FOX RESOURCES LTD.

(An Exploration Stage Company)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010

410 - 325 Howe Street
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SmytheRatcliffe
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FOX RESOURCES LTD.
(An Exploration Stage Company)

We have audited the accompanying financial statements of Fox Resources Ltd. (an exploration stage company), which comprise the balance sheets as at December 31, 2010 and 2009, and the statements of operations and comprehensive loss, shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Fox Resources Ltd. as at December 31, 2010 and 2009, and the results of its operations and comprehensive loss and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Smythe Ratcliffe LLP

Chartered Accountants

Vancouver, British Columbia
April 26, 2011

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FOX RESOURCES LTD.

(An Exploration Stage Company)

Balance Sheets

December 31

	2010	2009
Assets		
Current:		
Cash and cash equivalents	**$ 226,188**	$ 316,012
Tax receivable	**1,324**	3,323
	$ 227,512	$ 319,335
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 8,566**	$ 16,575
Due to related party (Note 5)	**3,360**	3,150
	11,926	19,725
Shareholders' equity:		
Share capital (Note 4)	**660,395**	660,395
Contributed surplus	**55,971**	55,971
Deficit	**(500,780)**	(416,756)
	215,586	299,610
	$ 227,512	$ 319,335

Subsequent events (Note 10)

Approved by the Board of Directors:

"James H. Elliott" Director

James H. Elliott

"Mark T. Brown" Director

Mark T. Brown

The accompanying notes are an integral part of these financial statements

FOX RESOURCES LTD.

(An Exploration Stage Company)

Statements of Operations and Comprehensive Loss

For the years ended December 31

	2010	2009
Expenses		
Accounting and audit (Note 5)	**$ 39,830**	$ 47,272
Legal	**2,509**	7,835
Transfer agent, listing and filing fees	**20,722**	23,355
Rent (Note 5)	**6,000**	6,000
Investor relations	**537**	1,266
Office	**645**	2,483
Project investigation	**15,544**	-
	85,787	88,211
Other Items		
Foreign exchange loss (gain)	**315**	(1,514)
Interest income	**(2,078)**	(2,102)
Write-off of mineral property interest (Note 3)	**-**	225,328
Loss before income taxes	**84,024**	309,923
Future income tax recovery (Note 7)	**-**	(45,000)
Net loss and comprehensive loss for the year	**$ 84,024**	$ 264,923
Loss per share - basic and diluted	**$ 0.03**	$ 0.08
Weighted average number of common shares outstanding	**3,156,667**	3,156,667

The accompanying notes are an integral part of these financial statements

FOX RESOURCES LTD.
(An Exploration Stage Company)
Statements of Shareholders' Equity
For the years ended December 31

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total Shareholders' Equity
Balance, December 31, 2008	**3,156,667**	**$ 705,395**	**$ 55,971**	**$ (151,833)**	**$ 609,533**
Income tax effect of flow-through share renouncement (Note 7)	-	(45,000)	-	-	(45,000)
Net loss	-	-	-	(264,923)	(264,923)
Balance, December 31, 2009	**3,156,667**	**660,395**	**55,971**	**(416,756)**	**299,610**
Net loss	**-**	**-**	**-**	**(84,024)**	**(84,024)**
Balance, December 31, 2010	**3,156,667**	**$ 660,395**	**$ 55,971**	**$ (500,780)**	**$ 215,586**

The accompanying notes are an integral part of these financial statements

FOX RESOURCES LTD.

(An Exploration Stage Company)

Statements of Cash Flows

For the years ended December 31

	2010	2009
Cash provided by (used in)		
Operating activities:		
Net loss for the year	**$ (84,024)**	$ (264,923)
Items not involving cash:		
Future income tax recovery	**-**	(45,000)
Write-off of mineral property interest	**-**	225,328
Changes in non-cash working capital items:		
Tax receivable	**1,999**	8,283
Accounts payable and accrued liabilities	**(8,009)**	840
Due to related party	**210**	-
Net cash and cash equivalents used in operating activities	**(89,824)**	(75,472)
Investing activity:		
Investment in mineral property	**-**	(113,554)
Net cash and cash equivalents used in investing activity	**-**	(113,554)
Change in cash and cash equivalents	**(89,824)**	(189,026)
Cash and cash equivalents, beginning of year	**316,012**	505,038
Cash and cash equivalents, end of year	**$ 226,188**	$ 316,012
Represented by:		
Cash	**$ 226,188**	$ 313,012
Term investments	**-**	3,000
	$ 226,188	$ 316,012

Supplemental disclosure with respect to cash flows (Note 6)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Fox Resources Ltd. (the "Company") was incorporated under the *Canada Business Corporations Act* on February 3, 2006 and, effective July 6, 2009, changed its continuance out of the federal jurisdiction into the British Columbia jurisdiction under the *Business Corporations Act* (British Columbia). The Company was classified as a capital pool company ("CPC") as defined in the TSX Venture Exchange (the "TSX-V" or "Exchange") Listings Policy 2.4. The Company completed an initial public offering ("IPO") and commenced trading on the TSX-V on May 5, 2006. On August 18, 2008, the Company completed its qualifying transaction, changed to its current name and resumed trading under the symbol "FAX.V" on August 19, 2008.

The Company is primarily engaged in the acquisition and exploration of mineral property interests and is in the process of identifying mineral property interests for acquisition.

To date, the Company has not earned significant revenues and is considered to be in the exploration stage. As at December 31, 2010, the Company has an accumulated deficit of $500,780. The Company's operations are funded from equity financing, which are dependent upon many external factors and may be difficult to raise when required.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") with the assumption 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.

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

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates

The preparation of financial statements in accordance with GAAP 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 amount of expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of mineral property, accrued liabilities and the determination of the valuation allowance for future income tax assets. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash and term investments with original maturities of three months or less, deposited in a high-quality financial institution, together with accrued interest thereon. Term investments are readily convertible to known amounts of cash.

(c) Mineral property interest

All costs related to the acquisition, exploration and development of mineral property interest, net of any recoveries, are capitalized on a property-by-property basis. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are either developed, sold or the Company's mineral rights are allowed to lapse.

If economically recoverable ore reserves are developed, capitalized costs of the related property interest will be reclassified as mining assets and amortized using the unit-of-production method. When a property interest is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property interest is impaired, that property interest is written down to its estimated net realizable value. A mineral property interest is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

From time to time the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as mineral property interest costs or recoveries when the payments are made or received.

(d) Asset retirement obligations ("ARO")

The Company recognizes an estimate of the liability associated with an ARO in the financial statements at the time the liability is incurred and a reasonable estimate of fair value can be assessed. The estimated fair value of the ARO is recorded as a long-term liability, with a corresponding increase in the carrying amount of the related asset. The capitalized amount will be depleted on a straight-line basis over the estimated life of the asset. The liability amount is increased each reporting period due to the passage of time and the amount of accretion is charged to operations in the period. The ARO can also increase or decrease due to changes in the estimates of the timing of cash flows or changes in the original estimated undiscounted cost. Actual costs incurred upon settlement of the ARO are charged against the ARO to the extent of the liability recorded. At present the Company has determined that it has no material AROs.

(e) Equity instruments

Non-monetary consideration - Agent warrants, stock and unit options, and other equity instruments issued as purchase consideration in non-monetary transactions are recorded at fair value determined by management using the Black-Scholes option pricing model. The fair value of the shares issued is based on the trading price of those shares on the TSX-V on the date of the agreement to issue shares as determined by the Board of Directors and the issue of the shares is publicly announced. Proceeds from unit placements are allocated between shares and warrants issued according to their relative fair values.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(f) Stock-based compensation

The Company accounts for stock-based compensation using a fair value-based method with respect to all stock-based payments to directors, employees and non-employees. For directors and employees, the fair value of the options is measured at the date of grant. For non-employees, the fair value of the options is measured on the earlier of the date at which the counterparty performance is complete or the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. For directors, employees and non-employees, the fair value of the options is accrued and charged to operations, with the offset credit to contributed surplus, over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital. The Company does not incorporate an estimated forfeiture rate for options that will not vest but rather accounts for forfeitures as they occur.

(g) Flow-through shares

The Company may from time to time issue flow-through common shares to finance its mineral exploration activities. Canadian income tax law permits the Company to renounce to the flow-through shareholder the income tax attributes of qualifying mineral exploration costs financed by such shares. The tax impact to the Company of the renouncement is recorded on the date the renunciation is filed with taxation authorities, through a decrease in share capital and the recognition of a future income tax liability. Where available, the Company offsets future income tax liabilities with future income tax assets, resulting in recognition of a future income tax recovery for previously unrecognized future income tax assets.

(h) Future income taxes

The Company accounts for, and measures future tax assets and liabilities, in accordance with the assets and liability method. Under this method, future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax basis. Future income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment of the change. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the future benefit is taken and no asset is recognized.

(i) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(j) Revenue recognition

Interest income earned from cash and cash equivalents is recognized on an accrual basis.

(k) Foreign currency translation

The functional currency of the Company is the Canadian dollar. Amounts recorded in foreign currency are translated into Canadian dollars as follows:

i. Monetary assets and liabilities, at the rate of exchange in effect as at the balance sheet date;
ii. Non-monetary assets and liabilities, at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
iii. Interest income and expenses (excluding amortization, which is translated at the same rate as the related asset), at the rate of exchange on the transaction date.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss for the year.

(l) Financial instruments

All financial instruments are classified as one of the following: held-to-maturity, loans and receivables, held-for-trading, available-for-sale or other financial liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net income. Financial assets held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) and reported in shareholders' equity. Any financial instrument may be designated as held-for-trading upon initial recognition.

Material transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments.

(m) Future accounting pronouncements

Convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS")

On February 13, 2008, the Canadian Accounting Standards Board ("AcSB") confirmed the mandatory changeover date to IFRS for Canadian profit-oriented publicly accountable entities ("PAEs") such as the Company.

The AcSB requires that IFRS-compliant financial statements be prepared for annual and interim financial statements commencing on or after January 1, 2011. For the Company, the first unaudited interim financial statements under IFRS will be the quarter ending March 31, 2011, with comparative financial information for the quarter ended March 31, 2010. The first audited annual financial statements will be for the year ending December 31, 2011, with comparative financial information for the year ended December 31, 2010. This also means that all the opening balance sheet adjustments relating to the adoption of IFRS must be reflected in the January 1, 2010 opening balance sheet, which will be issued as part of the comparative financial information in each of the Company's 2011 interim and annual financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(m) Future accounting pronouncements - continued

Convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") - continued

The Company's management assessed the impact of adoption to IFRS and concluded that there would be no significant impact or modification to financial reporting, accounting systems and the internal control process.

Business Combinations

In January 2009, the Canadian Institute of Chartered Accountants ("CICA") issued Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests". These new standards are harmonized with IFRS. Section 1582 specifies a number of changes, including: an expanded definition of a business, a requirement to measure all business acquisitions at fair value, the use of the date of exchange as the measurement date, the requirement to measure non-controlling interests at fair value and a requirement to recognize acquisition related costs that are not capital in nature, such as expenses. Section 1601 establishes the standards for preparing consolidated financial statements. Section 1602 specifies that non-controlling interests be treated as a separate component of equity, not as a liability or other item outside of equity. The new standards will become effective in 2011 but early adoption is permitted. The adoption of this standard will not have an impact on the Company's financial statements.

3. MINERAL PROPERTY INTEREST

Otter Gold Property

The Company first signed a three-year mining option agreement on May 27, 2008 to earn a 100% interest in the Otter Gold Property, located in the Spences Bridge Gold Belt near Princeton, British Columbia, by paying $25,000 in cash and issuing 50,000 common shares valued at $15,000. On August 18, 2009, the Company paid $5,000 to the optionor to amend the original option agreement to postpone the first anniversary commitments of paying $50,000 in cash, issuing 75,000 common shares and incurring $200,000 in exploration expenditures until December 31, 2009. On December 31, 2009, the Company abandoned the Otter Gold Property and wrote-off the entire balance.

4. SHARE CAPITAL

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares and an unlimited number of Class A voting common shares.

(b) Escrow shares

The initial 956,667 seed shares issued by the Company are held in escrow in accordance with the escrow agreement dated April 28, 2006.

Under the escrow agreement, 10%, or 95,667, of the escrowed common shares were released from escrow on the issuance of the Final Exchange Bulletin and 287,000 common shares were released in fiscal 2010. Of the remaining escrow shares, 143,500 will be released on each of February 25, 2011 and August 25, 2011.

As of December 31, 2010, the Company had 287,000 common shares held in escrow. Subsequently, 143,500 common shares were released from escrow on February 25, 2011.

(c) Options

The Company has established a stock option plan that is administered by the Board of Directors of the Company with stock options granted to directors, management, employees, management company employees, agents and consultants. The number of common shares reserved for issuance of stock options is limited to a maximum of 10% of the total number of issued and outstanding shares.

Options outstanding at December 31, 2010 and 2009 are as follows:

	2010		2009	
	Options	Weighted average exercise price	Options	Weighted average exercise price
Outstanding and exercisable, beginning and end of year	223,333	$ 0.30	223,333	$ 0.30
Weighted average remaining contractual life		1.98 years		2.98 years

As at December 31, 2010, the Company had the following options outstanding and exercisable. All options vested immediately upon granting.

Expiry date	Number of options	Exercise price
April 28, 2011	50,000	$ 0.30
May 21, 2013	123,333	$ 0.30
August 18, 2013	50,000	$ 0.30
	223,333	

5. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2010, the Company incurred management and accounting services of $30,000 (2009 - $30,000) and rent of $6,000 (2009 - $6,000) to a private company controlled by a director and an officer of the Company. As at December 31, 2010, a total of $3,360 (2009 - $3,150) is owed to a private company controlled by a director and an officer of the Company.

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

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2010	2009
Interest income	$ 2,078	$ 2,102
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

7. INCOME TAXES

The significant components of the Company's future income tax assets are as follows:

	2010	2009
Future income tax assets:		
Non-capital loss carry-forwards	$ 100,700	$ 71,600
Mineral property interests	11,500	11,300
Share issue costs	4,100	11,100
Future income tax assets	116,300	94,000
Valuation allowance	(116,300)	(94,000)
Net future income tax assets	$ -	$ -

The valuation allowance reflects the Company's estimate that the tax assets, more likely than not, will not be realized.

7. INCOME TAXES - CONTINUED

A reconciliation of the Canadian statutory rate to the income tax provision is as follows:

	2010	2009
Canadian federal and provincial income taxes at 28.5% (2009 - 30.0%)	$ (23,900)	$ (93,000)
Temporary differences		
Write-off of mineral property interest	-	5,200
Share issuance costs	(1,000)	(600)
Rate difference between current and future taxes	2,500	17,600
Change in valuation allowance	22,400	25,800
Future income tax recovery arising from flow-through share renouncement	$ -	$ (45,000)

During the year ended December 31, 2010, the Company recognized $Nil (2009 - $45,000) as a reduction of share capital and corresponding future income tax recovery pursuant to the renunciations made for flow-through shares issued in 2008.

The Company has available approximate non-capital losses that may be carried forward to apply against future years' income for income tax purposes. The losses expire as follows:

2026	$ 22,000
2027	40,000
2028	112,000
2029	112,000
2030	112,000
	$ 398,000

8. FINANCIAL INSTRUMENTS

The Company has designated its cash and cash equivalents as held-for-trading; amounts due to related party and accounts payable and accrued liabilities as other financial liabilities.

The fair values of the Company's cash and cash equivalents and accounts payable and accrued liabilities approximate their carrying values due to the short-term maturity of these instruments. The fair value of amounts due to related party has not been disclosed, as there is no market for such instruments.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and interest rate risk.

(a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's financial asset exposed to credit risk is cash and cash equivalents, which is minimized to the extent that it is placed with a major Canadian financial institution.

8. FINANCIAL INSTRUMENTS - CONTINUED

(b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. As at December 31, 2010, the Company was holding cash and cash equivalents of $226,188 (2009 - $316,012). As at December 31, 2010, the Company's accounts payable excluding accrued liabilities of $566 (2009 - $1,575) and amounts due to related party of $3,360 (2009 - $3,150) are due within 30 days.

(c) Interest rate risk

Interest rate risk consists of two components:

(i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's cash and cash equivalents earn interest from its operating bank accounts, bearing interest of 1.25% per annum. Due to the nature of this financial instrument, fluctuations in market rates do not have a significant impact on net loss as of December 31, 2010. Future cash flows from interest income on cash will be affected by interest rate fluctuations. A 1% change in the interest rate, with other variables unchanged, would affect net loss by an annualized amount of interest equal to approximately $2,262.

9. MANAGEMENT OF CAPITAL

The Company considers its capital to be its shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets, or adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing development efforts, the Company does not pay dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition, selected with regard to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the year and the Company is not subject to any externally imposed capital requirements.

10. SUBSEQUENT EVENTS

(a) On January 4, 2011, 50,000 stock options were exercised at $0.30 per option.

(b) On April 26, 2011, the Company announced that it closed the non-brokered private placement of 3,120,000 units (the “Unit”) at $0.30 per Unit for gross proceeds of $936,000. Each Unit comprised of one common share and one-half of one non-transferable warrant. Each whole warrant entitled the holder to purchase one additional common share for a period of 18 months at a price of $0.45 per common share. In addition, Finder’s Warrants, entitling the holder to purchase up to 198,000 Units for a period of 18 months from issue at $0.30 per Unit and cash finder’s fees of $41,580 were paid. All securities issued are subject to a four-month hold period expiring on August 26, 2011. Insider participation amounts to 220,000 units.

11. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the presentation used in the current year.