SHAMROCK ENTERPRISES INC.

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED NOVEMBER 30, 2011

NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

	Notes	**November 30, 2011**	May 31, 2011	June 1, 2010
		$	$	$
ASSETS				
Current assets				
Cash		**801,706**	240,797	127,437
Sales tax receivable		**68,679**	50,470	-
Prepaid expense		**10,000**	-	10,500
		880,385	291,267	134,937
Exploration and evaluation asset	6	**707,751**	577,381	52,300
TOTAL ASSETS		**1,588,136**	868,648	187,237
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		**4,559**	10,616	47,041
Due to related parties	9	**-**	-	6,295
		4,559	10,616	53,336
SHAREHOLDERS' EQUITY				
Share capital	7	**2,126,732**	1,266,569	325,700
Reserves	7	**236,471**	187,860	-
Accumulated deficit		**(779,626)**	(596,397)	(191,799)
		1,583,577	858,032	133,901
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**1,588,136**	868,648	187,237

The accompanying notes are integral to the financial statements.

Approved on behalf of the Board of Directors

/s/ Gordon Osinchuk
Director

/s/ Michael Dake
Director

SHAMROCK ENTERPRISES INC.
INTERIM STATEMENT OF CHANGES IN EQUITY

	Share Capital		Reserves			
	Number of Shares	Amount	Equity settled benefits	Warrants	Accumulated deficit	Total
		$	$	$	$	$
Balance, May 31, 2010	5,432,800	325,700	-	-	(191,799)	133,901
Private placement						
Gross proceeds	4.000,000	1,000,000	-			1,000,000
Agent fees	-	(105,579)	-			(105,579)
Agent warrants	-	(52,528)	-	52,528		-
Property payment (Note 6)	100,000	25,000	-	-		25,000
Listing fees	-	(11,302)	-	-		(11,302)
Loss for the period	-	-	-	-	(104,651)	(104,651)
Balance, November 30, 2010	9,532,800	1,181,291	-	52,528	(296,450)	937,369
Balance, May 31, 2011	9,735,300	1,266,569	143,986	52,528	(596,397)	858,032
Private placement						
Gross proceeds	2,716,000	950,600	-	-	-	950,600
Agent fees	-	(66,542)	-	-	-	(66,542)
Agent warrants	-	(23,895)	-	23,895	-	-
Option vesting	-	-	24,716	-	-	24,716
Loss for the period	-	-	-	-	(183,229)	(183,229)
Balance, November 30, 2011	12,451,500	2,126,732	160,048	76,423	(779,626)	1,583,577

The accompanying notes are integral to these interim financial statements.

	Notes	Three Months Ended November 30 2011	2010	Six Months Ended November 30 2011	2010
		$	$		
EXPENSES					
Investor relations		**2,765**	10,000	**5,426**	10,000
Management fees	9	**19,500**	15,750	**39,000**	30,750
Office and general	9	**18,803**	11,969	**26,274**	16,070
Share-based compensation	7	**7,414**	-	**24,716**	-
Professional fees	9	**46,232**	16,750	**79,322**	37,831
Regulatory and filing		**6,531**	-	**8,491**	10,000
Comprehensive Loss for the Period		**101,245**	54,469	**183,229**	104,651
Basic and diluted loss per share		**$0.01**	$0.01	**$0.02**	$0.02
Weighted average number of shares outstanding		**12,451,300**	6,343,911	**11,882,586**	5,883,349

The accompanying notes are integral to the financial statements.

SHAMROCK ENTERPRISES INC.
STATEMENTS OF CASH FLOW

	Three Months Ended November 30		Six Months Ended November 30	
	2011	2010		
	$	$	**$**	$
CASH FLOWS USED IN OPERATING ACTIVITIES				
Loss for the period	**(101,245)**	(54,469)	**(183,229)**	(104,651)
Items not involving cash:				
Share-based payments	**7,415**	-	**24,716**	-
Changes in non-cash working capital items:				
Sales tax receivable	**(11,475)**	-	**(18,209)**	-
Prepaid expenses	**(10,000)**	(5,460)	**(10,000)**	(16,763)
Accounts payable and accrued liabilities	**(17,135)**	(14,189)	**(6,057)**	(47,040)
Due to related parties	**(5,600)**	(12,802)	**-**	(6,295)
	(138,040)	(86,920)	**(192,779)**	(174,749)
CASH FLOWS FROM INVESTING ACTIVITIES				
Exploration and evaluation assets	**(130,370)**	(111,167)	**(130,370)**	(115,862)
CASH FLOWS FROM FINANCING ACTIVITIES				
Private placement proceeds	**-**	1,000,000	**950,600**	1,000,000
Agent fees	**-**	(106,832)	**(66,542)**	(106,832)
	-	883,618	**801,706**	883,618
Net increase (decrease) in cash	**(268,410)**	695,531	**560,909**	603,007
Cash, beginning of the period **S**	**1,070,116**	31,913	**240,797**	124,337
Cash, end of the period	**801,706**	727,444	**801,706**	727,444
Supplemental information:				
Interest paid	**$Nil**	$Nil	**$Nil**	$Nil
Income taxes paid	**$Nil**	$Nil	**$Nil**	$Nil

The accompanying notes are integral to the financial statements.

1. NATURE OF OPERATIONS

Shamrock Enterprises Inc. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on April 17, 2008. The Company is in the process of exploring its mineral property and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of amounts shown for mineral property is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral property in accordance with industry practice, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production. The Company's registered corporate address is 484 Beachview Drive, North Vancouver, BC V7G 1P7, Canada.

The Company's financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. The Company's ability to continue as a going concern is however dependent upon its ability to obtain additional funding from loans or equity financings, option agreements or through other arrangements. There is no assurance that these activities will be successful. These financial statements do not contain any adjustments to the amounts and classifications of assets and liabilities, which might be necessary should the Company be unable to continue in business.

The BC Securities Commission issued a receipt for the Company's final IPO prospectus on September 15, 2010. On November 10, 2010, the Company completed its Initial Public Offering of securities and commenced trading on the Canadian National Stock Exchange ("CNSX") under stock symbol SRS.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim financial statements, including comparative figures, have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The disclosures concerning the transition from Canadian Generally Accepted Accounting Principles ("GAAP") to IFRS are included in Note 11.

These condensed interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting ("IAS 34") and IFRS 1, First-Time Adoption of International Financial Reporting Standards ("IFRS 1"). Subject to certain transition elections disclosed in Note 11, the Company has consistently applied the same accounting policies in our opening IFRS balance sheet as at June 1, 2010 and throughout all periods presented, as if these policies had always been in effect.

The policies applied in these condensed interim financial statements are presented in Notes 2 and 3 and are based on IFRS issued and outstanding as of the date the Board of Directors approved the financial statements. Any subsequent changes to IFRS that are given effect in our annual financial statements for the year ending May 31, 2011 could result in restatement of these interim financial statements, including the transition adjustments recognized on change-over to IFRS. The condensed interim financial statements should be read in conjunction with our Canadian GAAP annual financial statements for the year ended May 31, 2011.

The condensed interim financial statements were authorized for issue by the Board of Directors on January 20, 2012.

Use of estimates and judgments

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses.

The use of estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. Accounts which require management to make material estimates and significant assumptions in determining amounts recorded include: impairment of exploration and evaluation assets, and share-based payments.

i) Impairment

The Company assesses its exploration and evaluation assets annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments may require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, and exploration potential.

ii) Share-based payments

The Company follows accounting guidelines in determining the fair value of share-based compensation. The computed amount is not based on historical cost, but is derived based on subjective assumptions input into an option pricing model. The model requires that management make forecasts as to future events, including estimates of: the expected life of options; future volatility of the Company's share price in the expected hold period (using historical volatility as a reference); and the appropriate risk-free rate of interest. Share based payments incorporates an expected forfeiture rate. The resulting value calculated is not necessarily the value that the holder of the option could receive in an arm's length transaction, given that there is no market for the options and they are not transferable. It is management's view that the value derived is highly subjective and dependent entirely upon the input assumptions made.

iii) Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis. The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting.

3. SIGNIFICANT ACCOUNTING POLICIES

Summarized below are those policies considered significant to the Company. All accounting policies have been applied consistently to all periods presented in these financial statements and in preparing the opening IFRS statement of financial position at June 1, 2010 for the purposes of the transition to IFRS, unless otherwise indicated.

Mineral property interests and equipment

i) Exploration and evaluation expenditures

The Company may hold interests in mineral properties in various forms, including prospecting licenses, exploration and exploitation concessions, mineral leases and surface rights, and property options. The Company capitalizes payments made in the process of acquiring legal title to these properties. Mineral property interest acquisition costs are recorded at historical cost. Exploration and evaluation expenditures incurred on properties prior to the obtaining legal rights to explore the specific area are charged to operations as incurred.

ii) Impairment

The carrying values of exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The carrying value of equipment is reviewed for indications of impairment at each reporting date. When impairment indicators exist, the asset's recoverable amount is estimated. If it is determined that the estimated recoverable amount is less than the carrying value of an asset, then a write-down is made with a charge to operations.

iii) Reversal of impairment

An impairment loss is reversed if there is 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 amortization, if no impairment loss had been recognized.

Cash and cash equivalents

Cash and cash equivalents, which include cash and highly liquid investments with original maturities of three months or less at the date of acquisition, are recorded at cost, which approximates fair value.

Income taxes

Current income and mining tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred taxation is provided on all qualifying temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are only recognized to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Share-based payments

The Company grants stock options to buy common shares of the Company through its stock option plan as described in Note 7. The Company accounts for share-based payments using the fair value method. Under this method, compensation expense is measured at fair value on the date of grant using the Black-Scholes option pricing model, and is recognized as an expense, with a corresponding increase in equity.

Financial instruments
The Company's financial instruments consist primarily of monetary assets and liabilities, the fair value of which approximate their carrying value due to the short-term nature of these instruments.

Financial assets

Financial assets of the Company are classified into one of two categories:
- fair value through profit or loss ("FVTPL");
- loans and receivables.

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset.

(i) FVTPL financial assets:
Financial assets are classified as FVTPL when the financial asset is held for trading or it is designated as FVTPL upon initial recognition. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future;
- it is a part of an identified portfolio of financial instruments that the Company manages and has an actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss. The Company has classified its cash and cash equivalents.

(ii) Loans and receivables:
Other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are initially recognized at the transaction value plus any directly attributable transaction costs. Subsequently, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at period end. Bad debts are written off during the year in which they are identified.

(iii) Impairment:
A financial asset, other than those classified as FVTPL, is assessed at each reporting period date for indicators of impairment. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

(iv) Determination of fair value:
The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements of the fair value of financial assets and liabilities.

- Level 1. Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2. 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. Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has determined that cash and cash equivalents fall within level 1 of the fair value hierarchy, and all other financial instruments outstanding as at the date of the statement of financial position fall within level 2 of the fair value hierarchy.

Financial liabilities

Other financial liabilities:
Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. The Company has classified accounts payable and accrued liabilities, and due to related parties as other financial liabilities.

Earnings per share
Basic earnings per share is calculated by dividing the net earnings available to common shareholders divided by the weighted average number of common shares outstanding during the year. The diluted earnings per share are calculated based on the weighted average number of common shares outstanding during the year, plus the effects of the dilutive common share equivalents. This method requires that the dilutive effect of outstanding options and warrants issued be calculated using the treasury stock method. This method assumes that all common share equivalents have been exercised at the beginning of the year (or at the time of issuance, if later), and that the funds obtained thereby were used to purchase common shares of the Company at the average trading price of common shares during the year.

Comprehensive loss
Comprehensive loss is the change in the Company’s net assets that results from transactions, events and circumstances from sources other than the Company’s shareholders and includes items that are not included in net profit such as unrealized gains or losses on available-for-sale investments and gains or losses on certain derivative instruments. The Company’s comprehensive loss, components of other comprehensive income, and cumulative translation adjustments are presented, net of tax, in the statements of comprehensive income loss and the statements of changes in equity.

Future Accounting Policy Changes
Financial Instruments IFRS 9, “Financial Instruments” (“IFRS 9”) was issued by the IASB on November 12, 2009 and will replace 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 classification options in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2013. The Company is currently evaluating the impact of IFRS 9 on its financial instruments.

4. FINANCIAL INSTRUMENTS

	Ref.	November 30, 2011	May 31, 2011
		$	$
FVTPL financial asset	a	801,706	240,797
Other receivables	b	68,679	50,470
Other financial liabilities	c	4,559	10,616

a. Comprises cash and cash equivalents.
b. Comprises receivables consisting of refundable sales tax credits paid for purchases.
c. Comprises accounts payable, accrued liabilities and due to related parties.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

Management of Industry and Financial Risk

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and other receivables. Risk associated with cash is managed through the use of major Canadian bank.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's cash. The Company's cash is held in corporate bank accounts available on demand.

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

Currency Risk
The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rate. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is not exposed to interest rates fluctuations.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Price Risk
The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to finance due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

5. CAPITAL MANAGEMENT

The Company's primary source of funds comes from the issuance of share capital. The Company defines its capital as all components of shareholders equity. Capital requirements are driven by the Company's planned exploration and evaluation activities and general and administrative expenses. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget on all exploration projects and overhead to manage costs, commitments and exploration activities. Although the Company has been successful at raising funds in the past through the issuance of share capital, there can be no assurance that it will continue to be able to do so in the future. There were no changes in the Company's approach to capital management during the period ended November 30, 2011. The Company is not subject to externally imposed capital requirements.

6. EXPLORATION AND EVALUATION

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

Summary of exploration and evaluation expenditures:

	Fireweed
	$
Balance, May 31, 2010	**52,300**
Acquisition costs incurred	151,000
Exploration costs incurred	374,081
Balance, May 31, 2011	**577,381**
Exploration costs incurred	130,370
Balance, November 30, 2011	**707,751**

Fireweed Property, British Columbia

On February 17, 2010 ("Effective Date"), the Company entered into an option agreement with a third party to acquire an initial 50% interest, with an option to earn up to 70% in 8 mineral property claims located in the Omineca Mining Division in British Columbia, Canada, by making the following work expenditures, cash payments and share issuances:

Year Ended On	Annual Work Expenditure	Cumulative Total
	$	$
1st Anniversary of Effective Date	200,000	200,000
2nd Anniversary of Effective Date	450,000	650,000
3rd Anniversary of Effective Date	650,000	1,300,000
4th Anniversary of Effective Date	1,250,000	2,550,000
Total	2,550,000	2,550,000

8% of exploration expenditures are credited towards the annual work expenditure commitment for administrative and overhead costs.

In addition to the work expenditures, Shamrock must also make the following cash payments to the third party to maintain and exercise the Option:

Due Date	Cash Payments
	$
Upon execution of option agreement (paid)	50,000
1st Anniversary of the Effective Date (paid)	50,000
2nd Anniversary of the Effective Date	100,000
3rd Anniversary of the Effective Date	200,000
4th Anniversary of the Effective Date	250,000
Total	650,000

The Company is also committed to making land tenure payments to keep the property in good standing during the term of the option.

In addition to the work expenditures and cash, Shamrock must also issue and deliver the following shares of its capital stock to the third party to maintain and exercise the option:

Due Date	**Share Issuances**	**Amount**
		$
Within 5 business days of the listing of the Company's shares on the Canadian National Stock Exchange (Note 6) (issued)	100,000	35,000
1st Anniversary of the Effective Date (Note 6) (issued)	200,000	66,000
2nd Anniversary of the Effective Date	200,000	-
3rd Anniversary of the Effective Date	250,000	-
4th Anniversary of the Effective Date	250,000	-
Total	1,000,000	101,000

7. EQUITY AND RESERVES

Share Capital

The Company is authorized to issue an unlimited number of commons shares without par value.

For the period ended November 30, 2011

The Company completed a non-brokered private placement of 2,716,000 Units at $0.35 per Unit for gross proceeds of $950,600. Each Unit was comprised of one common share and one share purchase warrant. Each warrant is exercisable to acquire an additional share at $0.45 per share for a two year period. The Company paid an aggregate of $66,542 cash finder's fees as well as the issuance of 190,120 Brokers Warrants carrying the same terms and conditions as the warrants are comprising the Units.

For the year ended May 31, 2011

On November 10, 2010, the Company completed its Initial Public Offering ("IPO") of 4,000,000 common shares at a price of $0.25 per share for gross proceeds of $1,000,000. In connection with the IPO, the Company paid Northern Securities Inc. (the "Agent") $80,000 commission (8% of the gross proceeds raised), an administration fee of $10,500 (includes applicable taxes), expenses and legal fees of totalling $15,079. The Company also granted the Agent warrants to purchase 400,000 common shares (10% of all common shares issued under the offering) at a price of $0.25 per share, which may be exercised until November 10, 2012 (24 months from the date the common shares of the Company are listed on the Exchange).

Stock Options

Stock-Option Plan

The Company has a stock option plan in place. Under the stock option plan the Company can issue up to 10% of the issued and outstanding Shares as incentive stock options to directors, officers, insiders, employees and other service providers to the Company. The stock option plan limits the number of incentive stock options which may be granted to any one individual to not more than 5% of the total issued Shares of the Company in any 12 month period. The number of incentive stock options granted to any one consultant or a person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued Shares of the Company. The options granted under the Stock Option Plan are subject to the vesting schedule of the Stock Option Plan wherein 25% of the options will vest on the day which is 3 months from the day of grant and 25% of the options will vest every 3 months thereafter for a period of 12 months after the day of grant.

For the period ended November 30, 2011
There were no options granted during this period.

For the year ended May 31, 2011
Upon the completion of the Offering and the listing of the Company's common shares on the Exchange, the Company granted incentive stock options to purchase 750,000 Shares at $0.25 per share to officers and directors of the Company for a five year term commencing on November 10, 2010. The fair value of the stock options granted were estimated during the Black-Scholes option pricing mode with the following assumptions: risk-free rate of 2.48%, expected stock price volatility of 114.88%, and expected life of 5 years. During the year ended May 31, 2011, the fair value of options vested was $93,920.

On November 15, 2010, the Company granted 150,000 incentive stock options to consultants for a one year term exercisable at $0.25 per share. The fair value of the stock options granted were estimated during the Black-Scholes option pricing mode with the following assumptions: risk-free rate of 1.70%, expected stock price volatility of 56.41%, and expected life of 1 year. During the year ended May 31, 2011, the fair value of options vested was $24,899.

On April 4, 2011, the Company granted 150,000 incentive stock options to a consultant for a three year term exercisable at $0.30 per share. The fair value of the stock options granted were estimated during the Black-Scholes option pricing mode with the following assumptions: risk-free rate of 2.20%, expected stock price volatility of 105.50%, and expected life of 3 years. During the period ended May 31, 2011, the fair value of options vested was $25,167.

Summary of stock option activity:

	Number of Options	**Weighted Average Exercise Price**	**Weighted Average Life Remaining (Years)**	**Weighted Average Grant Date Fair Value**
		$	$	$
Balance, May 31, 2010	-	-	-	-
Granted	1,050,000	0.25	4.14	0.15
Cancelled	(150,000)	0.25	-	
Balance, May 31, 2011	900,000	0.25	4.18	-
Balance, November 30, 2011	900,000	0.26	3.18	

Summary of stock options outstanding:

Options	Exercise Price	Expiry Date
	$	
750,000	0.25	November 10, 2015
150,000	0.30	April 14, 2014
900,000		

Warrants

For the period ended November 30, 2011

As part of the 2,716,000 Units placed, the Company issued 2,716,000 warrants to placees for a two year term exercisable at $0.45 per share. The fair value of the warrants issued were estimated during the Black-Scholes option pricing mode with the following assumptions: risk-free rates 1.62%, expected stock price volatility of 61.58% to 62.60%, and expected life of 2 years. The fair value of these warrants is estimated to be $341,357 and is included as part of share capital.

As part of the 2,716,000 Units placed, the Company issued 190,120 warrants to Agents for a two year term exercisable at $0.45 per share. The fair value of the warrants issued were estimated during the Black-Scholes option pricing mode with the following assumptions: risk-free rates 1.62%, expected stock price volatility of 61.58% to 62.60%, and expected life of 2 years. The fair value of these warrants is estimated to be $23,895 and is included as a reduction of share capital.

For the year ended May 31, 2011

On November 10, 2010, the Company issued 400,000 share purchase warrants to the Agent for a two year term exercisable at $0.25 per share. Each warrant has an estimated fair value of $0.13; accordingly, $43,874 has been recorded as a reduction in share capital. This value was estimated using the Black-Scholes option pricing model assuming an average expected remaining life of 2 years, a risk-free interest rate of 1.74%, a nil dividend yield and an expected volatility of 115.97%.

Summary of warrant activity:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining (Years)	Weighted Average Grant Date Fair Value
		$	$	$
Balance, May 31, 2010	-	-	-	-
Granted	400,000	0.25	1.45	0.13
Exercised	(2,500)	0.25		
Balance, May 31, 2011	397,500	0.25	1.45	0.13
Granted to placees	2,716,000	0.37	1.00	
Granted to agents	190,120	0.03	0.07	
Balance, November 30, 2011	3,303,620	0.43	1.12	

Summary of warrants outstanding at November 30, 2011:

Warrants	Exercise Price	Expiry Date
	$	
397,500	$0.25	November 10, 2012
318,860	$0.45	July 29, 2013
588,500	$0.45	August 8, 2013
1,998,760	$0.45	August 23, 2013
3,303,620		

8. COMMITMENTS

The Company is committed to certain contractual obligations described in Note 6.

9. RELATED PARTY TRANSACTIONS

The value of transactions and outstanding balances relating to key officers and directors and entities over which they have control or significant influence were as follows:

The Company incurred $39,000 (November 30, 2010 – $30,750) of management fees from a consultant for CEO services performed. In addition, the Company incurred $6,000 (November 30, 2010 – $6,000) for office rent and storage costs from the consultant. As at November 30, 2011, there is $Nil owing to the consultant (May 31, 2011 - $Nil).

The Company incurred $15,000 (November 30, 2010 – $15,000) of professional fees from a company controlled by an officer for CFO services performed. As at November 30, 2011, $2,800 remains unpaid (May 31, 2011 - $Nil) for these services.

The Company incurred $15,000 (November 30, 2010 – $10,000) of professional fees from a company controlled by an officer for corporate secretarial services performed. As at November 30, 2011, $Nil remains unpaid (May 31, 2011 - $Nil) for these services.

Amounts due to related parties are unsecured, non-interest bearing and without specified repayment terms. All related party 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.

10. RECLASSIFICATION

The comparative financial statements have been reclassified to conform to the presentation of the current period financial statements.

11. IFRS TRANSITION FROM PREVIOUS GAAP

The Company's financial statements for the year ending May 31, 2012 will be the first annual financial statements that comply with IFRS. The Company has prepared its opening IFRS balance sheet by applying existing IFRS standards in effect at the release of these condensed interim financial statements. However, the opening IFRS balance sheet and the May 31, 2011 comparative balance sheet presented in financial statements for the year ending May 31, 2012 may differ from those presented at this time if there are changes to IFRS standards that require retroactive adjustment.

As stated in Note 2, these are the Company's first financial statements prepared in accordance with IFRS. The accounting policies in Note 3 have been applied in preparing the condensed interim financial statements for the period ended November 30, 2011, the comparative information presented in these financial statements for the year ended May 31, 2011 and in preparation of an opening IFRS statement of financial position at June 1, 2010.

In preparing its opening IFRS statement of financial position, the Company has reclassified certain amounts reported previously in financial statements prepared in accordance with previous Canadian generally accepted accounting principles ("CDN GAAP"). An explanation of how the transition from previous CDN GAAP to IFRS, if any, has affected the Company's financial position, financial performance, and cash flows is set out below.

IFRS 1 *First-time Adoption of International Financial Reporting Standards* sets forth guidance for the initial adoption of IFRS. Under IFRS 1, the standards are applied retrospectively at the transitional statement of financial position date with all adjustments to assets and liabilities charged or credited to retained earnings unless certain exemptions are applied. The Company has applied the following exemptions to its opening statement of financial position dated June 1, 2010:

(a) Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under the previous CDN GAAP applied, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of June 1, 2010 are consistent with its CDN GAAP estimates for the same date.

(b) Mineral property

IFRS 6 requires that an entity classify each asset in the exploration for and evaluation of mineral resources as tangible or intangible according to the nature of the assets acquired and to apply the classification consistently. As a result, the Company has reclassified certain assets previously classified as mineral property to exploration and evaluation assets.

IFRS employs a conceptual framework that is similar to CDN GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While the adoption of IFRS has not changed the Company's actual cash flows and comprehensive losses, it has resulted in certain line item reclassifications in the Company's Statements of Financial Position with the resulting difference explained.

(c) Reclassifications within the Equity section

IFRS - IFRS requires an entity to present for each component of equity, reconciliation between the carrying amount at the beginning and end of the period, separately disclosing each change. The Company reviewed its contributed surplus account and applied the following changes: The contributed surplus account was renamed reserves account, and the presentation of the reserves in the statement of changes in equity has been further separated into reserves relating to equity settled benefits and reserves relating to warrants.

As at June 1, 2010, the reserves account totalled $Nil. As at May 31, 2011, the reserves account totalled $187,860, which comprises $143,986 related to reserves for equity settled benefits, and $43,874 relates to reserves for warrants. As at November 30, 2010, the reserves account totalled $52,528.

CDN GAAP – The Company records issuances of stock options and warrants as an increase in contributed surplus and a corresponding increase in accumulated loss, or share capital. There is no requirement to present activity related to warrant grants separately from stock option grants.

The June 1, 2010 Canadian GAAP statement of financial position has been reconciled to IFRS as follows:

	Ref.	Canadian GAAP	IFRS Adjustments	IFRS
		$	$	$
ASSETS				
Current assets				
Cash		124,437	-	127,437
Prepaid expense		10,500	-	10,500
		134,937	-	134,937
Mineral property	b	52,300	(52,300)	
Exploration and evaluation asset	b	-	52,300	52,300
TOTAL ASSETS		187,237	-	187,237
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		47,041	-	47,041
Due to related parties		6,295	-	6,295
		53,336	-	53,336
SHAREHOLDERS' EQUITY				
Share capital		325,700	-	325,700
Accumulated deficit		(191,799)	-	(191,799)
		133,901	-	133,901
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		187,237	-	187,237

The November 30, 2010 Canadian GAAP statement of financial position has been reconciled to IFRS as follows:

	Ref.	Canadian GAAP	IFRS Adjustments	IFRS
		$	$	$
ASSETS				
Current assets				
Cash		727,444	-	727,444
Other receivable		9,316	-	9,316
Prepaid expense		7,447	-	7,447
		744,207	-	744,207
Mineral property	b	193,162	(193,162)	-
Exploration and evaluation asset	b	-	193,162	193,162
TOTAL ASSETS		937,369	-	937,369
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		-	-	-
Due to related parties		-	-	-
		-	-	-
SHAREHOLDERS' EQUITY				
Share capital		1,181,291	-	1,181,291
Contributed surplus	c	52,528	(52,528)	-
Reserves	c	-	52,528	52,528
Accumulated deficit		(296,450)	-	(296,450)
		937,369	-	937,369
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		937,369	-	937,369

The May 31, 2011 Canadian GAAP statement of financial position has been reconciled to IFRS as follows:

	Ref.	Canadian GAAP	IFRS Adjustments	IFRS
		$	$	$
ASSETS				
Current assets				
Cash		240,797	-	240,797
Sales tax receivable		50,470	-	50,470
Prepaid expense		-	-	-
		291,267	-	291,267
Mineral property	b	577,381	(577,381)	
Exploration and evaluation asset	b	-	577,381	577,381
TOTAL ASSETS		868,648	-	868,648
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		10,616	-	10,616
Due to related parties		-	-	-
		10,616	-	10,616
SHAREHOLDERS' EQUITY				
Share capital		1,266,569	-	1,266,569
Contributed surplus	c	187,860	(187,860)	-
Reserves	c	-	187,860	187,860
Accumulated deficit		(596,397)	-	(596,397)
		858,032	-	83,720
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		868,648	-	868,648

For the period ended November 30, 2010 and the year ended May 31, 2011, there were no IFRS adjustments affecting the Statements of Comprehensive Loss.