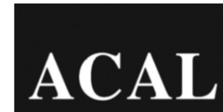
CHIMATA GOLD CORP.
(FORMERLY MAXTECH RESOURCES INC.)

Interim Financial Statements
Three Months Ended March 31, 2011

	Page
Independent Auditors' Report	2
Statements of Financial Position	3
Statement of Comprehensive Loss	4
Statements of Changes in Deficiency	5
Statement of Cash Flows	6
Notes to the Interim Financial Statements	7 - 19

1066 WEST HASTINGS STREET
VANCOUVER, BC V6E 3X2

T: **604.683.3850**
F: **604.688.8479**



ACAL GROUP
CHARTERED ACCOUNTANTS
PCAOB & CPAB Registrant

INDEPENDENT AUDITORS' REPORT

To the Directors of:
Chimata Gold Corp. (formerly Maxtech Resources Inc.)

We have audited the accompanying interim financial statements of Chimata Gold Corp., which comprise the statements of financial position as at March 31, 2011 and December 31, 2010, the statement of comprehensive loss, the statements of changes in deficiency and the statement of cash flows for the three months ended March 31, 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 audit. 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 Chimata Gold Corp. as at March 31, 2011 and December 31, 2010 , and its financial performance and its cash flows for the three months ended March 31, 2011in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 of the interim financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Chimata Gold Corp. to continue as a going concern.

"ACAL Group"
CHARTERED ACCOUNTANTS

Vancouver, BC
June 10, 2011

CHIMATA GOLD CORP.
(FORMERLY MAXTECH RESOURCES INC.)
Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2011 $	First Year Ended December 31, 2010 $	Incorporation on November 16, 2010 $
Assets			
Cash	**1**	1	1
Total Assets	**1**	1	1
Liabilities and Shareholders' Deficiency			
Current Liabilities:			
Accrued liabilities (Note 9)	**5,500**	1,000	-
	5,500	1,000	-
Shareholders' deficiency:			
Capital stock (Note 5)	**1**	1	1
Deficit	**(5,500)**	(1,000)	-
	(5,499)	999	1
Total Liabilities and Shareholders' Deficiency	**1**	1	1

Nature and Continuance of Operations (Note 1)

Approved and authorized for issue by the Board of Directors on June 10, 2011:

"Thomas R. Tough"
Thomas R. Tough, Director

"Sonny Janda"
Sonny Janda, Director

The accompanying notes are an integral part of these Financial Statements

CHIMATA GOLD CORP.
(FORMERLY MAXTECH RESOURCES INC.)
Statement of Comprehensive Loss
Three Months Ended March 31, 2011
(Expressed in Canadian dollars)

Expenses		
Professional fees	**$**	**4,500**
Net loss and total comprehensive loss for the period		**(4,500)**
Basic and diluted loss per common share	**$**	**(4,500)**
Weighted average number of common shares outstanding		**1**

The accompanying notes are an integral part of these Financial Statements

CHIMATA GOLD CORP.
(FORMERLY MAXTECH RESOURCES INC.)
Statement of Changes in Deficiency
(Expressed in Canadian dollars except the number of shares)

	Number of Outstanding Shares	Share Capital	Reserves	Deficit	Total Shareholders' Deficiency
		$	$	$	$
Share issued for cash on incorporation, November 16, 2010	1	1	–	–	1
Net loss for the year	–	–	–	(1,000)	(1,000)
December 31, 2010	1	1	–	(1,000)	(999)
Net loss for the three months ended March 31, 2011	–	–	–	(4,500)	(4,500)
Balance, March 31, 2011	1	1	–	(5,500)	(5,499)

The accompanying notes are an integral part of these Financial Statements

CHIMATA GOLD CORP.
(FORMERLY MAXTECH RESOURCES INC.)
Statement of Cash Flows
Three Months Ended March 31, 2011
(Expressed in Canadian dollars)

Cash (used in) /provided by:		
Operating activities		
Net loss for the period	$	(4,500)
Change in non-cash working capital components		
Accrued liabilities		4,500
Net cash provided by (used in) operating activities		-
Change in cash		-
Cash , beginning of the period		1
Cash, end of the period	$	1
Cash paid during the period for interest expense	**$**	**-**
Cash paid during the period for income taxes	**$**	**-**

The accompanying notes are an integral part of these Financial Statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Maxtech Resources Inc. was incorporated under the *Business Corporations Act* (British Columbia) on November 16, 2010, and changed its name to Chimata Gold Crop. (the "Company" or "Chimata") on February 10, 2011. Pursuant to an arrangement agreement between the Company and Maxtech Ventures Inc. ("Maxtech") dated January 15, 2011, the Company will own Maxtech's Guercheville mineral properties that are located in Abitibi region of Quebec (Note 4). The company's principal business following the completion of the arrangement agreement will be the exploration and development of the Guercheville mineral properties. It may also acquire additional properties and carry out early stage exploration on such mineral properties and then sell, option or joint venture the properties.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can discover mineralization and the economic viability of developing any such additional properties. The discovery of mineralization and the development of properties to the point where they may be sold, optioned or joint ventured may take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty. As an exploration phase company, the company does not anticipate producing revenues for some time, other than from the sale, optioning or joint venturing of any mineral properties it may acquire. The sale value of any mineralization discovered by the Company is largely dependent upon factors beyond it's control, such as the market value of the contained metals. The Company has an accumulated operating deficit of $5,500 at March 31, 2011. Thus, the Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These factors raise substantial doubt about the Company's ability to continue as a going-concern.

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

2. BASIC OF COMPLIANCE

a) Statement of Compliance

The Company previously prepared its financial statements in accordance with Canadian generally accepted accounting principles as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS"), and requires publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, these interim financial statements are based on IFRS, as issued by the International Accounting Standard Board ("IASB"). In these financial statements, the term "Canadian GAAP" refers to Canadian generally accepted accounting principles previously adopted by the Company before the Company's adoption of IFRS.

2. BASIC OF COMPLIANCE (Continued)

a) Statement of Compliance (Continued)

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. These are the Company's first IFRS interim financial statements for part of the period covered by the first IFRS annual financial statements. IFRS 1 First-time Adoption of IFRS has been applied.

The preparation of these interim financial statements resulted in changes to the accounting policies as compared to the most recent annual financial statements prepared under Canadian GAAP. An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 10. The interim financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended December 31, 2010.

The policies applied in these interim financial statements are based on IFRS issued and current as of June 10, 2011, the date the Board of Directors approved the statements. Any subsequent changes to IFRS, that are given effect in the Company's annual financial statements for the year ending December 31, 2011 could result in restatement of these interim financial statements, including the transition adjustments recognized on change-over to IFRS.

b) Basis of presentation

These interim financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

c) Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities. The estimates and associates assumptions are based on anticipations and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the 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 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.

There have been no significant judgments made by management in the application of IFRS that have a significant effect on these financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these interim financial statements and in preparing the opening IFRS statement of financial position at November 16, 2010, the date of incorporation, for the purposes of the transition to IFRS, unless otherwise indicated.

a. Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less. As at March 31, 2011, there is $Nil included as cash equivalents.

b. Shared-based payments

The Company may grant stock options to buy capital stock of the Company to directors, officers and employees from time to time. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

c. Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income 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. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

d. Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Earnings (loss) per share (continued)

The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

e. Financial instruments

All financial instruments are recorded initially at fair value. In subsequent periods, all financial instruments are measured based on the classification adopted for the financial instruments: held to maturity, loans and receivables, fair value through profit or loss ("FVTPL"), available-for-sale, FVTPL liabilities or other liabilities.

FVTPL assets and liabilities are subsequently measured at fair value with the change in the fair value recognized in net income (loss) during the period.

Held to maturity assets, loans and receivable, and other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Available for sale assets are subsequently measured at fair value with the change in fair value recorded in other comprehensive income (loss), except for equity instruments without a quoted market price in active market and whose fair value cannot be reliably measured, which are measured at cost.

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Cash	FVTPL
Accrued liabilities	Other liabilities

The Company's financial instruments measured at fair value on the balance sheet consist of cash which is measured at level 1 of the fair hierarchy. The three levels of the fair value hierarchy are as follows:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Values based on quoted prices in markets that are not active or models inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

f. Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Impairment (continued)

i) Non-financial assets (continued)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the “cash-generating unit”).

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

g. Comprehensive income (loss)

Comprehensive income (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. Other comprehensive income consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Comprehensive income (loss) (continued)

reported as other comprehensive income are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income. The Company has not had other comprehensive income since inception and accordingly, a statement of comprehensive income has not been presented.

h. Exploration and evaluation

The Company is in the exploration stage with respect to its investment in mineral properties and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration and development of mineral claims and crediting all proceeds received for farm-out arrangements or recovery of costs against the cost of the related claims. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned mineral claims are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a mineral property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

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

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

Upon transfer of "Exploration and evaluation costs" into "Mine Development", all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalised within "Mine development". After production starts, all assets included in "Mine development" are transferred to "Producing Mines".

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

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Future changes in accounting policies

The following standards have been issued but are not yet effective:

- Amendments to IFRS 7 Financial Instruments: Disclosures. This amendment will be effective for annual period beginning on or after July 1, 2011. The amendments 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.
- IFRS 9 Financial Instruments. This new standard will be effective for annual periods beginning on or after January 1, 2013. The new standard is a partial replacement of IAS 39 Financial Instruments: Recognition and Measurement.
- IAS 12 Income taxes. This new standard will be effective for annual periods beginning on or after January 1, 2012. The IASB issued on December 20, 2010 an amendment to IAS 12 Income taxes ("IAS 12) related to the recovery of underlying assets. It addresses Deferred Tax: Recovery of Underlying Assets. The amendments provide an exception to the general principles of IAS 12 for investment property measured using the fair value model in IAS 40 Investment Property. For the purposes of measuring deferred tax, the amendments introduce a rebuttable presumption that the carrying amount of such an asset will be recovered entirely through sale.

The Company is currently evaluating the impact of the above standards on its financial performance and financial statements disclosures but expects that such impact will not be material.

4. COMMITTMENT

The Company entered into an arrangement agreement ("Arrangement Agreement") with Maxtech, the parent company, dated January 15, 2011 to proceed with a corporate restructuring by way of statutory plan('Plan of Arrangement") to transfer all of Maxtech' interests in Guercheville mineral properties that is located in Abitibi region of Quebec. As consideration for this asset transferred, the Company will issue 33,649,002 common shares to Maxtech, which will then be distributed to the current shareholders of Maxtech pro-rata based on their relative shareholdings of Maxtech.

Pursuant to the Plan of Arrangement, Maxtech's outstanding share purchase warrants and stock options at the Effective Date of the Arrangement (defined by clause 1.1 of the Arrangement Agreement) will entitle the holders to acquire common shares of the Company based on the exchange factor, being the number arrived at by dividing 33,649,002 by the number of issued common shares of Maxtech as of the Share Distribution Record Date (defined by clause 1.1 of the Arrangement Agreement). Maxtech will be required to remit to the Company a portion of the funds received by Maxtech Ventures in accordance with the formula set out in the Clause 4.4 of the Arrangement Agreement. As at March 31, 2011, Maxtech had no stock options or share purchase warrants outstanding that would be considered as share commitments of Maxtech on the Effective Date. The Arrangement Agreement was approved by the Supreme Court of British Columbia on March 25, 2011 and by Maxtech's shareholders on March 17, 2011.

5. CAPITAL STOCK

a. Authorized: unlimited common shares without par value
unlimited preferred shares without par value

b. Issued and Outstanding:

	Number of Shares	Amount ($)
Common shares issued to Maxtech for cash on incorporation, November 16, 2010	1	1
Balance as at December 31, 2010, and March 31, 2011	**1**	**1**

Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. As at and during the period ended March 31, 2011, no options were granted or outstanding.

6. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity and cash and cash equivalents as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners. The Company is not subject to any capital requirements imposed by a regulator.

7. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accrued liabilities; the fair values of which are considered to approximate their carrying value due to their short-term maturities or ability of prompt liquidation.

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

Strategic and operational risks are risks that arise if the Company fails to discover mineralization and the economic viability of developing the mineral properties acquired and/or to raise sufficient equity and/or debt financing in financing the exploration and development. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is subject to normal industry credit risks. Therefore, the Company believes that there is minimal exposure to credit risk.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2011, the Company had cash balance of $1 and current liabilities of $5,500. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Management is considering different alternatives to secure adequate financing to meet the Company short term and long term cash requirement, including but not limited to:

- Obtaining a short term loan from Maxtech to meet the liquidity requirement before the completion of the Plan of Arrangement.
- Raising money from private placements to meet its long term goals after the completion of the Plan of Arrangement.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Accrued liabilities are denominated in Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

8. INCOME TAXES

As at March 31, 2011, the Company has income tax loss carry forwards of approximately $5,500 to reduce future federal and provincial taxable income, of which $1,000 and $4,500 will expire in 2030 and 2031 respectively. Future tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements and have been offset by a valuation allowance because it is not probable that future taxable profit will be available against which the Company can utilize the benefits.

A reconciliation of income taxes at statutory rates is as follows:

	Three Months Ended March 31, 2011	Year Ended December 31, 2010
	$	$
Loss for the period	(4,500)	(1,000)
Expected income tax recovery at statutory rates of 28%	(1,260)	(280)
Effect of changes in tax rates	135	30
Increase in valuation allowance	1,125	250
	-	-

The components of deferred income tax assets are as follows:

	Three Months Ended March 31, 2011	Year Ended December 31, 2010
	$	$
Deferred income tax assets		
Non-capital losses carried forward	1,375	250
Less: Valuation allowance	(1,375)	(250)
Net deferred income tax assets	-	-

9. RELATED PARTY TRANSACTIONS

a. During the three months ended March 31, 2011, the Company incurred $1,000 in professional fees to a company owned by the CFO of the Company. The balance in accrued liabilities as at March 31, 2011 included $1,000 (December 31, 2010: $Nil) owing to the same company. This related party transaction is in the normal course of operations and has been measured at the exchange amount agreed upon between the related parties.

b. The Company and Maxtech, the parent company, entered into an arrangement agreement described in Note 4. The Plan of Arrangement provides for the transfer of the Guercheville mineral properties from Maxtech to the Company, as a wholly-owned subsidiary, and the immediate distribution of a controlling interest in the common shares of the Company to the current shareholders of Maxtech. The shareholders of Maxtech at the time of the Plan of Arrangement will continue to collectively own the Guercheville mineral properties, albeit through an altered corporate structure.

9. RELATED PARTY TRANSACTIONS (continued)

b. Consequently, given that there will be no substantive change in the beneficial ownership of the Guercheville mineral properties at the time that it is transferred to the Company, the transfer will be recorded under IFRS using the historical carrying values of the Guercheville mineral properties in the accounts of Maxtech at the time of the transfer.

c. The Company did not have any transactions with directors of the Company since November 16, 2010, the date of incorporation.

10. TRANSITION TO INTERNATIONAL FINANCING REPORTING STANDARDS

As stated in Note 2, these are the Company's first interim financial statements for the quarter covered by the first annual financial statements prepared in accordance with IFRS for the year ended December 31, 2011.

The accounting policies stated in note 2 and 3 have been applied as follows:

- In preparing the interim financial statements for the three months ended March 31, 2011,
- the financial statements for the first year ended December 31, 2010,
- the opening IFRS statement of financial position on November 16, 2010 (the IFRS Transition Date), which is the Company's date of incorporation.

Adoption of IFRS1

The guidance for the first time adoption of IFRS is provided by IFRS1 - First Time Adoption of International Financial Reporting Standards, which provides guidance for an entity's initial adoption of IFRS. IFRS1 gives entities adopting IFRS for the first time a number of optional and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS.

Optional Exemptions

The Company did not find any optional exemptions available by IFRS 1 are applicable to the Company. Accordingly, the Company has not elected to apply any optional exemptions provided by IFRS1.

Mandatory Exemptions

IFRS 1 mandatory exception applied by the Company is as follows:

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 Canadian GAAP unless those estimates were in error. The Company's IFRS estimates as at the Transition Date are consistent with its Canadian GAAP estimates as at that date.

10. TRANSITION TO INTERNATIONAL FINANCING REPORTING STANDARDS (Continued)

Reconciliation of Canadian GAAP to IFRS

IFRS 1 requires an entity to reconcile equity and comprehensive income (loss) for prior periods presented under Canadian GAAP to IFRS as of the same date, accompanying with an explanation for any material adjustments to cash flows to the extent that they exist.

a) Impacts to statements of comprehensive loss and statements of cash flows

The IFRS transition has no impact to the company's statements of comprehensive loss and statements of cash flows for the period from November 16, 2010 (the IFRS Transition date and the incorporation date) to its first year ended December 31, 2010. Thus the Company does not provide reconciliation between IFRS and Canadian GAAP for the statements of comprehensive loss and statements of cash flows for this period.

b) Impacts to statements of financial position

The adoption of IFRS has no impacts to the Company's financial position on November 16, 2010 (the IFRS Transition date and the Company's incorporation date) and December 31, 2010 (the first year-end date). As a result, the Company does not provide reconciliation between IFRS and Canadian GAAP for the statements of financial position on these dates.

c) The significant differences between the Company's Canadian GAAP accounting policies and those applied by the Company under IFRS:

Share-based payments
Under Canadian GAAP, the fair value of awards with graded vesting are calculated as one grant and the resulting fair value is recognized on a straight-line basis over the vesting periods. Forfeitures of awards are recognized as they occur. Under IFRS, each tranche or award with different vesting dates is considered a separate grant for 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. The Company has determined that no adjustment was required at November 16, 2010 or for the year ended December 31, 2010.

Under Canadian GAAP, for the purpose of accounting for share-based payment transactions, an individual is classified as an employee when the individual is consistently represented to be an employee under law. The fair value of the options granted to employees is measured on the date of grant. The fair value of options granted to contractors and consultants (non-employee) are measured on the date the services are completed.

10. TRANSITION TO INTERNATIONAL FINANCING REPORTING STANDARDS (Continued)

c) The significant differences between the Company's Canadian GAAP accounting policies and those applied by the Company under IFRS: (continued)

Share-based payments (continued)

IFRS 2, similar to Canadian GAAP, requires the Company to measure share-based payment transactions related to share options granted to employees at the fair value of the options on the date of grant and to recognise such expense over the vesting year of the options. However, for options granted to non-employees, IFRS requires that share-based compensation be measured at the fair value of the services received unless the fair value cannot be reliably measured. For the purpose of accounting for share-based payment transactions, an individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. This definition of an employee is broader under IFRS than under Canadian GAAP. The Company has determined that no adjustment was required at November 16, 2010 or for the year ended December 31, 2010.

Deferred Tax asset/liability
Under Canadian GAAP the deferred assets and liabilities can be classified as current or non-current. Under IFRS all deferred tax assets and liabilities must be classified as non-current. The Company has determined that no adjustment was required at November 16, 2010 or for the year ended December 31, 2010.

Impairment
Under Canadian GAAP, if an 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 the difference between the discounted cash flows and the carrying value. Under IFRS, if an 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 the amount equal to the difference between the discounted cash flows and the carrying amount. The Company has determined that no adjustment was required at November 16, 2010 or for the year ended December 31, 2010.