BRAVURA VENTURES CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JULY 31, 2011 AND 2010

Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited financial statements have been prepared by management and approved by the Audit Committee.

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

(Expressed in Canadian Dollars - unaudited)

	July 31, 2011	January 31, 2011
ASSETS		
CURRENT		
Cash	$ 514,042	$ 118,767
Amount receivable	21,726	13,850
	535,768	132,617
MINERAL PROPERTY (Note 5)	260,873	121,326
	$ 796,641	$ 253,943
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	$ 7,028	$ 18,464
Due to directors	-	10,463
	7,028	28,927
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 7)	1,027,672	413,501
CONTRIBUTED SURPLUS	158,705	-
DEFICIT	(396,764)	(188,485)
	789,613	225,016
	$ 796,641	$ 253,943

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
COMMITMENTS (Note 8)

Approved and authorized for issue on behalf of the Board on September 28, 2011:

"Brook Bellian"	*"Jerry Minni"*
Director	Director

The accompanying notes are an integral part of these financial statements

(Expressed in Canadian Dollars - unaudited)

	Three months Ended July 31, 2011	Three months Ended July 31, 2010	Six months Ended July 31, 2011	Six months Ended July 31, 2010
EXPENSES				
Consulting fees	$ 2,000	$ -	$ 8,000	$ -
Investor Communications	2,624	-	2,624	-
Management fees	39,250	-	52,000	-
Office and miscellaneous	5,674	-	7,210	-
Professional fees	16,753	-	24,639	-
Transfer agent and filing fees	6,583	-	7,083	-
Stock based compensation	7,996	-	116,996	-
Travel and promotion	2,222	-	2,222	-
LOSS BEFORE INCOME TAXES	83,102	-	220,774	-
FUTURE INCOME TAX RECOVERY	(12,495)	-	(12,495)	-
NET LOSS AND COMPREHENSIVE LOSS	$ 70,607	$ -	$ 208,279	$ -
LOSS PER SHARE, basic and diluted	$ (0.01)	$ -	$ (0.04)	$ -
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	6,016,355	-	6,016,355	-

(Expressed in Canadian Dollars - unaudited)

	Issued Capital Shares	Issued Capital Amount	Contributed Surplus	Deficit	Total
		$	$	$	$
Balance, August 6, 2010 and January 31, 2011 (Note 1)	-	-	-	-	-
Balance, January 31, 2011	5,168,751	413,501	-	(188,485)	225,016
Public offering	5,500,000	596,666	-	-	596,666
Issued for Mineral property	100,000	15,000	-	-	15,000
Issued to agent	100,000	15,000	-	-	15,000
Renunciation of cumulative eligible exploration costs	-	(12,495)	-	-	(12,495)
Options granted and vested	-	-	158,705	-	158,705
Comprehensive loss	-	-	-	(208,279)	(208,279)
Balance, July 31, 2011	**10,868,751**	**1,027,672**	**158,705**	**(396,764)**	**789,613**

(Expressed in Canadian Dollars - unaudited)

	Three months Ended July 31. 2011	Three months Ended July 31, 2010	Six months Ended July 31, 2011	Six months Ended July 31, 2010
OPERATING ACTIVITIES				
Net loss	$ (70,607)	$ -	$ (208,279)	$ -
Items not affecting cash:				
Stock based compensation	7,996	-	116,996	-
Future income tax recovery	(12,495)	-	(12,495)	-
	(75,106)	-	(103,778)	-
Changes in non-cash working Items:				
Amounts receivable	(4,339)	-	(7,876)	-
Accounts payable and accrued liabilities	(31,349)	-	(11,436)	-
Due to directors	-	-	(10,463)	-
	(118,374)	-	(133,553)	-
FINANCING ACTIVITIES				
Deferred financing cost	(76,033)	-	-	-
Shares issued for cash	653,375	-	653,375	-
	577,342	-	653,375	-
INVESTING ACTIVITY				
Mineral property acquisition and Exploration costs	(115,000)	-	(124,547)	-
INCREASE (DECREASE) IN CASH	503,614	-	395,275	-
CASH, BEGINNING OF THE PERIOD	10,428	-	118,767	-
CASH, END OF THE PERIOD	**$** 514,042	-	$ 514,042	-
SUPPLEMENTAL INFORMATION				
Interest paid	$ -	$ -	$ -	$ -
Income tax paid	$ -	$ -	$ -	$ -
Shares issued for mineral property	$ 15,000	$ -	$ 15,000	$ -
Shares issued for service	$ 15,000	$ -	$ 15,000	$ -

The accompanying notes are an integral part of these financial statements

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Bravura Ventures Corp. (the “Company”) was incorporated on August 6, 2010 under the British Columbia Business Corporations Act and has filed a prospectus. The Company is primarily engaged in the acquisition, exploration and development of mineral properties. At July 31, 2011, the Company had not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the mineral properties or proceeds from the disposition of the mineral property.

The Company is a publicly listed company incorporated in Canada with limited liability under the legislation of the Province of British Columbia. The Company’s shares are listed on the TSX Venture Exchange. .

At July 31, 2011, the Company had a net loss of $208,279 and an accumulated deficit of $396,764 which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing to cover its operating costs.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. BASIS OF PREPARATION

These condensed interim financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*. These interim financial statements do not include all of the information required for full annual financial statements. The disclosures concerning the transition from Canadian GAAP to IFRSs are included in Note 13.

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

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the notes to the financial statements.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Effective February 1, 2011, the Company adopted new and revised International Financial Reporting Standards ("IFRSs") that were issued by the International Accounting Standards Board ("IASB"). The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

[a] Amendments to IAS 27 Consolidated and Separate Financial Statements

The amendments are clarification about the impacts from the amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates, IAS 28 - Investments in Associates, and IAS 31 - Interests in Joint Ventures. The amendments resulting from IAS 27 should be applied prospectively, except for amendments resulting from renumbering.

[b] Amendments to IFRS 7 Financial Instruments: Disclosures

Amendment to disclosure requirements, specifically, ensuring qualitative disclosures are made in close proximity to quantitative disclosures in order to better enable financial statement users to evaluate an entity's exposure to risks arising from financial instruments.

[c] Amendments to IAS 1 Presentation of Financial Statements

Clarification that the breakdown of changes in equity resulting from transactions recognized in other comprehensive income is required to be presented in the statement of changes in equity or in the notes to the financial statements.

[d] Amendments to IAS 24 Related Party Disclosures

Amendment to definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised standard introduces a partial exemption of disclosure requirements for government-related entities.

[e] Amendments to IAS 34 Interim Financial Reporting

Addition of further examples of events or transactions that require disclosure and removal of references to materiality when discussing other minimum disclosures.

4. SIGNIFICANT ACCOUNTING POLICIES

[a] Cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. The Company has no cash equivalent at July 31, 2011 and January 31, 2011.

[b] Mineral properties

Exploration and evaluation costs, including the acquisition, exploration and development of mineral properties are capitalized as exploration and evaluation assets on a project-by-project basis pending determination pending determination of the technical feasibility and the commercial viability of the project. The capitalized costs are presented as either tangible or intangible exploration and evaluation assets according to the nature of the assets acquired. Capitalised costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities in the relevant area of interest. When a license is relinquished or a project is abandoned, the related costs are recognized in profit and loss immediately. Upon commencement of commercial production, the related accumulated costs are amortized to income using the units of production method over estimated recoverable ore reserves. Management periodically assesses carrying values of non-producing properties and if management determines that the carrying values cannot be recovered or the carrying values are related to properties that have lapsed, the unrecoverable amounts are expensed

The recoverability of the carried amounts of mineral properties is dependent on the existence of economically recoverable ore reserves and the ability to obtain the necessary financing to complete the development of such ore reserves and the success of future operations. The Company has not yet determined whether any of its mineral properties contain economically recoverable reserves. Amounts capitalized as mineral properties represent costs incurred to date, less write-downs and recoveries, and do not necessarily reflect present or future values. The costs incurred include materials and fuel used, surveying costs, drilling costs and payments made to contractors.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

[c] Impairment

The Company's tangible and intangible assets are reviewed for indications of impairment at each statement of financial position date. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying amount of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment losses are recognized in profit and loss for the period. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

4. SIGNIFICANT ACCOUNTING POLICIES - continued

[c] Impairment - continued

The recoverable amount is the greater of the asset's fair value less costs to sell and 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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

[d] Flow-through shares

The Company has financed a portion of its exploration activities through the issue of flow-through shares. As permitted under the Income Tax Act (Canada), the tax attributes of eligible expenditures incurred with the proceeds of flow-through share issuances were renounced to subscribers.

At the time of share issuance, the proceeds must be allocated between share capital and the obligation to deliver the tax deduction. The allocation is based on the difference between the quoted price of the Company's non-flow through shares and the amount the investor pays for the flow-through shares (given no other differences between the securities).

For expenditures that are capitalized, the date of recognition of the deferred tax liability is:

- If renunciation is under general method: in the year of share issuance when expenditures are made, assuming there is an expectation of renouncing qualifying exploration expenditures. The entity records a deferred tax liability and corresponding income tax expense. The obligation is reduced and a corresponding tax reduction is recorded.
- If renunciation is under look-back method: if the expenditures are made (i.e. not upon renouncement), the entity records a deferred tax liability and a corresponding income tax expense. Also at that time, the obligation is reduced and a corresponding income tax expense reduction is recorded.

4. SIGNIFICANT ACCOUNTING POLICIES - continued

[e] Income taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under the liability method, deferred income taxes and liabilities are recognized to reflect the expected deferred tax consequences arising from temporary differences between the carrying value and the tax bases of the Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. A valuation allowance is recorded against any deferred income tax asset if it is probable that the asset will not be realized.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable profit
- goodwill
- investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

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 taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis

[f] Asset retirement obligations

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities and may from time to time incur asset retirement obligations and the associated retirement costs related to site reclamation and abandonment. The fair value of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at July 31, 2011 and January 31, 2011, the Company has not incurred any asset retirement obligation related to the exploration and development of its mineral properties.

4. SIGNIFICANT ACCOUNTING POLICIES - continued

[g] Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events 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. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

[h] Financial instruments

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions which are accounted for at the transferor's carrying amount or exchange amount.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income. The Company has elected to account for transaction costs related to the issuance of financial instruments as a reduction of the carrying value of the related financial instruments.

Financial instruments included in the balance sheet are comprised of cash, accounts payable and due to directors. The Company is not exposed to any derivative instruments and currency exchange rate risk. The Company does not have foreign exchange hedges in place at this time. It is management's opinion that the Company is not exposed to significant interest rate or credit risks.

[i] Stock-based Compensation

The Company has a stock option plan, which is described in Note 8. The Company applies the fair value method to all stock-based payments and to all grants that are direct awards of stock that call for settlement in cash or other assets. Compensation expense is recognized over the applicable vesting period with a corresponding increase in contributed surplus. When the options are exercised, share capital is credited for the consideration received and the related contributed surplus is decreased. The Company uses the Black Scholes option pricing model to estimate the fair value of stock based compensation.

4. SIGNIFICANT ACCOUNTING POLICIES - continued

[j] 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 would not normally be included in net profit such as unrealized gains or losses on available-for-sale investments, gains or losses on certain derivative instruments and foreign currency gains or losses related to self-sustaining operations. The Company's comprehensive loss, components of other comprehensive income, and cumulative translation adjustments, if any, are presented in the Condensed Interim Statements of Comprehensive Loss and the Condensed Interim Statements of Changes in Equity.

[k] Loss per share

The Company uses the treasury stock method in computing loss per share. Under this method, basic loss per share is computed by dividing losses available to common shareholders by the weighted average number of common shares outstanding during the year. For the period ended July 31, 2011 and 2010, the existence of warrants and options causes the calculation of fully diluted loss per share to be antidilutive. Accordingly, fully diluted loss per share information has not been shown.

[l] Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

(i) Impairment of mineral properties as described in Note 4 (c).
(ii) Stock-based payment transactions as described in Note 7 (c).

[m] Critical accounting judgments

Critical accounting judgements are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

(i) Going concern
The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgement. The Directors monitor future cash requirements to assess the Company's ability to meet these future funding requirements. Further information regarding going concern is outlined in Note 1.

(ii) Exploration and Evaluation Expenditure
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 information becomes available after expenditure is capitalized suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

(Expressed in Canadian Dollars - unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES - continued

[n] Accounting standards issued but not yet effective

Amendments to IFRS 7 Financial Instruments: Disclosures

Increase in disclosure with regards to the transfer of financial assets, especially if there is a disproportionate amount of transfer transactions that take place around the end of a reporting period. This is effective for annual periods beginning on or after July 1, 2011.

New standard IFRS 9 Financial Instruments

Partial replacement of IAS 39 Financial Instruments: Recognition and Measurement. This is effective for annual periods beginning on or after January 1, 2013.

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the consolidated financial statements.

5. MINERAL PROPERTY

	July 31, 2011	January 31, 2011
Acquisition costs		
Balance, beginning of period	$ 15,555	$ -
Cash paid	20,000	15,555
Shares issued	15,000	-
Balance, end of period	50,555	15,555
Exploration costs		
Balance, beginning of period	105,771	-
Surveying	81,836	80,050
Consulting	7,036	18,593
Other	15,675	7,128
Balance, end of period	210,318	105,771
	$ 260,873	$ 121,326

(Expressed in Canadian Dollars - unaudited)

5. MINERAL PROPERTY - continued

Greenhorn Property, British Columbia

Pursuant to an option agreement dated November 24, 2010, the Company was granted an option to acquire a 100% undivided interest in the Greenhorn Property comprised of 7 mineral claims located in the Slocan Mining Division, British Columbia. To earn the 100% interest, the Company agreed to pay $120,555 and issue 200,000 common shares of the Company to the optionors as follows:

		Cash Payments	Number of Common Shares
(i)	By November 24, 2010 (paid)	$ 15,555	–
(ii)	15 days after the day the Company's shares are listed and call for trading on the TSX Venture Exchange ("the Listing Date") (paid and issued)	20,000	100,000
(iii)	1st anniversary of the Listing Date	20,000	100,000
(iv)	2nd anniversary of the Listing Date	30,000	–
(v)	3rd anniversary of the Listing Date	35,000	–
		$ 120,555	200,000

The property is subject to a 2% net smelter return royalty ("NSR") which can be purchased by the Company at $1,000,000 per percentage point during the five year period commencing from the date upon which the property is put into commercial production.

6. RELATED PARTY TRANSACTIONS AND BALANCES

During the period, the Company incurred the following related party transactions which were measured at exchange amounts, which were the amounts agreed upon by the transacting parties and are on terms and conditions similar to those for arms length transactions:

a) The Company paid consulting fees of $8,000 (July 31, 2010 – $nil) to a company controlled by a director of the Company.

b) The Company paid management fees of $52,000 (July 31, 2010 - $nil) to directors of a company controlled by a director of the Company

c) The Company incurred accounting fees of $6,386 from a company controlled by a director and officer of the Company, of which $2,500 was unpaid and included in accounts payable at July 31, 2011. (January 31, 2011 – $2,200)

Amounts due to directors are non-interest bearing, unsecured and with no stated payment terms.

7. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

(Expressed in Canadian Dollars - unaudited)

7. SHARE CAPITAL - continued

b) Issued and fully paid

	Number of Shares	Amount
Issued for cash pursuant to subscription agreements		
At $1.00 per share	1	$ 1
At $0.001 per share	2,000,000	2,000
Fair value adjustment on 2,000,000 shares issued	–	158,000
At $0.08 per non-flow through share	2,643,750	211,500
At $0.08 per flow through share	525,000	42,000
Balance, January 31, 2011 and July 31, 2011	5,168,751	413,501
Renunciation of cumulative eligible exploration costs	-	(12,495)
Issued for mineral property	100,000	15,000
Issued to agents as fees	100,000	15,000
Issued for cash	5,500,000	596,666
Balance, July 31, 2011	10,868,751	$1,027,672

The Company issued 2,000,000 common shares to directors at $0.001 per share for gross proceeds of $2,000. The fair value of the 2,000,000 common shares was $160,000. The Company recorded stock-based compensation of $158,000 and a corresponding increase in share capital.

d) Stock options

The Company has implemented a stock option plan ("the Plan") to be administered by the Board of Directors. Pursuant to the Plan the Board of Director's has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The option price under each option shall be not less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded, and shall not be more than ten years after the grant date.

On March 18, 2011, the Company granted incentive stock options to directors and officers to purchase 900,000 common shares of the Company at an exercise price of $0.15 per share expiring 5 years from the date the common shares of the Company are listed and posted for trading on the TSXV. These options are vested immediately upon granting and none were exercised at July 31, 2011.

The fair value of the stock-based compensation from vested options recognized during the period ended July 31, 2011 attributed to stock option grants was $109,471 (2010 - $Nil) as determined using the Black Scholes Option Pricing model with the following weighted average assumptions.

Expected volatility %	116%
Expected life of options (in years)	5.0
Risk free interest rate	1.5%
Expected dividend yield %	0%

On July 20, 2011, the Company granted incentive stock options to consultants to purchase 85,000 common shares of the Company at an exercise price of $0.15 per share expiring 2 years from the date of grant. These options are vested immediately upon granting and none were exercised at July 31, 2011.

(Expressed in Canadian Dollars - unaudited)

7. SHARE CAPITAL - continued

e) Stock options

The fair value of the stock-based compensation from vested options recognized during the period ended July 31, 2011 attributed to stock option grants was $7,580 (2010 - $Nil) as determined using the Black Scholes Option Pricing model with the following weighted average assumptions.

Expected volatility %	164%
Expected life of options (in years)	2.0
Risk free interest rate	1.52%
Expected dividend yield %	0%

d) Escrow Shares

On July 31, 2011, 2,205,001 of the issued and outstanding common shares of the Company were held in escrow, Pursuant to an escrow agreement. 10% of the escrowed shares were released on the date the common shares of the Company are listed and posted for trading on the TSXV of the remaining balance 15% are to be released every six months thereafter.

e) Warrants

	Number of shares	**Weighted average exercise price**	**Expiry date**
Outstanding, January 31, 2011	-	-	-
Issued	467,500	$0.20	July 4, 2013
Outstanding, July 31, 2011	467,500	$0.20	

During the period ended July 31, 2011, the Company recorded share issue cost of $41,709 for the 467,500 agent warrants granted pursuant to the initial public offering. The fair value of the warrants granted is estimated on the date of grant, using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk free interest rate *(%)*	1.59%
Expected dividend yield	0%
Expected volatility *(%)*	164%
Expected life (years)	2.0

8. COMMITMENTS

The Company is obligated to make certain payments and issue shares as described in Note 5 in connection with the acquisition of its mineral property.

(Expressed in Canadian Dollars - unaudited)

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at July 31, 2011, the Company had capital resources consisting mainly of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets to adjust the amount of cash on hand.

10. FINANCIAL INSTRUMENTS

Fair Values

The Company's financial instruments consist of cash, accounts payable and due to directors. The fair values of these financial instruments approximate their carrying values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	July 31, 2011
Held for trading (i)	$ 514,042
Other financial liabilities (ii)	7,028

(i) Cash
(ii) Accounts payable and amounts due to directors

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices 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 that are not based on observable market date

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total 2011
Cash	$ 514,012	$ -	$ -	$ 514,012

10. FINANCIAL INSTRUMENTS - continued

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (Note 1). The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

Interest Rate Risk

The Company is not exposed to significant interest rate risk.

11. IFRS

For all periods up to and including the year ended January 31, 2011, the Company prepared its financial statements in accordance with Canadian generally accepted accounting principles (GAAP). The Company has prepared financial statements which comply with IFRS applicable for periods beginning on or after August 6, 2010 as described in the accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at August 6, 2010, the Company's date of transition to IFRS.

This note explains the principal adjustments made by the Company in restating its Canadian GAAP statement of financial position as at February 1, 2011 and the GAAP financial statements for the period ended July 31, 2011 and the year ended January 31, 2011.

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 adjustment to assets and liabilities taken to retained earnings unless certain exemptions are applied.

The Company has not applied any exemptions to its opening statement of financial position dated August 6, 2010 (transition and inception dates)

IFRS 1 also outlines specific guidelines that a first-time adopter must adhere to under certain circumstances. The Company has applied the following guidelines to its opening statement of financial position dated August 6, 2010:

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 previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of February 1, 2011 are consistent with its Canadian GAAP estimates for the same date.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While adoption of IFRS has not changed the Company's actual cash flows, it has resulted in changes to the Company's reported financial position and results of operations. In order to allow the users of the financial statements to better understand these changes, the Company's Canadian GAAP statement of operations, statement of comprehensive profit, statement of financial position and statement of cash flows for the period ended July 31, 2011 and the year ended January 31, 2011 have been reconciled to IFRS, with the resulting differences explained.

[c] Stock-based Compensation

IFRS

- Each tranche of an award with different vesting dates is considered a separate grant for the calculation of fair value, and the resulting fair value is amortized over the vesting period of the respective tranches.
- Forfeiture estimates are recognized in the period they are estimated, and are revised for actual forfeitures in subsequent periods.

Canadian GAAP

- The Company had recognized the fair value of stock-based awards with graded vesting method during 2011, which is the same requirement under IFRS.
- Forfeitures of awards are recognized as they occur.

11. IFRS - continued

[d] Accounts payable, accrued liabilities and provisions

IFRS – a provision is a liability of uncertain timing or amount. Provisions are disclosed separately from liabilities and accrued liabilities and require additional disclosure.

Canadian GAAP – Accounts payable, accrued liabilities and provisions are disclosed on the statement of financial position as a single line item.

[e] *IFRS* – If indication of impairment is identified, the asset's carrying value is compared to the asset's discounted cash flows. If the discounted cash flows are less than the carrying value, the asset is impaired by an amount equal to the difference between the discounted cash flows and the carrying value.

Canadian GAAP – If indication of impairment is identified, the asset's carrying value is compared to the asset's undiscounted cash flows. If the undiscounted cash flows are less than the carrying value, the asset is impaired by an amount equal to the difference between the discounted cash flows and the carrying value. The Company completed an impairment review of its assets at February 1, 2011 and at January 31, 2011 and July 31, 2011, and concluded that the assets were not impaired in accordance with IFRS.

[f] Presentation

The presentation of the cash flow statement in accordance with IFRS differs from the presentation of the cash flow statement in accordance with Canadian GAAP. The transition from previous GAAP to IFRS has had no effect upon the reported cash flows generated by the Company. The reconciling items between the previous GAAP presentation and the IFRS presentation have no net impact on the cash flows generated.

(Expressed in Canadian Dollars - unaudited)

11. IFRS - continued

Since the Company was only incorporated on August 6, 2010, There was no balance sheet at August 6, 2010 and there was no statement of operation and comprehensive loss for the six months ended July 31, 2011 that reconciliation from Canadian GAAP to IFRS can be prepared.

The January 31, 2011 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

	January 31, 2011		
	Canadian GAAP	Effect of transition to IFRS	IFRS
ASSETS			
CURRENT ASSETS	$	$	$
Cash	118,767	-	118,767
Amounts receivable	13,850	-	13,850
	132,617	-	132,617
MINERAL PROPERTIES	121,326	-	121,326
	253,943	-	253,943
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	18,464	-	18,464
Due to directors	10,463	-	10,463
	28,927	-	28,927
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	413,501	-	413,501
DEFICIT	(188,415)	-	(188,415)
	225,016	-	225,016
	253,943	-	253,943

(Expressed in Canadian Dollars - unaudited)

11. IFRS (continued)

The Canadian GAAP statement of operation and comprehensive loss for the year ended January 31, 2011 has been reconciled to IFRS as follows:

	August 6, 2010 to January 31, 2011		
	Canadian GAAP	Effect of transition to IFRS	IFRS
ADMINISTRATIVE EXPENSES	$	$	$
Accounting	4,480	-	4,480
Advertising and promotion	885	-	885
Consulting fees	6,000	-	6,000
Management fees	15,025	-	15,025
Office and miscellaneous	1,445	-	1,445
Professional fees	2,650	-	2,650
Stock-based compensation (Note 4 (h))	158,000	-	158,000
	188,485	-	188,485
Net loss and comprehensive loss	(188,482)	-	(188,485)
DEFICIT, BEGINNING OF PERIOD	-	-	-
DEFIICT, END OF PERIOD	(188,485)	-	(188,485)
LOSS PER SHARE, basic and diluted	(0.08)	-	(0.08)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	2,408,077	-	2,408,077