonny Janda, Director

**MAXTECH VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME (LOSS) AND**  
**DEFICIT**  
**(Unaudited-stated in Canadian dollars)**

	Three months ended January 31,		Six months ended January 31,	
	2011	2010	2011	2010
<b>Expenses</b>				
Amortization	\$ 527	\$ 475	\$ 934	\$ 983
Consulting	18,163	6,549	24,193	22,299
Office facilities and administrative services	31,869	8,990	42,510	29,092
Professional fees	20,001	396	22,051	7,796
Transfer agent, filing and stock exchange fees	6,759	2,070	8,487	7,265
Travel and promotion	4,912	105	14,040	105
	<u>(82,231)</u>	<u>(18,585)</u>	<u>(112,215)</u>	<u>(67,540)</u>
<b>Other items</b>				
Interest income	7,579	62,224	15,345	141,183
Gain (loss) on foreign exchange	(5,691)	(234)	(5,691)	(118)
<b>Net income (loss) for the period</b>	<u>\$ (80,343)</u>	<u>\$ 43,405</u>	<u>\$ (102,561)</u>	<u>\$ 73,525</u>
<b>Other comprehensive income (loss)</b>				
Unrealized gain (loss) on marketable securities	<u>(37,500)</u>	<u>-</u>	<u>62,500</u>	<u>87,500</u>
<b>Comprehensive income (loss) for the period</b>	<u>\$ (117,843)</u>	<u>\$ 43,405</u>	<u>\$ (40,061)</u>	<u>\$ 161,025</u>
<b>Net income (loss) for the period</b>	(80,343)	43,405	(102,561)	73,525
<b>Deficit, beginning of period</b>	<u>(7,322,999)</u>	<u>( 7,346,137)</u>	<u>(7,300,781)</u>	<u>( 7,376,257)</u>
<b>Deficit, end of period</b>	<u>\$ (7,403,342)</u>	<u>\$ (7,302,732)</u>	<u>\$ (7,403,342)</u>	<u>\$ (7,302,732)</u>
<b>Basic and diluted earnings (loss) per share</b>	<u>\$ (0.00)</u>	<u>\$ 0.00</u>	<u>\$ (0.00)</u>	<u>\$ 0.00</u>
<b>Weighted average number of common shares outstanding</b>	<u>33,649,002</u>	<u>33,649,002</u>	<u>33,649,002</u>	<u>33,649,002</u>

**MAXTECH VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
**For the period ended January 31, 2011**  
**(Unaudited – Stated in Canadian dollars except the number of shares)**

	Number of Outstanding Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Shareholders' Equity
<b>BALANCE AS AT JULY 31, 2010</b>	<b>33,649,002</b>	<b>\$ 8,130,000</b>	<b>\$ 5,349,127</b>	<b>\$ 137,500</b>	<b>\$(7,300,781)</b>	<b>\$ 6,315,846</b>
Net loss for the period	-	-	-	-	(102,561)	(102,561)
Unrealized gain on marketable securities (Note 5)	-	-	-	62,500	-	62,500
<b>BALANCE AS AT January 31, 2011</b>	<b>33,649,002</b>	<b>\$ 8,130,000</b>	<b>\$ 5,349,127</b>	<b>\$ 200,000</b>	<b>\$(7,403,342)</b>	<b>\$ 6,275,785</b>

**MAXTECH VENTURES INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOW**  
For the three and six months ended October 31,  
(Unaudited-stated in Canadian dollars)

	Three months ended January 31,		Six months ended January 31,	
	<u>2,011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Cash provided by (used for):</b>				
<b>Operating Activities</b>				
Net income for the year	(\$ 80,343)	\$ 43,405	(\$ 102,561)	\$ 73,525
Adjustments for non-cash items:				
Accrued interest	(1,481)	(62,224)	(9,247)	(135,548)
Amortization	<u>527</u>	<u>475</u>	<u>934</u>	<u>983</u>
	(81,297)	(18,344)	(110,874)	(61,040)
<b>Changes in non-cash operating accounts</b>				
Amounts receivable	(9,672)	12,229	(16,475)	9,111
Prepaid expenses	14,551	(12,892)	11,672	(2,392)
Accounts payable and accrued liabilities	<u>(13,882)</u>	<u>(32,309)</u>	<u>(10,402)</u>	<u>(12,452)</u>
	<u>(90,300)</u>	<u>(51,316)</u>	<u>(126,079)</u>	<u>(66,773)</u>
<b>Investing Activities</b>				
Equipment	(26,604)	-	(151,604)	-
Short term investments	770,343	(2,600,000)	949,000	(545,754)
Loan receivable	-	-	-	605,117
Change in resource property interests	<u>(78,019)</u>	<u>-</u>	<u>(154,292)</u>	<u>(2,000)</u>
	<u>665,720</u>	<u>(2,600,000)</u>	<u>643,104</u>	<u>57,363</u>
Net increase (decrease) in cash	575,420	(2,651,316)	517,025	(9,410)
<b>Cash, beginning of period</b>	<u>44,855</u>	<u>2,674,128</u>	<u>103,250</u>	<u>32,222</u>
<b>Cash, end of period</b>	<u>\$ 620,275</u>	<u>\$ 22,812</u>	<u>\$ 620,275</u>	<u>\$ 22,812</u>
 <b>Supplementary disclosure</b>				
Cash Interest received	<u>\$ 5,441</u>	<u>\$ -</u>	<u>\$ 6,098</u>	<u>\$ 5,635</u>

## **MAXTECH VENTURES INC.**

Notes to the Interim Consolidated Financial Statements  
For the three months ended October 31, 2010 and 2009  
(Unaudited-stated in Canadian dollars)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Maxtech Ventures Inc. (the "Company") is a development stage company and is primarily engaged in the acquisition, exploration and development of mineral resource properties.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete their development, and upon future profitable production or the realization of proceeds from the disposition of an interest or interests.

Current economic conditions have limited the Company's ability to access financing through equity markets and this has created significant uncertainty as to the Company's ability to fund ongoing operations for the next operating period.

These consolidated financial statements and the notes attached thereto for the three and six months ended January 31, 2011 have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. Realization values may be substantially different from carrying values as presented in the financial statements should the Company be unable to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and the classification of liabilities that might be necessary should the Company be unable to continue in the normal course of business.

### **2. BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION**

These consolidated financial statements have been prepared in accordance with Canadian GAAP for interim financial statements, and do not include all the disclosures as required for annual financial statements under generally accepted accounting principles, and accordingly should be read in conjunction with the Company's audited annual consolidated financial statements and the notes attached thereto for the most recent year ended July 31, 2010 that are available through the internet on SEDAR at [www.sedar.com](http://www.sedar.com).

These consolidated financial statements include the accounts of the Company and its three wholly owned subsidiaries Max Oil and Gas Corporation; Maxtech Resources Private Limited (Incorporated in India), Chimata Gold Corp., and its 75%-owned subsidiary PT Muba Max Gas (collectively known as "Subsidiaries"). All material intercompany balances and transactions between the Company and the Subsidiaries have been eliminated

Operating results for the three and six months ended January 31, 2011 are not necessarily indicative of the results that may be expected for the full year ending July 31, 2011 or for any other periods.

### **3. CHANGE OF ACCOUNTING POLICIES**

# MAXTECH VENTURES INC.

Notes to the Interim Consolidated Financial Statements  
For the three months ended October 31, 2010 and 2009  
(Unaudited-stated in Canadian dollars)

Commencing January 1, 2011, the Company adopted the following new accounting policies:

### Business combination, Consolidated Financial Statements and None-controlling Interest

For interim and annual financial statements relating to its fiscal year commencing on or after January 1, 2011, the Company is required to adopt new CICA Section 1582 "Business Combinations", Section 1601 "Consolidated Financial Statements" and Section 1602 "Non-Controlling Interests". Section 1582 replaces existing Section 1581 "Business Combinations", and section 1601 and 1602 together replace Section 1600 "Consolidated Financial Statements". The adoption of Section 1582 and collectively, 1601 and 1602 provides the Canadian equivalent to IFRS 3 "Business Combinations" and International Accounting Standard IAS 27 "Consolidated and Separate Financial Statements" respectively. The Company believes the adoption of these new accounting policies does not have material impacts to the Company.

. New accounting standards issued by CICA which have not been adopted are summarized as follows:

### International Financial Reporting Standard ("IFRS")

In 2006, The Canadian Accounting Standard Board "AcSB" published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011, although early adoption may be permitted. Due to the Company's July 31 fiscal yearend, the Company will adopt IFRS commencing August 1, 2011 and will restate the financial statements (for comparative purposes) reported by the Company for the year ended July 31, 2011. The Company is currently in the process of establishing a steering committee, developing a formal project plan, allocating internal resources and engaging expert consultants to monitor the transition from Canadian GAAP to IFRS reporting.

## 4. SHORT TERM INVESTMENTS

Short term investments consist of various redeemable guaranteed certificates ("GICs"), issued by a major financial institution. These GICs have annual interest rates from 0.45% to 1.0% per annum and are readily convertible to contracted amounts of cash.

## 5. MARKETABLE SECURITIES

The Company's marketable securities as at January 31, 2011 are as follows:

	Cost	Carrying Value	Fair Value	Accumulated Unrealized Gain
<b>Available for sale</b>				
Abacus Mining & Exploration Corp. – 1,250,000 shares	\$112,500	\$ 312,500	\$ 312,500	\$ 200,000

The fair value of the Abacus shares on July 31, 2010 and January 31, 2011 was \$250,000 and \$312,500 respectively. Consequently, Maxtech recorded a comprehensive income of \$62,500 for the six months ended January 31, 2011.

## 6. EQUIPMENT



**MAXTECH VENTURES INC.**

Notes to the Interim Consolidated Financial Statements  
For the three months ended October 31, 2010 and 2009  
(Unaudited-stated in Canadian dollars)

	Cost	Accumulated Amortization	January 31, 2011 Net Book Value	July 31, 2010 Net Book Value
Exploration equipment	125,000	-	125,000	-
Field equipment	22,413	9,150	13,264	6,912
Office equipment	5,058	1,672	3,386	1,221
Vehicle	16,783	839	15,944	-
	<u>\$169,254</u>	<u>\$ 9,924</u>	<u>\$ 157,594</u>	<u>\$ 8,133</u>

**7. RESOURCE PROPERTY INTERESTS**

	Ariane	Guercheville	Julia	Lalitpur	Total
Total as at July 31, 2009	\$ 322,040	\$ 322,040	\$ 285,450	\$ -	\$ 929,530
Land acquisition & holding costs	-	-	-	-	-
Analytical/assays	-	-	2,000	-	2,000
Geologist and geophysics	-	-	-	-	-
Land administration	-	-	-	-	-
Total as at July 31, 2010	<u>\$ 322,040</u>	<u>\$ 322,040</u>	<u>\$ 287,450</u>	<u>\$ -</u>	<u>\$ 931,530</u>
Land acquisition & holding costs	36,064	36,064	-	-	72,128
Analytical/assays	-	-	-	-	-
Geologist and geophysics	-	-	71,407	11,967	83,374
Land administration	-	-	-	-	-
Total as at January 31, 2011	<u>\$ 358,104</u>	<u>\$ 358,104</u>	<u>\$ 358,857</u>	<u>\$ 11,967</u>	<u>\$1,087,032</u>

**Ariane & Guercheville**

By an Option agreement dated March 5, 2007, the Company may acquire a 100% interest in two prospective gold properties consisting of 40 mineral claims totaling approximately 2,300 acres in the Abitibi region of Quebec for consideration of:

- Cash payment of \$45,000 for each property (\$90,000 total paid); and
- Undertaking the drilling of at least three holes on each property (incomplete)

For each property upon which an economic discovery is made, a bonus of \$70,000 in the Company's common shares and a 2% NSR will be issued to the vendor. The Company can acquire 1% of the NSR for \$1 million.

On October 20, 2010, the Company renegotiated the original agreement whereby the Company can acquire a 100% interest of Ariane and Guercheville properties by paying the sum of \$72,128 (paid) which includes the cost of NI43-101 reports (received) on each of the Ariane and Guercheville properties and the inclusion of 93 additional claims added to the Ariane properties and 13 additional claims added to the Guercheville properties (collectively the "Additional Claims"). The acquisition of the 100% interest of Ariane and Guercheville properties, including the Additional Claims was completed as at January 31, 2011.

**7. RESOURCE PROPERTY INTERESTS (Continued)**

## MAXTECH VENTURES INC.

Notes to the Interim Consolidated Financial Statements  
For the three months ended October 31, 2010 and 2009  
(Unaudited-stated in Canadian dollars)

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During the period ended January 31, 2011, the Company spent \$nil (2009- \$nil) of exploration expenditures on Guercheville and Ariane properties. All the claims were in good standing as at January 31, 2011.

### Julia

By an Option agreement dated November 30, 2005 and amended September 7, 2006, the Company has earned a 50% interest, subject to a 2% NSR, in a property consisting of 7 mineral claims totaling approximately 2,300 hectares in the Atlin Mining Division of British Columbia for consideration of:

- Cash payment of \$5,000 on signing (paid);
- Cash payment of \$20,000 on decision to proceed with the second program (paid); and
- Incurring \$150,000 in exploration expenditures on or before November 1, 2007 (completed).
- A total of \$250,000 was spent on the exploration program initiated. (paid)

The Company can acquire 1% of the NSR for \$1 million.

The expiry date of all the claims have been extended to October 30, 2017, and an additional \$71,407 (paid) was spent on geochemical and geophysical survey during the period ended January 31, 2011 (2009 - \$2,000). All the claims were in good standing as of January 31, 2011.

### Lalitpur District, India

In March 2010, the Company's wholly owned subsidiary, Maxtech Resources Private Limited ("MRPL"), was granted a Reconnaissance Permit in the Lalitpur District, Uttar Pradesh (U.P.) India to explore for platinum group minerals and gold mineralization.

The Company, through its subsidiary Maxtech Resources Private Limited, has made arrangements with the Directorate of Geology and Mining of Uttar Pradesh ("Directorate") to drill two or more diamond drill holes on its Reconnaissance Permit to verify and possibly expand on the values previously intercepted in holes drilled by the Directorate. The drilling costs will be borne by the Company. The Company entered into a contractual agreement with the Directorate whereby the Company will arrange for and pay the costs incurred for the assaying of the drill core samples at certified compliant assay laboratories outside of India. Subsequent to the period ended January 31, 2011, a geological team was mobilized to, and a camp set up in, the Girar area in the Province of Uttar Pradesh, India.

For the six months ended January 31, 2011, the Company incurred \$11,967 exploration expenditure in connection with the Reconnaissance Permit.

## 8. SHARE CAPITAL

### a) Share Capital

Authorized share capital of the Company consists of 100,000,000 common shares without par value.

The Company's issued and outstanding share capital has not changed since July 31, 2010, its most recent year-end, and is as follows:

	Shares	Amount
Balance, January 31 2011 and July 31, 2010	33,649,002	\$ 8,130,000

## 8. SHARE CAPITAL (Continued)

## MAXTECH VENTURES INC.

Notes to the Interim Consolidated Financial Statements  
For the three months ended October 31, 2010 and 2009  
(Unaudited-stated in Canadian dollars)

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### b) Stock Option

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 6,116,000. Options granted under the Plan may have a maximum term of five (5) years. The exercise price of options granted under the Plan will not be less than the closing price of the Company's shares on the TSX Venture Exchange (the "Exchange") on the trading day immediately before the date of grant, less the discount permitted under the Exchange's policies, subject to a minimum of \$0.10 per common share. Stock options granted under the Plan vest over a period of 18 months from the date of grant and vesting of the options shall occur equally every six months.

During fiscal 2010, the Company cancelled all of the outstanding stock options totaling 4,791,000. There were no outstanding stock options as at its most recent year ended July 31, 2010. The Company has not granted stock options during the period ended January 31, 2011. As a result, the company has no outstanding stock options as at January 31, 2011.

### c) Contributed Surplus

The Company's contributed surplus balance has not changed since July 31, 2010 and is as follows:

Balance, January 31, 2011 and July 31, 2010.	\$ 5,349,127
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## 9. RELATED PARTY TRANSACTIONS

During the six months ended January 31, 2010 the Company was charged \$3,650 (2009 - \$1,496) for the consulting services provided by a company controlled by the Chief Financial Officer of the Company. As at January 31, 2011, \$Nil (2009 - \$1,181) was payable to this company.

## 10. CORPORATE RESTRUCTURE

On January 15, 2011, the Company and its wholly owned subsidiary Chimata Gold Corp. ("Chimata Gold"), entered into an arrangement agreement ("Arrangement Agreement") to proceed with a corporate restructuring by way of a statutory plan of arrangement ("Plan of Arrangement") whereby Chimata would acquire all of Maxtech's interest in the Guercheville Property (Note 7) from Maxtech in exchange for 33,649,002 common shares of Chimata Gold (the "Chimata Gold Shares"). Upon the closing of the Arrangement Agreement, the 33,649,002 Chimata Gold Shares would be distributed to the shareholders of Maxtech of record as of the close of business on the date determined by the Company's management. As a result of the Plan of Arrangement, Chimata would spin-out from Maxtech and become a reporting issuer.

The Arrangement Agreement was approved at the Company's annual general meeting ("AGM") held on March 17, 2011. The completion of the Arrangement Agreement is pending approval from various relevant regulatory agencies.

## 11. SUBSEQUENT EVENTS

There are no subsequent events to report other than the approval of the Arrangement Agreement in the Company's AGM that has been discussed in Note 10.