SHAMROCK ENTERPRISES INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2012

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charlton & company
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To: the Shareholders of
Shamrock Enterprises Inc.

We have audited the accompanying financial statements of Shamrock Enterprises Inc., which comprise the statements of financial position as at May 31, 2012 and 2011 and June 1, 2010 and the statements of comprehensive loss, changes in equity and cash flows for the years ended May 31, 2012 and 2011 and a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, these financial statements present fairly, in all material respects, the financial position of Shamrock Enterprises Inc. as at My 31, 2012 and 2011 and June 1, 2010 and its financial performance and cash flows for the years ended May 31, 2012 and 2011 in accordance with International Financial Reporting Standards.

Emphasis of Matters
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has incurred losses to date. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

"Charlton & Company"

CHARTERED ACCOUNTANTS

Vancouver, Canada
September 25, 2012

	Notes	**May 31, 2012**	May 31, 2011 (Note 14)	June 1 2010 (Note 14)
		$	$	$
ASSETS				
Current assets				
Cash		**308,658**	210,797	124,437
Short-term investments	6	**30,000**	30,000	-
HST receivable		**67,065**	50,470	-
Prepaid expenses		**-**	-	10,500
		405,723	291,267	134,937
Exploration and evaluation assets	7	**1,014,338**	577,381	52,300
TOTAL ASSETS		**1,420,061**	868,648	187,237
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		**21,953**	10,616	47,041
Due to related parties	10	**-**	-	6,295
		21,953	10,616	53,336
SHAREHOLDERS' EQUITY				
Share capital	8	**2,148,407**	1,266,569	325,700
Reserves	8	**263,013**	187,860	-
Accumulated deficit		**(1,013,312)**	(596,397)	(191,799)
		1,398,108	858,032	133,901
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**1,420,061**	868,648	187,237

Nature of operations (Note 1)

Commitments (Note 9)

Approved on behalf of the Board of Directors

/s/ Gordon Osinchuk	*/s/ Michael Dake*
Director	Director

The accompanying notes are integral to the financial statements.

	Share Capital		Reserves			
	Number of Shares	Amount	Equity settled benefits	Warrants	Accumulated deficit	Total
		$	$	$	$	$
Balance, June 1, 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	-	(43,874)	-	43,874		-
Property payment	300,000	101,000	-	-		101,000
Listing fees	-	(11,303)	-	-		(11,303)
Options grants	-	-	143,986	-		143,986
Exercise of warrants	2,500	625	-	-	-	625
Loss for the year	-	-	-	-	(404,598)	(404,598)
Balance, May 31, 2011	9,735,300	1,266,569	143,986	43,874	(596,397)	858,032
Balance, May 31, 2011	9,735,300	1,266,569	143,986	43,874	(596,397)	858,032
Private placement						
Gross proceeds	2,716,000	950,600	-	-	-	950,600
Agent fees	-	(66,542)	-	-	-	(66,542)
Agent warrants	-	(36,220)	-	36,220	-	-
Property payment	200,000	34,000	-	-	-	34,000
Option vesting	-	-	38,933	-	-	38,933
Loss for the year	-	-	-	-	(416,915)	(416,915)
Balance, May 31, 2012	**12,651,300**	**2,148,407**	**182,919**	**80,094**	**(1,013,312)**	**1,398,108**

The accompanying notes are integral to these financial statements.

		Year Ended May 31, 2012	Year Ended May 31, 2011
		$	$
EXPENSES			
Director fees	10	**48,000**	**-**
Investor relations		**-**	36,679
Management fees	10	**78,000**	69,750
Office and general	10	**57,079**	41,408
Professional fees	10	**167,782**	93,473
Regulatory and filing		**27,121**	19,302
Share-based compensation	8	**38,933**	143,986
Loss and Comprehensive Loss for the Year		**416,915**	404,598
Basic and diluted loss per common share		**($0.03)**	($0.05)
Weighted average number of common shares outstanding		**11,903,879**	7,762,882

The accompanying notes are integral to the financial statements.

SHAMROCK ENTERPRISES INC.
STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)

	Year ended May 31, 2012	Year ended May 31 2011
	$	$
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the year	**(416,915)**	(404,598)
Items not involving cash:		
Share-based compensation	**38,933**	143,986
Changes in non-cash working capital items:		
HST receivable	**(16,595)**	(50,470)
Prepaid expenses	**-**	-
Accounts payable and accrued liabilities	**11,337**	(36,425)
Due to related parties		(6,295)
	(383,240)	(353,802)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Exploration and evaluation assets	**(402,957)**	(424,081)
Short-term investments	**-**	(30,000)
	(402,957)	(454,081)
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placement proceeds	**950,600**	1,000,000
Agents fees	**(66,542)**	(95,079)
Other share issuance costs	**-**	(11,303)
Proceeds from exercise of warrants	**-**	625
	884,058	894,243
Change in cash	**97,861**	86,360
Cash, beginning of the year	**210,797**	124,437
Cash, end of the year	**308,658**	210,797
Supplemental information:		
Interest paid	**-**	-
Income taxes paid	**-**	-

Supplemental disclosure with respect to cash flows (Note 11)

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 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. 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 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. At May 31, 2012, the Company had cash and liquid cash investments of $338,658 and working capital of $383,771.

2. BASIS OF PRESENTATION

Statement of compliance

These 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 14.

Subject to certain transition elections disclosed in Note 14, the Company has consistently applied the same accounting policies on its opening IFRS balance sheet as at June 1, 2010 and throughout all years presented, as if these policies had always been in effect.

The policies applied in these 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.

The financial statements were authorized for issue by the Board of Directors on September 25, 2012.

Critical Accounting Estimates and Judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.
Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgements

Exploration and evaluation expenditures
The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Title to mineral property interests
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Estimates

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 8.

Basis of measurement
These financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these financial statements have been prepared, 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.

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.

Exploration and evaluation assets

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.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income of loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for unused tax loss carry-forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enactive or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

Provision for environmental rehabilitation
An obligation to incur restoration, rehabilitation and environmental costs arises 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 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 reflect 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 the unit-of-production or straight line method. 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 which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

Provisions
Provisions are recognized when present legal or constructive obligations exist as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Share-based payments
The Company grants stock options to buy common shares of the Company through its stock option plan as described in Note 8. 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.

Warrants
Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

Financial instruments
Financial instruments are defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Financial assets are classified into the following categories at their initial recognition:
- fair value through profit or loss (“FVTPL”);
- held-to-maturity investments;
- loans and receivables;
- or available-for-sale investments.

Financial liabilities are classified into the following categories at their initial recognition:
- Financial liabilities at fair value through profit or loss;
- or financial liabilities measured at amortized cost.

Financial assets and liabilities are initially measured at fair value, plus, in the case of a financial asset or liability not at fair value through profit or loss, transactions costs directly attributable to the acquisition or issuance of the financial asset or liability. In a purchase or sale of financial assets recognition and derecognition occurs using trade date accounting.

Financial assets are subsequently measured after initial recognition at fair value, except for financial assets classified as held-to-maturity investments or loans and receivables, which are subsequently measured at amortized cost using the effective interest method.

Financial liabilities at fair value through profit or loss are subsequently measured after recognition at fair value. All other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Financial assets are derecognized when:

- the contractual rights to the cash flows from the financial asset expire;
- the contractual rights to the cash flows from the financial asset are retained, but a contractual obligation to pay the cash flows to another party without material delay is assumed by the Company;
- or when the Company transfers substantially all the risks and rewards of ownership of the financial asset.

Financial liabilities are derecognized when the obligations are discharged, cancelled or expire.

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 investments 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 likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of financial assets is reduced by impairment loss directly for all financial assets with the exception of financial assets classified as loans and receivables, where the carrying amount is reduced through the use of an allowance account. When these assets are considered uncollectible, they are 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 profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment loss been recognized.

Financial instruments recorded at fair value on the statement 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).

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets 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 and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of loss and comprehensive loss.

The Company has made the following classifications:

- Cash and short-term investments are classified as financial assets measured at fair value through P&L
- HST recoverable is classified as loans and receivables
- Accounts payable, accrued liabilities and due to related parties are classified as financial liabilities measured at amortized cost

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

The International Accounting Standard Board (IASB) issued the following standards which have not yet been effective adopted by the Company: IFRS 9, Financial Instruments, IFRS 10, Consolidated Financial Statements, IFRS 11 – Joint Arrangement, IFRS 12 – Disclosure of Interest in Other Entities, IFRS 13 – Fair Value Measurement, Amended IAS 27 – Separate Financial Statements and Amended IAS 28 – Investments in Associates and Joint Ventures.

The following is a brief summary of the new standards:

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.

IFRS 10 – Consolidated financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard which identifies the concept of control as the determining factor in assessing whether an entity should be included in the consolidated financial statements of the parent company. Control is comprised of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. IFRS 10 is effective for annual period beginning on or after January 1, 2013. Earlier adoption is permitted.

IFRS 11 – Joint arrangements ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the later case account for the arrangement using the equity method. IFRS 11 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interest in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. IFRS 12 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

IFRS 13 – Fair value measurement ("IFRS 13") was issued by the IASB in May 2011. IFRS 13 defines fair value, summarizes the methods of determining fair value and outlines the required fair value disclosures. IFRS 13 is utilized when another IFRS standard requires or allows fair value measurements or disclosures about fair value measurements. IFRS 13 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

Amended IAS 27 – Separate financial statements ("IAS 27") was issued by the IASB in May 2011. IAS 27 outlines the accounting principles to be applied with regards to investments in subsidiaries, joint ventures and associates when an entity elects or is required by local regulations to present separate, non-consolidated financial statements. The previous standard was titled IAS 27 – Consolidated and separate financial statements. IAS 27 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

Amended IAS 28 – Investments in associates and joint ventures ("IAS 28") was issued by the IASB in May 2011. IAS 28 outlines the accounting treatment and corresponding application of the equity method of accounting in investments in associates and joint ventures. The previous standard was titled IAS 28 – Investments in associates. IAS 28 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

4. FINANCIAL INSTRUMENTS

		May 31, 2012	May 31, 2011	June 1, 2010
		$	$	$
FVTPL financial assets	a	**330,108**	240,797	127,437
Other receivables	b	**67,066**	50,470	-
Other financial liabilities	c	**13,403**	10,616	53,336

a. Comprises cash and short-term investments.
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. Cash and short-term investments are carried at fair value using a level 1 fair value measurement. The fair values of HST recoverable, accounts payable, accrued liabilities and due to related parties approximate their carrying values due to the short-term nature of these instruments.

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 HST recoverable. Risk associated with cash is managed through the use of major Canadian bank. The Company's HST recoverable is due from the Government of Canada; therefore, the credit risk exposure is low.

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's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars; therefore, currency risk is minimal.

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 year ended May 31, 2012. The Company is not subject to externally imposed capital requirements.

6. SHORT-TERM INVESTMENTS

As at May 31, 2012, the Company has invested $30,000 (May 31, 2011 - $30,000; June 1, 2010 - $Nil) into Guaranteed Investment Certificates ("GICs") with a Canadian financial institution. These GICs yield interest at prime minus 2.05% and have original maturity date of 12 months. All short-term investments have been classified as financial assets measured at fair value through profit or loss. Their fair values approximate their carrying values due to their short-term nature.

7. EXPLORATION AND EVALUATION ASSETS

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, June 1, 2010	52,300
Acquisition costs incurred	151,000
Exploration costs incurred:	
Drilling	272,216
Field Costs	24,271
Geologist fees	44,583
Lab and assays	20,779
Licenses, fees, and taxes	10,153
Travel	2,079
Balance, May 31, 2011	577,381
Acquisition costs incurred	134,000
Exploration costs incurred:	
Drilling	213,671
Field costs	38,875
Geological data processing	589
Geologist fees	41,625
Lab and assays	6,673
Travel	1,524
Balance, May 31, 2012	**1,014,338**

Fireweed Property, British Columbia

On February 17, 2010 ("Effective Date"), the Company entered into an option agreement with Pachama Resources Ltd. 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 (completed fiscal 2011)	200,000	200,000
2nd Anniversary of Effective Date (completed fiscal 2012)	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	

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 fiscal 2011)	50,000
1st Anniversary of the Effective Date (paid fiscal 2011)	50,000
2nd Anniversary of the Effective Date (paid fiscal 2012)	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 8) (issued fiscal 2011)	100,000	35,000
1st Anniversary of the Effective Date (Note 8) (issued fiscal 2011)	200,000	66,000
2nd Anniversary of the Effective Date (Note 8) (issued fiscal 2012)	200,000	34,000
3rd Anniversary of the Effective Date	250,000	-
4th Anniversary of the Effective Date	250,000	-
Total	1,000,000	135,000

8. EQUITY AND RESERVES

Share Capital

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

For the year ended May 31, 2012

The Company issued 200,000 common shares valued at $34,000 to Pachamama Resources Ltd. in accordance with its February 17, 2010 option agreement.

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 agents warrants carrying the same terms and conditions as the warrants, are comprising the units. The fair value of these agents' warrants was determined at $36,220 using the Black-Scholes option pricing model.

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), and expenses and legal fees of $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). The fair value of these agents warrants was determined at $43,874 using the Black-Scholes option pricing model.

During the year ended May 31, 2011, the Company issued 300,000 common shares valued at $101,000 in connection with the option agreement of Fireweed Property.

Escrow shares

As at May 31, 2012, 554,400 shares were held in escrow. Their release is subject to determination by regulatory authorities.

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 year ended May 31, 2012

The Company incurred stock-based compensation expenses of $38,933 which were charged to the statement of comprehensive loss and credited to contributed surplus; these related to options granted in the previous year.

On May 1, 2012, the Company granted 335,000 incentive stock options to a consultant for a five year term exercisable at $0.18 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 1.64%, expected stock price volatility of 80.03%, and expected life of 5 years. None of the option granted vested during the year ended May 31, 2012.

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)**
		$	
Balance, June 1, 2010	-	-	-
Granted	1,050,000	0.26	4.14
Cancelled	(150,000)	0.25	-
Balance, May 31, 2011	**900,000**	0.26	4.18
Granted	335,000	0.18	5.00
Balance, May 31, 2012	**1,235,000**	0.24	3.65

A summary of the Company's outstanding and exercisable share options at May 31, 2012 is presented below:

	Outstanding Options			Exercisable Options	
Exercise Price	**Number of Options**	**Weighted Average Exercise Price**	**Weighted Average Life Remaining (Years)**	**Number of Options**	**Weighted Average Exercise Price**
$0.25	900,000	$0.26	4.18	900,000	$0.26
$0.18	335,000	$0.18	5.00	-	-
	1,235,000	**$0.24**	**3.65**	**900,000**	**$0.26**

Summary of stock options outstanding:

Options	Exercise Price	Expiry Date
	$	
335,000	0.18	May 1, 2017
750,000	0.25	November 10, 2015
150,000	0.30	April 4, 2014
1,235,000		

Warrants

For the year ended May 31, 2012

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 values of the shares were equal to the proceeds; therefore, $Nil carrying amount was assigned to the warrants based on the residual value method.

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 was estimated during the Black-Scholes option pricing mode with the following assumptions: risk-free rates from 0.83% to 1.40%, expected stock price volatility of 125.92% to 137.56%, and expected life of 2 years. The fair value of these warrants is estimated to be $36,220 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)**
		$	
Balance, June 1, 2010	-	-	-
Granted	400,000	0.25	1.45
Exercised	(2,500)	0.25	-
Balance, May 31, 2011	397,500	0.25	1.45
Granted	2,906,120	0.45	-
Balance, May 31, 2012	**3,303,620**	**0.43**	**1.12**

Summary of warrants outstanding at May 31, 2012

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		

9. COMMITMENTS

The Company is committed to certain contractual obligations described in Note 7.

10. 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 $78,000 (May 31, 2011 – $69,750) of management fees from Gordon Osinchuk, a consultant for CEO services performed. In addition, the Company incurred $15,000 (May 31, 2012 – $12,000) for office rent and storage costs from the consultant.

The Company incurred $30,000 (May 31, 2011– $30,000) of professional fees from Midland Chartered Accountants Ltd., a company controlled by an officer for CFO services performed.

The Company incurred $30,000 (May 31, 2011 – $30,000) of professional fees from PubliCo Services Ltd., a company controlled by an officer for corporate secretarial services performed.

The Company incurred $48,000 in director fees for the year ended May 31, 2012 (May 31, 2011 - $Nil).

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.

Included in accounts payable and accrued liabilities is $Nil (May 31, 2011 - $Nil) payable to related parties.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The following significant non-cash transactions have been excluded from the statements of cash flows:

For the year ended May 31, 2012
The Company issued 200,000 shares with a fair value of $34,000 in accordance with the Fireweed Property option agreement (Note 7 and 8).

In connection with the private placement of 2,716,000 units at a price of $0.35 per unit, the Company granted agents' warrants to purchase 190,120 common shares with a fair value of $36,220 (Note 8).

For the period ended May 31, 2011
The Company issued 100,000 shares with a fair value of $35,000 in accordance with the Fireweed Property option agreement (Note 7 and 8).

In conjunction with the IPO of 4,000,000 common shares at a price of $0.25 per share, the Company granted the agent warrants to purchase 400,000 common shares with a fair value of $43,874 (Note 8).

12. RECLASSIFICATION

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

13. INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate statutory income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	May 31, 2012	**May 31, 2011**
	$	**$**
Loss for the year	(416,915)	(404,598)
Corporate statutory rate	26.25%	27.21%
Expected tax recovery	(109,440)	(110,084)
Non-deductible items	10,220	39,760
Share issuance costs	(13,835)	(8,748)
Impact of rate change	2,339	4,132
Change in valuation allowance	110,716	74,940
Deferred income tax recovery	-	-

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

	May 31, 2012	May 31, 2011
	$	$
Mineral property resource tax pools	253,584	523,003
Share issuance costs	52,704	128,604
Non-capital loss carry-forward	226,412	477,711
Less: valuation allowance	(532,700)	(1,129,318)
Net deferred income tax asset	-	-

The Company has non-capital loss carryforwards of approximately $905,649 (2011 - $477,711) which can be applied to reduce future taxable income, expiring as follows:

Expiry	Amount
	$
2028	6,576
2029	57,620
2030	122,900
2031	290,615
2032	427,938
	905,649

14. IFRS TRANSITION FROM PREVIOUS GAAP

The Company's financial statements for the year ended May 31, 2012 are the first annual financial statements prepared in accordance with IFRS. *IFRS 1 – First Time Adoption of International Financial Reporting Standards,* requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was June 1, 2010 (the "Transition Date'). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS standards as of the reporting date, which for the Company is May 31, 2012.

The financial statements for the year ended May 31, 2012, the comparative information presented in these financial statements for the year ended May 31, 2011, and the opening IFRS statement of financial position at June 1, 2010 are prepared in accordance with IFRS standards effective at the reporting date. However, IFRS 1 also provides for certain optional exemption and certain mandatory exceptions for first time IFRS adopters. Prior to transition to IFRS, the Company prepared its financial statements in accordance with Canadian GAAP.

Share-based Payment Transactions
The Company has elected not to retrospectively apply IFRS to equity instruments that were granted and had vested before the Transition Date. AS a result of applying this exemption, the Company will apply the provisions of IFRS 2 only to all outstanding equity instruments that are unvested as at the Transition Date to IFRS.

Leases
In some cases, leases, such as premise leases, are accounted for differently under IFRS and Canadian GAAP. The Company has chosen to apply an exemption under IFRS 1 so that the Company does not have to restate balances at the transition date that might result from lease accounting differences.

The Company has taken the following IFRS 1 mandatory exemptions:

Derecognition of Financial Assets and Liabilities
The Company has applied the derecognition requirements in *IAS 39 – Financial Instruments: Recognition and Measurement* prospectively from the Transition Date. As a result, any non-derivative financial assets or non-derivative financial liabilities derecognized prior to the Transition Date in accordance with pre-changeover Canadian GAAP have not been reviewed for compliance with IAS 39.

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.

There are no material differences between the Company's statement of financial position as at June 1, 2010 and May 31, 2011.

There are no material differences between the Company's total comprehensive loss, cash flows, and changes in shareholder's equity presented under IFRS and under Canadian GAAP for the year ended and as at May 31, 2011.