



SECOVA METALS CORP

CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

MARCH 31, 2011

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the period ended March 31, 2011.

SECOVA METALS CORP.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2011	June 30, 2010
ASSETS		
Current		
Cash	\$ 823,862	\$ 1,186,808
Receivables	259	12,921
Reclamation bonds (Note 3)	-	55,692
Prepaid expenses	<u>-</u>	<u>5,350</u>
	824,121	1,260,771
Mineral properties (Note 3)	575,447	597,033
Equipment (Note 4)	<u>689</u>	<u>887</u>
	<u>\$ 1,400,257</u>	<u>\$ 1,858,691</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current		
Accounts payable and accrued liabilities	<u>\$ 18,709</u>	<u>\$ 189,063</u>
Shareholders' equity		
Capital stock (Note 5)	7,879,960	7,879,960
Contributed surplus (Note 5)	2,892,915	2,885,917
Deficit	<u>(9,391,327)</u>	<u>(9,096,249)</u>
	<u>1,381,548</u>	<u>1,669,628</u>
	<u>\$ 1,400,257</u>	<u>\$ 1,858,691</u>

Nature and continuance of operations (Note 1)

On behalf of the Board:

"Bryan Slusarchuk"

Director

"Michael Williams"

Director

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

SECOVA METALS CORP.**CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT**

(Unaudited)

	Nine months ended March 31, 2011	Nine months ended March 31, 2010	Three months ended March 31, 2011	Three months ended March 31, 2010
EXPENSES				
Amortization	\$ 198	\$ 285	\$ 66	\$ 95
Filing fees and transfer agent	21,310	21,138	4,709	2,954
Investor relations	17,000	40,000	3,000	24,000
Office and sundry	27,210	54,346	6,116	12,438
Printing and advertising	5,136	6,631	87	36
Professional fees	94,253	96,037	22,486	33,335
Property investigation costs	67,978	179,049	9,289	80,278
Rent	32,068	36,136	11,476	12,615
Stock-based compensation (Notes 5)	6,998	120,183	(1,546)	-
Telephone	4,306	3,669	2,087	1,480
Trade shows and shareholder communication	2,360	23,005	502	6,198
Travel	16,261	3,043	-	3,043
Loss before other item	(295,078)	(583,522)	(58,272)	(176,472)
OTHER ITEM				
Mineral property recovery	-	122,865	-	122,865
Mineral property write-off	-	(298,182)	-	-
Loss and comprehensive loss for the period	(295,078)	(758,839)	(58,272)	(53,607)
Deficit, beginning of period	(9,096,249)	(7,666,900)	(9,333,055)	(8,372,132)
Deficit, end of period	\$ (9,391,327)	\$ (8,425,739)	\$ (9,391,327)	\$ (8,425,739)
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.01)
Weighted average number of shares outstanding	35,722,631	35,711,093	35,722,631	35,722,631

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

SECOVA METALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine months ended March 31, 2011	Nine months ended March 31, 2010	Three months ended March 31, 2011	Three months ended March 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	\$ (295,078)	\$ (758,839)	\$ (58,272)	\$ (53,607)
Items not affecting cash:				
Amortization	198	285	66	95
Stock-based compensation	6,998	120,183	(1,546)	-
Mineral property write-off	-	298,182	-	-
Change in non-cash working capital items:				
Receivables	68,354	260,398	(259)	(9,694)
Prepaid expenses	5,350	-	-	-
Accounts payable and accrued liabilities	<u>(156,752)</u>	<u>(4,316)</u>	<u>4,155</u>	<u>(7,843)</u>
Net cash (used in)/provided by operating activities	<u>(370,930)</u>	<u>(84,107)</u>	<u>(55,856)</u>	<u>(71,049)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Expenditures on mineral properties	(14,800)	(285,958)	(13,602)	(40,929)
Cost recovery of expenditures on mineral properties	<u>22,784</u>	<u>1,560,494</u>	<u>-</u>	<u>-</u>
Net cash provided by/(used in) investing activities	<u>7,984</u>	<u>1,274,536</u>	<u>(13,602)</u>	<u>(40,929)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Share issuance costs	<u>-</u>	<u>(20,651)</u>	<u>-</u>	<u>-</u>
Net cash used in financing activities	<u>-</u>	<u>(20,651)</u>	<u>-</u>	<u>-</u>
Change in cash during the period	(362,946)	1,169,778	(69,458)	(111,978)
Cash, beginning of period	<u>1,186,808</u>	<u>338,190</u>	<u>893,320</u>	<u>1,619,946</u>
Cash, end of period	\$ 823,862	\$ 1,507,968	\$ 823,862	\$ 1,507,968
Cash paid during the period for interest	\$ -	\$ -	\$ -	\$ -
Cash paid during the period for income taxes	\$ -	\$ -	\$ -	\$ -

There were no significant non-cash transactions for periods ending March 31, 2011 and 2010.

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Secova Metals Corp. (formerly Nova Uranium Corporation) (the “Company”) is an exploration stage company incorporated under the Canada Business Corporations Act.

2. BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Secova Metals Corp. and its wholly owned subsidiary Secova Metals (Arizona) Corp. The interim period consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis showing the figures for the corresponding period in the preceding year. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements, with the addition of the policies listed below. Certain information and footnote disclosure normally included in consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles has been condensed or omitted. These interim period statements should be read together with the audited financial statements and the accompanying notes included in the Company's latest annual filing. In the opinion of the Company, its unaudited interim consolidated financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

The Company is in the process of exploring and developing its mineral properties and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These 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 for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. An inability to raise additional financing may impact the future assessment of the Company as a going concern under CICA 1400 General Standards of Financial Statement Presentation. See note 7 for further disclosure regarding liquidity risk.

Future accounting pronouncements

Business combinations, non-controlling interest and consolidated financial statements

In January 2009, the CICA issued Handbook Sections 1582 “Business Combinations”, 1601 “Consolidated Financial Statements” and 1602 “Non-controlling Interests” which replace CICA Handbook Sections 1581 “Business Combinations” and 1600 “Consolidated Financial Statements”. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards (“IFRS”). Section 1582 is applicable for the Company’s business combinations with acquisition dates on or after January 1, 2011. Early adoption of this Section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of financial statements. Section 1601 is applicable for the Company’s interim and annual financial statements for its fiscal year beginning July 1, 2011. Early adoption of this Section is permitted and all three Sections must be adopted concurrently.

SECOVA METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

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

Future accounting pronouncements (cont'd...)

International financial reporting standards (“IFRS”)

In February 2008 the Canadian Accounting Standards Board (“AcSB”) announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date for the Company will be July 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2011. The Company has begun assessing the adoption of IFRS for 2011, and is considering the accounting policy choices available under IFRS.

3. MINERAL PROPERTIES

The Company's mineral properties consist of:

	Otish Mountain Basin
Acquisition costs:	
Balance, June 30, 2010 and March 31, 2011	\$ 185,000
Exploration costs:	
Balance, June 30, 2010	412,033
Assay	574
Fees and licenses	<u>624</u>
	1,198
Cost recoveries	<u>(22,784)</u>
Balance, March 31, 2011	<u>390,447</u>
Total costs	\$ 575,447

SECOVA METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

3. MINERAL PROPERTIES (cont'd...)

	Fortune Uranium Property	Otish Mountain Basin	Gold Coin Property	Total Mineral Properties
Acquisition costs:				
Balance, June 30, 2009	\$ 28,400	\$ 185,000	\$ -	\$ 213,400
Option payments	<u>3,500</u>	<u>-</u>	<u>18,973</u>	<u>22,473</u>
	31,900	185,000	18,973	235,873
Write-off	<u>(31,900)</u>	<u>-</u>	<u>(18,973)</u>	<u>(50,873)</u>
Balance, June 30, 2010	<u>-</u>	<u>185,000</u>	<u>-</u>	<u>185,000</u>
Exploration costs:				
Balance, June 30, 2009	<u>264,782</u>	<u>526,228</u>	<u>-</u>	<u>791,010</u>
Assay	-	-	47,771	47,771
Drilling	-	-	202,667	202,667
Equipment	-	-	1,126	1,126
Fees and licences	-	-	14,009	14,009
Field expenses	1,500	-	31,370	32,870
Geological consulting	-	-	103,744	103,744
Project management	-	-	11,024	11,024
Report preparation	-	-	3,480	3,480
Transportation	<u>-</u>	<u>-</u>	<u>1,520</u>	<u>1,520</u>
	1,500	-	416,711	418,211
Cost recoveries	-	(114,195)	-	(114,195)
Write-off	<u>(266,282)</u>	<u>-</u>	<u>(416,711)</u>	<u>(682,993)</u>
Balance, June 30, 2010	<u>-</u>	<u>412,033</u>	<u>-</u>	<u>412,033</u>
Total costs	\$ -	\$ 597,033	\$ -	\$ 597,033

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

SECOVA METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

3. MINERAL PROPERTIES (cont'd...)

Otish Mountain Basin, Quebec

During fiscal 2007 the Company acquired a 100% interest in the Otish Mountain mineral claims located in Quebec in consideration for \$40,000 and 225,000 common shares valued at \$145,000. During fiscal 2011 the Company recognized a mineral property recovery of \$22,784 (2010 - \$114,195) as a result of government tax credits.

Gold Coin Property, Arizona

The Company entered into an option agreement to earn a 100% interest in the Gold Coin Property, located in Arizona. To earn its interest the Company was required to pay an aggregate of US\$1,000,000 over a ten year period of which US\$15,000 (CAD\$15,884) has been paid. Additional property was staked for \$18,973. Due to unfavourable results the Company cancelled the option agreement and consequently wrote-off acquisition and exploration costs of \$435,684.

During the fiscal 2010 the Company posted a reclamation bond of \$55,692 on this property; which has been subsequently reimbursed. .

Fortune Uranium Property, Quebec

During fiscal 2008 the Company entered into an option agreement to earn a 100% interest in the Fortune Uranium Property, Quebec. To earn its interest the Company is required to pay an aggregate of \$25,000 and issue an aggregate of 160,000 common shares over two years and incur \$150,000 of work expenditures over three years. Pursuant to the agreement the Company paid \$7,000 and issued 50,000 common shares valued at \$11,500 during fiscal 2008 and issued 50,000 common shares valued at \$2,500 during fiscal 2009. Due to unfavorable results the Company cancelled the option agreement and consequently wrote-off acquisition and exploration costs of \$298,182 during fiscal 2010. The Company also recognized a mineral property recovery of \$8,670 as a result of government tax credits. As the property was written off during the year, this recovery was recorded in operations for fiscal 2010.

4. EQUIPMENT

	March 31, 2011			June 30, 2010		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 3,880	\$ 3,191	\$ 689	\$ 3,880	\$ 2,993	\$ 887

SECOVA METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

5. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Capital Stock	Contributed Surplus
Authorized:			
Unlimited common shares without par value			
Issued and Outstanding:			
Balance at June 30, 2009	35,422,631	\$ 7,841,008	\$ 2,769,075
Stock options exercised	300,000	38,952	(8,952)
Stock-based compensation	-	-	125,794
Balance at June 30, 2010	35,722,631	7,879,960	2,885,917
Stock-based compensation	-	-	6,998
Balance at March 31, 2011	35,722,631	\$ 7,879,960	\$ 2,892,915

Stock options and warrants

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, June 30, 2009	529,855	\$ 0.32	1,880,000	\$ 0.14
Granted	-	-	2,050,000	0.15
Exercised	-	-	(300,000)	0.10
Expired/cancelled	(529,855)	0.32	(80,000)	0.50
Outstanding, June 30, 2010	-	-	3,550,000	0.14
Expired/cancelled	-	-	(730,000)	0.18
Outstanding and exercisable, March 31, 2011	-	\$ -	2,820,000	\$ 0.13

SECOVA METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

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

Stock options and warrants (cont'd...)

The following incentive stock options were outstanding at March 31, 2011:

	Number of Shares	Exercise Price	Expiry Date
Options	300,000	0.15	October 13, 2011
	1,100,000	0.10	May 25, 2014
	1,420,000	0.15	July 7, 2014

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

Stock-based compensation

The Company granted Nil (2010 – 1,950,000) options with a weighted-average fair value per option of \$Nil (2010 - \$0.06) to directors, employees and consultants. During nine month period ended March 31, 2011 150,000 (2010 – 1,800,000) options became fully vested and exercisable. Using the Black-Scholes option pricing model to determine fair-value, total stock-based compensation recognized in the Statement of Operations, Comprehensive loss and Deficit for the nine month period ended March 31, 2011 was \$6,998 (2010 - \$120,183).

The following weighted average assumptions were used for valuing the stock options granted and vested during the period:

	March 31, 2011	March 31, 2010
Risk-free interest rate	1.71%	1.75%
Expected life	2.5 Years	2.4 Years
Expected volatility	113.7%	100.21%
Dividend rate	0.00%	0.00%

6. RELATED PARTY TRANSACTIONS

The Company entered into transactions with related parties as follows:

- a) Paid or accrued \$25,500 (2010 - \$22,500) for geological consulting and property investigation fees to an officer of the Company.
- b) Paid or accrued \$38,500 (2010 - \$27,500) for professional fees to officers of the Company.

Included in payable is \$4,620 (June 30, 2010 – \$92,739 in payable) due to a management company controlled by the spouse of a former director.

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

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

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

Financial risk factors

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

Credit risk

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

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at March 31, 2011, the Company had a cash balance of \$823,862 (June 30, 2010 - \$1,186,808) to settle current liabilities of \$18,707 (June 30, 2010 - \$189,063). To maintain liquidity, the Company is currently investigating financing opportunities. All of the Company's financial liabilities are subject to normal trade terms.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

Financial risk factors (cont'd...)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest rate risk

The Company has cash balances held with financial institutions. The Company's current policy is to invest excess cash in short-term treasury bills issued by the Government of Canada and its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at March 31, 2011 and June 30, 2010, the Company did not have any investments in investment grade short-term deposit certificates.

b) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the Company's subsidiary located in USA. Through this the Company is exposed to foreign currency risk on fluctuations related to cash, account payable and accrued liabilities that are denominated in US Dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

8. CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the exploration and development of its mineral property interests. Capital is comprised of the Company's cash and shareholders' equity. As at March 31, 2011, the Company's shareholders' equity was \$1,381,549 (June 30, 2010 - \$1,669,628). The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.