GTA RESOURCES AND MINING INC.

(Formerly GTA Corpfin Capital Inc.)

(A Development Stage Enterprise)

Condensed Interim Financial Statements

June 30, 2011

(Unaudited)

(Expressed in Canadian Dollars)

These condensed interim financial statements have not been reviewed by the Company's auditors.

GTA RESOURCES AND MINING INC.
(A Development Stage Enterprise)
(Unaudited)
(Expressed in Canadian Dollars)

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GTA RESOURCES AND MINING INC.
(A Development Stage Enterprise)
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	As at June 30, 2011	As at March 31, 2011 (Note 15)	As at April 1, 2011
Assets			
Current assets			
Cash and cash equivalents	$ 445,837	$ 535,436	$ 239,582
Sundry receivables	55,391	43,789	2,491
Loan receivable	-	-	49,215
Prepaid expenses	5,520	9,115	16,396
	506,748	588,340	307,684
Property, plant and equipment (Note 7)	844	1,013	-
Exploration and evaluation assets (Note 8)	1,229,257	1,209,657	-
	$ 1,736,849	$ 1,799,010	$ 307,684
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	$ 49,184	$ 44,135	$ 29,338
Liability for flow-through shares	31,400	35,320	-
	80,584	49,455	29,338
Shareholders' equity			
Share capital (Note 9)	2,020,366	2,020,366	547,978
Warrants (Note 10)	179,149	179,149	-
Contributed surplus (Note 11)	174,530	174,530	48,643
Deficit	(717,780)	(654,490)	(318,275)
	1,656,265	1,719,555	278,346
	$ 1,736,849	$ 1,799,010	$ 307,684

Approved by the Board of Directors

"Peter M. Clausi"
____
Director

"Brian Crawford"
____
Director

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

GTA RESOURCES AND MINING INC.
(A Development Stage Enterprise)
CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)
Three months ended June 30th

		2011 (Note 15)		2010 (Note15)
Operating expenses				
Filing and transfer agent fees	$	6,272	$	3,816
General and administration costs		48,973		19,466
Professional fees		11,796		9,000
Share-based compensation		-		125,887
Depreciation		169		-
		67,210		158,169
Loss before income taxes		67,210		158,169
Deferred tax benefit		(3,920)		-
Net loss and comprehensive loss	$	63,290	$	158,169
Basic and diluted loss per share	$	0.00	$	(0.03)
Weighted average number of shares outstanding	$	12,900,330	$	4,654,885

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

GTA RESOURCES AND MINING INC.
(A Development Stage Enterprise)
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Number of Shares		Common Shares Issued and Fully Paid		Warrants Value		Contributed Surplus		Deficit Accumulated During Exploration Stage		Total
Balance, April 1, 2010	4,446,502	$	547,978	$	-	$	48,643	$	(318,275)	$	278,346
Shares issued for cash:											
Private placements	3,375,000		496,501		178,499		-		-		675,000
Share issuance costs			(38,434)		-		-		-		(38,434)
Shares issued for exploration and evaluation assets	5,074,855		1,014,971		-		-		-		1,014,971
Additional broker warrants issued			(650)		650		-		-		0
Share-based payments			-		-		125,887		-		125,887
Loss and comprehensive loss			-		-		-		(158,169)		(158,169)
Balance, June 30, 2010	12,896,357		2,020,366		179,149		174,530		(476,444)		1,897,601
Loss and comprehensive loss			-		-		-		(178,046)		(178,046)
Balance, March 31, 2011	12,896,357		2,020,366		179,149		174,530		(654,490)		1,719,555
Stock options exercised	50,000										
Loss and comprehensive loss			-		-		-		(62,390)		(62,390)
Balance, June 30, 2011	12,946,357	$	2,020,366	$	179,149	$	174,530	$	(717,780)	$	1,656,265

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

GTA RESOURCES AND MINING INC.
(A Development Stage Enterprise)
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)
Three months ended June 30th

	2011	2010
Operating activities		
Net loss and comprehensive loss for the period	$ (63,290)	$ (158,169)
Items not affecting cash and cash equivalents		
Depreciation	169	-
Share-based payments	-	125,887
Non-cash interest on loan receivable		(785)
Change in non-cash working capital:		
Sundry receivables	(11,602)	(5,451)
Prepaid expenses	3,595	12,196
Accounts payable and accrued liabilities	5,049	16,685
Liability for flow-through shares	(3,920)	-
Net cash used in operating activities	-	(9,637)
Financing activities		
Issuance of common shares, net of issue costs	-	1,517,388
Issuance of warrants, net of issue costs	-	179,149
Net cash provided by financing activities	-	1,696,537
Investing activities		
Investment in and expenditure on exploration and evaluation assets	(19,600)	(1,072,409)
Repayment of loan receivable	-	25,000
Purchase of property, plant and equipment	-	(1,350)
Net cash used in investing activities	(19,600)	(1,048,759)
Net change in cash and cash equivalents	(89,599)	638,141
Cash and cash equivalents, beginning of period	535,436	239,582
Cash and cash equivalents, end of period	$ 445,837	$ 877,723

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

1. NATURE OF OPERATIONS

GTA Resources and Mining Inc. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (Ontario) on August 9, 2006 under the name GTA CorpFin Capital Inc. with the intent to being classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange Inc. (the "Exchange"). On June 21, 2010 the Exchange issued its Final Exchange Bulletin approving the Company's Qualifying Transaction, as the term is defined within the Exchange's corporate finance manual. In June 2010, the Company changed its name to GTA Resources and Mining Inc. from GTA CorpFin Capital Inc.

The Company is primarily engaged in the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenues and is considered to be in the development stage.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future, and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance and conversion to International Financial Standards ("IFRS")

These are the Company's first financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Previously, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP"). The disclosures required by the provisions of IFRS 1, "First-time adoption of International Financial Reporting Standards", explaining how the transition to IFRS has affected the reported financial performance, cash flows and financial position of the Company, are presented in note 15.

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The accounting policies set out below have been applied consistently to all periods presented in these unaudited condensed interim financial statements. They also have been applied in preparing an opening IFRS statement of financial position at April 1, 2010 (note 15) for the purposes of the transition to IFRS, as required by IFRS 1, First Time Adoption of International Financial Reporting Standards (IFRS 1).

These unaudited condensed interim financial statements have been prepared on the basis of IFRS standards that are expected to be effective or available for early adoption by the Company on March 31, 2012, the Company's first annual reporting date under IFRS. The Company has made certain assumptions about the accounting policies expected to be adopted when the first IFRS annual financial statements are prepared for the year ended March 31, 2012.

The condensed interim financial statements should be read in conjunction with the Canadian GAAP annual financial statements for the year ended March 31, 2011, and also that because these are the Company's first financial statements prepared using IFRS, they include certain disclosures that were not included in those most recent Canadian GAAP annual financial statements, which are required to be included in annual financial statements prepared in accordance with IFRS.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation

These unaudited condensed interim financial statements have been prepared on a historical cost basis. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of estimates include the rates of depreciation for property, the collectability of the sundry accounts receivable, the valuation of other assets and accruals, the impairment and recoverability of non-current assets, the assumptions used in the determination of the fair value of financial instruments and stock-based compensation, and the determination of the valuation allowance for deferred 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.

Mineral Exploration and Evaluation Expenditures

The Company is in the exploration stage with respect to its investment in mineral properties and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration for and development of mineral properties. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. The aggregate costs related to abandoned mineral properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farmout of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount.

All capitalized exploration and evaluation expenditure is monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Property, Plant and Equipment

Recognition and measurement

On initial recognition, property, plant and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition of construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Property, plant and equipment is subsequently measured at cost less accumulated depreciation , less any accumulated impairment losses, with the exception of land which is not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is recognized in profit or loss at the following annual rate:

Computer software	50% declining balance basis

Additions during the year are depreciated at one-half the annual rates.
Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment of Non-financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment

Reversal of Impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental costs as at June 30, 2011, March 31, 2011 and April 1, 2010 as the disturbance to date is minimal.

Income Taxes

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

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

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

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

Share-based Payments

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in reserves. An individual is classified as an employee when the individual is an employee for

2. SIGNIFICANT ACCOUNTING POLICIES - continued

legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

In situations where share options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods or services received at the grant date.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

Share Capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs, such as legal, auditing, and printing, on the issue of the Company's shares are charged directly to share capital.

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to common shares issued in the private placements at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the warrants. Any fair value attributed to the warrants is recorded as warrants in shareholders' equity.

Flow-through Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium if any, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as a deferred income tax recovery and the resulting deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately as flow-through share liability in Note 13.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

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

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 earnings 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.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions at June30, 2011, March 31, 2011 and April 1, 2010

Financial Instruments

Financial assets

All financial assets are recognized and derecognized on the trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following categories: financial assets 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity investments', 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities:

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities:

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Other financial liabilities including borrowings are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

De-recognition of financial liabilities:

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash and cash equivalents	Loans and receivables
Financial assets at fair value through profit or loss	FVTPL
Financial liabilities:	Classification:
Amounts payable and other liabilities	Other financial liabilities

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of income (loss) and comprehensive income (loss) to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Financial instruments recorded at fair value:

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

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2011 and April 1, 2010, none of the Company's financial instruments are recorded at fair value on the condensed statement of financial position.

Early Adoption of Accounting Policy

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning after January 1, 2011 or later periods.

The Company has early adopted the amendments to IFRS 1 which replaces references to a fixed date of "January 1, 2004" with "the date of transition to IFRSs". This eliminates the need for the Company to restate derecognition transactions that occurred before the date of transition to IFRSs. The impact of the amendment and early adoption is that the Company only applies to IAS 39, Financial Instruments: Recognition and Measurement, derecgonition requirements to transactions that occurred after the date of transition.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after December 31, 2010 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded from the table below. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

(i) IFRS 9 Financial instruments ("IFRS 9") was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2013.

(ii) IFRS 10 'Consolidated Financial Statements' – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

(iii) IFRS 11 Joint arrangements ("IFRS 11") was issued by the IASB in May 2011 and will replace IAS 31 Interests in Joint ventures and SIC 13 – Jointly Controlled Entities – Non-Monetary Contributions by Venturers. IFRS 11 is effective for annual periods beginning on or after January 1, 2013.

(iv) IFRS 12 'Disclosure of Interests in Other Entities' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

(v) IFRS 13 'Fair Value Measurement' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.

3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to manage its capital to be able to sustain the future development of the Company's business.

The Company currently has no source of revenues, and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended June 30, 2011. The Company is not subject to externally imposed capital requirements.

The Company classified its cash as financial assets at fair value through profit or loss; accounts receivable as loans and receivables; and accounts payable and accrued liabilities, accrued interest payable, loan payable, convertible debenture and advances from directors as other financial liabilities. The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, accrued interest payable, loan payable, convertible debenture and advances from directors approximate their fair values due to the expected maturity of these financial instruments. The fair value of amounts due to related parties has not been disclosed as their fair values cannot be reliably measured since the parties are not at arm's length.

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

(a) Credit risk

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution.

(Expressed in Canadian Dollars)

3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS - continued

The Company's concentration of credit risk and maximum exposure is as follows:

	June 30, 2011	March 31, 2011
Cash and cash equivalents	$ 445,837	$ 535,436

The credit risk associated with cash is minimized by ensuring it is placed with a major Canadian financial institution with a strong investment-grade rating issued by a primary ratings agency.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration programs will result in profitable mining operations. The Company has significant cash to meet its requirements for administrative overhead, to conduct due diligence on mineral property acquisition targets, and to conduct exploration of its mineral properties and mineral properties that may be acquired.

The Company does not generate cash flows from operations to fund its activities and therefore relies principally upon the issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

i. Interest rate risk

The Company's cash and cash equivalents consist primarily of cash held in bank accounts and term deposits with banks. Due to the short-term nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair value as of June 30, 2011. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. Accordingly, the Company is not subject to interest rate risk.

ii. Foreign currency risk

During the period ended June 30, 2011, the Company is not exposed to material foreign currency risk.

(Expressed in Canadian Dollars)

3. RISK MANAGEMENT, CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS - continued

iii. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk, foreign currency risk or commodity price risk. The Company has no financial instruments exposed to other price risk.

4. AMOUNTS RECEIVABLE AND OTHER ASSETS

	As at June 30, 2011	As at March 31, 2011	As at April 1, 2011
Sales tax receivable-(Canada)	$ 55,391	$ 43,789	$ 2,491
Loan receivable		-	49,215
Prepaid expenses	5,520	9,115	16,396
	$ 60,911	$ 52,904	$ 68,102

5. LOAN RECEIVABLE

A non-interest bearing loan of $200,000, secured by land, was advanced in December 2007in connection with a subsequently failed Qualifying Transaction.

The proceeds from the sale of the land were less than the total amount of debt for which the land was used as security resulting in a shortfall in the principal amount of the loan. As a result of the shortfall the Company received cash proceeds in the amount of $100,000, a promissory note for $50,000 and realized a loss in the amount of $50,000.

Payment of the promissory note was received by the Company during the year ended March 31, 2011.

6. AMOUNTS PAYABLE AND OTHER LIABILITIES

	As at June 30, 2011	As at March 31, 2011	As at April 1, 2011
Due within the year			
Trade payables	$ 49,184	$ 44,135	$ 29,338

(Expressed in Canadian Dollars)

7. PROPERTY, PLANT AND EQUIPMENT

		Computer Software
Cost		
Balance at April 1, 2010	$	-
Additions		1,350
Balance at March 31, 2010 and June 30, 2011	$	1,350
Accumulated depreciation		
Balance at April 1, 2010	$	-
Depreciation for the year		337
Balance at March 31, 2011		**337**
Depreciation of the period		169
Balance at June 30, 2011	$	506
Carrying amounts		
At June 30, 2011	$	844
At March 31, 2011	$	1,013
At April 1, 2010	$	-

8. EXPLORATION AND EVALUATION ASSETS

		Auden Property
Balance, April 1, 2010	$	-
Additions		1,072,409
Balance, June 30, 2010		1,072,409
Additions		137,248
Balance, March 31, 2011		1,209,657
Additions		19,600
Balance, June 30, 2011		$ 12,292,257

On June 21, 2010, the Company completed the acquisition of the Auden property located in Northern Ontario from 1518164 Ontario Inc., an unrelated party. Pursuant to the terms of the Acquisition Agreement, the Company acquired a 100% interest in and to the Auden Property inconsideration for the issuance of 5,074,855 common shares. The acquisition of the Auden Property constituted the Company's Qualifying transaction, as that term is defined in the TSX Venture Exchange policies.

The Auden property is subject to a 3% net smelter return and a 10% gross overriding in royalty in favour of the shareholders of the previous owner of the claims. The Company may purchase one half of each royalty for an aggregate amount of $2,000,000 at any time.

(Expressed in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS - continued

As at March 31, 2011 and June 30, 2011, the Auden property consisted of 107 unpatented mining claims comprising 1,596 claim units covering 24,799 hectares in a largely contiguous block. The Company is required by the Ministry of Northern Development and Mines to incur annual qualifying exploration and development expenditures in order to maintain its unpatented claims in good standing. As at March 31, 2011 and June 30, 2011, the Company believes it has incurred the required amount of expenditures.

On a quarterly basis, management of the Company review exploration costs to ensure mining property interests include only costs and projects that are eligible for capitalization.

9. SHARE CAPITAL

Authorized

Unlimited number of common shares

Issued

	Number of Shares	Share Capital	Contributed Surplus
Balance April 1, 2010	4,446,502	$ 547,978	$ 48,643
Proceeds from share issuance	3,375,000	720,000	
Shares issued for exploration and evaluation assets	5,074,855	1,014,971	
Finders warrants		(650)	
Warrants with respect to private placement		(178,499)	
Share issue costs		(38,434)	
Share-based payments			125,877
Balance March 31, 2011	12,896,357	2,065,366	174,520
Stock options exercised	50,000		
Balance June 30, 2011	12,946,357	$ 2,065,366	$ 174,520

On June 21, 2010, the Company completed a private placement for gross proceeds of $720,000.

The private placement consisted of 900,000 Flow-Through Units at $0.25 per Flow-Through Unit for gross proceeds of $225,000, and 2,475,000 Units at $0.20 per Unit for gross proceeds of $495,000. Each Flow-Through Unit consists of one common share, issued on a flow -through basis, and one warrant of the Company. Each Unit consists of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one common share at a price of $0.30 until June 11, 2012. The warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield, 0%, risk-free interest rate of 0.25%, expected volatility of 100% and an expected life of 12 months. The value attributed to the 3,375,000 warrants was $178,499.

Compensation to the agents consisted of a cash commission of $9,000 and 12,000 agent's warrants, each such agent's warrant entitling the holder to acquire one common share for $0.30 until June 21, 2011. The agent's warrants were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield,

(Expressed in Canadian Dollars)

9. SHARE CAPITAL - continued

0%, risk free interest rate of 0.25%, expected volatility of 100% and an expected life of 12 months. The value attributed to the 12,700 agent's warrants was $650.

One June 21, 2010, the Company issued 5,074,855 common shares as consideration to purchase the Auden property.

On June 1, 2011 the Company entered into an agreement with respect two mining claims, whereby a portion of the purchase price for the mining claims was the issuance of 250,000 common shares as follows"

50,000 common shares upon approval from the TSX Venture Exchange (the "approval date")
50,000 common shares six months from the approval date
50,000 common shares twelve months from the approval date
50,000 common shares eighteen months from the approval date
50,000 common shares twenty four months from the approval date.

On June 6, 2011 approval was received from the TSX Venture Exchange and 50,000 common shares were issued.

Escrowed

The following table reflects the continuity of common shares held in escrow:

Number of Shares	Release Date
1,050,729	December 21, 2011
1,050,728	June 21, 2012
1,050,728	December 21, 2012
1,050,728	June 21, 2013
4,209,913	

10. WARRANTS

The following common share purchase warrants entitle the holders thereof the right to purchase one common share for each common share purchase warrant. Warrants transactions are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, April 1, 2010	-	$	-
Issue of warrants	3,387,000	$	0.30
Balance, March 31, 2011	3,387,000	$	0.30
Warrants expired	(12,000)	$	0.30
Balance June 30, 2011	3,375,000	$	0.30

The weighted average remaining contractual life of warrants outstanding at June 30, 2011 was .95 years.

(Expressed in Canadian Dollars)

10. WARRANTS - continued

As at June 30, 2011 and March 31, 2011, the Company had outstanding warrants as follows:

	June 30, 2011		March 31, 2011	
Expiry Date	**Number of Warrants**	**Exercise Price**	**Number of Warrants**	**Exercise Price**
June 11, 2012	3,375,000	$ 0.30	3,375,000	$ 0.30
June 9, 2012 (agent warrants)			12,000	$ 0.30

The Company uses the fair value method for determining fair value for all agent warrants issued during the year. The fair value of agent warrants was determined using the Black-Scholes option pricing model based on the following assumptions:

	June 30, 2011	March 31, 2011
Expected life (years)	N/A	1
Interest rate	N/A	2.5%
Volatility (average)	N/A	100%
Dividend yield	N/A	0.00%

11. SHARE-BASED PAYMENTS

The Company has established a stock option plan whereby the Board of Directors may grant options to directors, officers and consultants to purchase common shares of the Company. The stock option plan is a rolling plan and the maximum number of authorized but unissued shares available to be granted shall not exceed 10% of its issued and outstanding common shares. Each stock option granted is for a term not exceeding five years unless otherwise specified.

Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately.

A summary of the status of the stock option plan and changes are presented below:

	Number of Options		Weighted Average Exercise Price
Balance, April 1, 2010	442,000	$	0.20
Grant of options	840,000	$	0.20
Balance, March 31, 2011	1,282,000	$	0.20
Options expired	(165,000)	$	0.20
Balance, June 30, 2011	1,117,000	$	0.20

The weighted average remaining contractual life of options outstanding at June 30, 2011 was 3.98 years.

(Expressed in Canadian Dollars)

11. SHARE-BASED PAYMENTS - continued

A summary of the status of the stock option plan and changes are presented below:

		June 30, 2011			March 31, 2011	
Expiry Date	**Exercise Price**	**Number of Options**	**Exercisable at Year-End**	**Exercise Price**	**Number of Options**	**Exercisable at Year-End**
September 12, 2012	$ 0.20	277,000	277,000	$ 0.20	442,000	442,000
June 21, 2015	$ 0.20	840,000	840,000	$ 0.20	840,000	840,000
		1,117,000	1,117,000		1,282,000	1,282,000

The Company applies the fair value method in accounting for its stock options suing the Black-Scholes option pricing model. During the three months ended June 30, 2011, the Company issued a total of nil (2010-840,000) incentive stock options to directors and consultants of the Company resulting in stock-based compensation of nil (2010-$125,887).

The following assumptions were used in the year ended March 31, 2011: risk-free interest rate-4.15%, expected life of options-5 years, volatility-40%, expected dividend rate-0%.

12. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain consultants performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

GTA entered into the following transactions with related parties:

Names	Three months ended June 30, 2011	Three months ended June 30, 2010
	$	$
Maplegrow Capital Inc. (i)	18,000	2,000
Brant Capital Partners Inc. (ii)	18,000	2,000
Duess Geological Services Inc. (iii)	19,500	4,674
Brant Capital Partners Inc. (iv)	6,600	3,000

(i) The Chief Executive Officer ("CEO") services were provided by a company controlled by the CEO.

(ii) The Chief Financial Officer ("CFO") of GTA is the President of Brant Capital Partners Inc. Fees relate to CFO and Secretarial functions performed.

(Expressed in Canadian Dollars)

12. RELATED PARTY TRANSACTION - continued

(iii) The services of the Vice President Exploration were provided by a company controlled by him. The amounts relate to mineral properties and deferred costs.

(iv) The Company paid administrative expenses to a company controlled by the CFO of GTA.

13. COMMITMENTS AND CONTINGENCIES

On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a tax provision. Other liabilities include the liability portion (the premium) of the flow-through shares issued for the amount of the premium on flow-through funds that at June 30, 2011 have not been used to incur qualifying exploration expenditures. The following is a continuity schedule of the liability portion of the flow-through shares issuances.

Flow-through Shares

		Issue on June 21, 2010
Balance at April 1, 2010	$	
Liability incurred on flow-through shares issued		**225,000**
Settlement of flow-through share liability on incurring expenditures		(48,400)
Balance at March 31, 2011		176,600
Settlement of flow -through share liability on incurring expenditures		(19,600)
Balance at June 30, 2011	$	**157,000**

As March 31, 2011, the Company had fulfilled $48,400 of its commitment to incur exploration expenditures in relation to flow-through share financing in 2010.

As at June 30, 2011, the Company had fulfilled an additional $19,600 of its commitment to incur exploration expenditures in relation to flow-through share financing in 2010 and $157,000 remains to be incurred.

14. SUBSEQUENT EVENTS

On July 24, 2011 the Company entered into an Option Agreement with Vancouver based Balmoral Resources Ltd. to acquire up to a 70% interest in certain mining claims comprising the Northshore Property in Northern Ontario. Under the terms of the LOI, the Company may earn an initial 51% interest in the Northshore Gold Property by making cash payments in the amount of $50,000, issuing 2,500,000 common shares of the Company, and incurring $2,500,000 in eligible exploration expenditures over a three year period. A cash payment of $10,000, issuance of 1,000,000 common share of the Company and a one year exploration expenditure of $350,000 would be firm commitments by the Company under the proposed option agreement.

14. SUBSEQUENT EVENTS - continued

Upon exercise of the first option outlined above, the Company will have a right to proceed with a second option under which the Company would have the right to earn an additional 19% interest in the Northshore Property by making an additional cash payment of $100,000, issuing an additional 1,000,000 common shares of the Company and incurring additional exploration expenditures totalling $3,000,000 over a subsequent 24 month period.

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

As stated in Note 2, these are the Company's first unaudited condensed interim financial statements for the period covered by the first annual financial statements prepared in accordance with IFRS. An explanation of how the transition from previous Canadian GAAP to IFRS has affected the Company's financial position and comprehensive loss is set out in this note.

The accounting policies set out in Note 2 have been applied in preparing the condensed interim financial statements for the period ended June 30, 2011, the comparative information presented in these financial statements for the period ended June 30, 2010 and in the preparation of an opening IFRS financial position at April 1, 2010 (the Company's date of transition).

FIRST TIME ADOPTION OF IFRS (IFRS 1)

The Company's financial statements for the year ending March 31, 2012 are the first annual financial statements that will be prepared in accordance with IFRS. The Company has adopted IFRS on April 1, 2011 with a transition date of April 1, 2010. Under IFRS 1 First time adoption of International Financial Reporting Standards ("IFRS 1"), the IFRS standards are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to deficit, with IFRS 1 providing for certain optional and mandatory exemptions to this principle.

Below are the adjustments necessary for the IFRS transition, including exemptions taken at the transition date:

(a) **Share-based payment transactions**

IFRS 1 allows that full retrospective application may be avoided for certain share-based instruments depending on the grant date, vesting terms and settlement of any real liabilities. A first-time adopter can elect to not apply IFRS 2 to share-based payments granted after November 7, 2002 that vested before the later of (i) the date of transition to IFRS and (ii) January 1, 2005. The Company has elected this exemption and will apply IFRS 2 to only unvested stock options as at April 1, 2010 being the transition date.

(b) **Estimates**

The estimates previously made by the Company under pre-changeover Canadian GAAP were not revised for the application of IFRS except where necessary to reflect any difference in accounting policy or where there was objective evidence that those estimates were in error. As a result the Company has not used hindsight to revise estimates.

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - continued

(c) **Flow-through shares**

Under Canadian GAAP, the accounting treatment for flow-through shares is to record the full amount of the proceeds in share capital. When expenditures are incurred, the related tax effect is recorded to share capital and the future tax liability. Under IFRS, the amount initially recorded in share capital is limited to the amount of common shares that would have been issued on that date and the premium being the difference between the actual proceeds and the amount recorded in share capital is set up as a flow-through share premium liability. The flow-through premium is recorded as a liability until the tax benefits are renounced to the investor and the expenditures are incurred, at which time a deferred income tax recovery for the tax effect of flow-through shares is recognized in the Statement of Operations and

Comprehensive Income (Loss). Additional deferred income tax recovery recognized for the difference between the deferred tax liability and the liability recognized on issuance.

The Company recorded a $45,000 decrease to share capital and corresponding $45,000 flow-through premium liability at June 21, 2010, and a $9,680 decrease to deficit and corresponding $9,680 decrease in flow-through premium liability.

(d) Income Taxes

Under Canadian GAAP , in the case of an asset that is acquired, other than in a business combination, and the tax basis of that asset is less than its cost, deferred income taxes are recognized at the time of acquisition and the cost of those

deferred taxes is added to the cost of the asset. IFRS does not allow the recognition of a deferred tax liability if the asset is not recognized as part of a business combination.

At , the Company recorded a $338,290 decrease to exploration and evaluation assets and a decrease to deficit of $163,358 and a net charge to deferred tax liability of $231,970.

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS

A reconciliation of the above noted changes is included in these following Statements of Financial Position and Statements of Operations and Comprehensive Loss for the dates and periods noted below. The effects of transition from Canadian GAAP to IFRS on the cash flow are not material; therefore a reconciliation of the Statement of Cash Flows has not been presented.

- Transitional Statement of Financial Position Reconciliation – April 1, 2010
- Interim Statement of Financial Position Reconciliation - June 30, 2010.
- Interim Statement of Operations and Comprehensive Loss Reconciliation – June 30, 2010.
- Statement of Financial Position Reconciliation – March 31, 2011
- Statement of Operations and Comprehensive Loss Reconciliation – March 31, 2011.

(Expressed in Canadian Dollars)

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - continued

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS – continued

Transition Statement of Financial Position Reconciliation-April 1, 2010

	Canadian GAAP	Effect of Transition to IFRS	IFRS
Assets			
Current assets			
Cash and cash equivalents	239,582	-	239,582
Sundry receivables	2,491	-	2,491
Loan receivable	49,215	-	49,215
Prepaid expenses	16396	-	16,396
	307,684		307,684
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	29,338	-	29,338
	29,338		29,338
Deferred tax liability			
Shareholders' Equity			
Share capital	547,978	-	547,978
Contributed surplus	48,643	-	48,643
Deficit	(318,275)	-	- 318,275
	278,346		278,346
	307,684	-	307,684

(Expressed in Canadian Dollars)

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - continued

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS – continued

Statement of Financial Position Reconciliation-March 31, 2011

		Canadian GAAP		Effect of Transition to IFRS	Ref		IFRS
Assets							
Current assets							
Cash and cash equivalents	$	535,436	$	-		$	535,436
Sundry receivables		43,789		-			43,789
Prepaid expenses		9,115		-			9,115
		588,340					588,340
Property and equipment		1,013					1,013
Moneral properties and deferred expenditures		1,547,947		(338,290)	(d)		1,209,657
	$	2,137,300	$	(338,290)		$	1,799,010
Liabilities							
Current liabilities							
Accounts payable and accrued liabilities	$	44,135	$	-		$	44,135
Liability for flow through shares		-		35,320	(c)		35,320
		44,135		35,320			79,455
Deferred tax liability		231,970		(231,970)	(d)		-
		276,105		(196,650)			79,455
Shareholders' equity							
Share capital		2,008,328		12,038	(c)		2,020,366
Warrants		179,149		-			179,149
Contributed surplus		174,530		-			174,530
Deficit		(500,812)		(153,678)	(c)(d)		(654,490)
		1,861,195		(141,640)			1,719,555
	$	2,137,300	$	(338,290)		$	1,799,010

(Expressed in Canadian Dollars)

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - continued

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS – continued

Statement of Operations and Comprehensive Loss Reconciliation-March 31, 2011

	Canadian GAAP	Effect of Transition to IFRS	Ref	IFRS
Expenses				
Filing and transfer agent fees	$ 20,124	$ -		$ 20,124
General and administration costs	168,740	-		168,740
Professional fees	30,807	-		30,807
Stock based compensation	125,887	-		125,887
Depreciation	337	-		337
Loss before income taxes	345,895	-		345,895
Deferred income tax recovery	(163,358)	153,678	(d)	(9,680)
Net loss and comprehensive loss	$ 182,537	$ 153,678		$ 336,215
Basic and diluted loss per share	$ (0.02)	-		$ (0.03)
Weighted average number of shares outstanding	10,998,033	-		10,998,033

(Expressed in Canadian Dollars)

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - continued

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS – continued

Interim Statement of Financial Position Reconciliation-June 30, 2010

	Canadian GAAP	Effect of Transition to IFRS		IFRS
Assets				
Current assets				
Cash and cash equivalents	$ 877,723	$ -		$ 877,723
Sundry receivables	7,942	-		7,942
Loan receivable	25,000	-		25,000
Prepaid expenses	4,200	-		4,200
	914,865			914,865
Property, plant and equipment	1,350	-		1,350
Exploration and evaluation assets	1,072,409	-		1,072,409
	$ 1,988,624	$ -		$ 1,988,624
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$ 46,023	$ -		$ 46,023
Liability for flow through shares	-	45,000	(c)	45,000
	46,023	45,000		91,023
Shareholders' Equity				
Share capital	2,065,366	(45,000)	(c)	2,020,366
Warrants	179,149	-		179,149
Contributed surplus	174,530	-		174,530
Deficit	(476,444)	-		(476,444)
	1,942,601	-		1,897,601
	$ 1,988,624	$ -		$ 1,988,624

(Expressed in Canadian Dollars)

15. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - continued

RECONCILIATION TO PREVIOUSLY REPORTED FINANCIAL STATEMENTS – continued

Interim Statement of Operations and Comprehensive Loss Reconciliation-June 30, 2010

	Canadian GAAP	Effect of Transition to IFRS	IFRS
Expenses			
Filing and transfer agent fees	$ 3,816	$ -	$ 3,816
General and administration costs	19,466	-	19,466
Professional fees	9,000	-	9,000
Stock based compensation	125,887	-	125,887
Depreciation	-	-	-
Loss before income taxes	158,169	-	158,169
Net loss and comprehensive loss	$ 158,169	$ -	$ 158,169
Basic and diluted loss per share	$ (0.03)	-	$ (0.03)
Weighted average number of shares outstanding	4,654,855	-	4,654,855