INCA ONE RESOURCES CORP.

(Formerly Inca One Metals Corp.)
(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements (Unaudited)
(Expressed in Canadian Dollars)

Three and Nine Months Ended January 31, 2012 and 2011

INCA ONE RESOURCES CORP.

(Formerly Inca One Metals Corp.)

(the "Company")

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three and nine months ended January 31, 2012 and 2011

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The management of Inca One Resources Corp. is responsible for the preparation of the accompanying unaudited condensed interim consolidated financial statements. The unaudited condensed interim consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of condensed interim consolidated financial statements and are in accordance with IAS 34 - Interim Financial Reporting.

The Company's auditor has not performed a review of these condensed interim consolidated 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 auditor.

March 20, 2012

INCA ONE RESOURCES CORP.
(Formerly Inca One Metals Corp.)
(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Financial Position (Unaudited)
(Expressed in Canadian Dollars)

	January 31, 2012	April 30, 2011 (Note 10)	May 1, 2010 (Note 10)
	$	$	$
Assets			
Current:			
Cash and cash equivalents	1,073,938	700,853	163,483
Receivables (Note 4)	115,103	44,302	228,729
Prepaid expenses and deposits	54,390	1,200	-
	1,243,431	746,355	392,212
Equipment	20,006	2,321	-
Exploration and evaluation assets (Note 5)	1,005,154	158,097	-
	2,268,591	906,773	392,212
Liabilities			
Current:			
Accounts payable and accrued liabilities	44,436	71,658	54,830
Loans payable (Note 6)	-	120,000	-
	44,436	191,658	54,830
Shareholders' Equity			
Share capital (Note 7)	6,896,413	4,848,237	4,067,480
Reserves (Note 7)	826,915	516,967	448,745
Deficit	(5,499,173)	(4,650,089)	(4,178,843)
	2,224,155	715,115	337,382
	2,268,591	906,773	392,212

Nature of operations (Note 1)
Subsequent event (Note 5(a))

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

INCA ONE RESOURCES CORP.
(Formerly Inca One Metals Corp.)
(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited)
(Expressed in Canadian Dollars)

	Three months ended January 31,		Nine months ended January 31,	
	2012	2011	2012	2011
	$	$	$	$
Administrative expenses:				
Consulting and management fees	46,875	22,500	145,885	44,745
Depreciation	(14)	102	625	307
Office, rent and administration	44,870	12,274	98,692	26,435
Professional fees	1,451	14,466	38,964	24,004
Regulatory fees	(682)	1,447	7,301	11,853
Share-based payments (Note 7(d))	35,922	-	335,558	27,739
Transfer agent and shareholder information	8,935	6,297	18,007	12,621
Travel, advertising and promotion	81,613	80,539	211,105	86,350
	218,970	137,625	856,137	234,054
Loss before other items	(218,970)	(137,625)	(856,137)	(234,054)
Other items:				
Foreign exchange gain (loss)	(853)	-	972	-
Finance and other costs (Note 6)	(10,542)	(3,747)	(13,083)	(7,275)
Finance income	14,026	479	19,164	661
	2,631	(3,268)	7,053	(6,614)
Net loss for the period	(216,339)	(140,893)	(849,084)	(240,668)
Other comprehensive loss:				
Cumulative translation adjustment	(641)	-	(610)	-
Total comprehensive loss for the period	(216,980)	(140,893)	(849,694)	(240,668)
Basic and diluted loss per share (Note 7(g))	(0.01)	(0.01)	(0.04)	(0.02)

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

INCA ONE RESOURCES CORP.

(Formerly Inca One Metals Corp.)
(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Changes in Equity (Unaudited)
(Expressed in Canadian Dollars)

	Share Capital		Reserves					Deficit	Total shareholders' equity
	Common shares	Amount	Stock options	Warrants	Foreign currency translation	Other	Total		
	#	$	$	$	$	$	$	$	$
Balance, May 1, 2010	9,619,039	4,067,480	88,600	360,145	-	-	448,745	(4,178,843)	337,382
Net loss for the period	-	-	-	-	-	-	-	(240,668)	(240,668)
Private placement	805,001	72,450	-	-	-	-	-	-	72,450
Share issuance costs	-	(19,147)	-	-	-	-	-	-	(19,147)
Finder's fees	80,500	7,245	-	-	-	-	-	-	7,245
Exercise of warrants	150,000	18,750	-	-	-	-	-	-	18,750
Escrow shares cancellation	(109,245)	(42,931)	-	-	-	42,931	42,931	-	-
Share-based payments	-	-	27,739	-	-	-	27,739	-	27,739
Balance, January 31, 2011	10,545,295	4,103,847	116,339	360,145	-	42,931	519,415	(4,419,511)	203,751
Net loss for the period	-	-	-	-	-	-	-	(230,578)	(230,578)
Exercise of warrants	5,914,412	739,302	-	-	-	-	-	-	739,302
Exercise of options	12,000	5,088	(2,448)	-	-	-	(2,448)	-	2,640
Balance, April 30, 2011	16,471,707	4,848,237	113,891	360,145	-	42,931	516,967	(4,650,089)	715,115
Comprehensive loss for the period	-	-	-	-	(610)	-	(610)	(849,084)	(849,694)
Private placement	5,000,000	2,000,000	-	-	-	-	-	-	2,000,000
Share issuance costs	-	(183,582)	-	-	-	-	-	-	(183,582)
Shares issued for exploration and evaluation assets	200,000	74,000	-	-	-	-	-	-	74,000
Finder's fees	97,750	38,800	-	-	-	-	-	-	38,800
Exercise of warrants	751,667	93,958	-	-	-	-	-	-	93,958
Expired warrants	-	25,000	-	(25,000)	-	-	(25,000)	-	-
Share-based payments	-	-	335,558	-	-	-	335,558	-	335,558
Balance, January 31, 2012	22,521,124	6,896,413	449,449	335,145	(610)	42,931	826,915	(5,499,173)	2,224,155

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

INCA ONE RESOURCES CORP.
(Formerly Inca One Metals Corp.)
(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Cash Flows (Unaudited)
(Expressed in Canadian Dollars)

	Nine months ended January 31, 2012	2011
	$	$
Cash was provided by (used in):		
Operating activities:		
Net loss for the period	(849,084)	(240,668)
Adjustments for:		
Depreciation	625	307
Foreign exchange gain	(610)	-
Share-based payments	335,558	27,739
Changes in non-cash working capital accounts:		
Receivables	(72,400)	(23,242)
Prepaid expenses and deposits	(53,190)	(1,200)
Accounts payable and accrued liabilities	(27,222)	(38,290)
	(666,323)	(275,354)
Financing activities:		
Proceeds (repayment) of loans payable	(120,000)	120,000
Proceeds on issuance of securities	1,947,075	318,713
	1,827,075	438,713
Investing activities:		
Purchase of equipment	(19,562)	(2,731)
Exploration and evaluation assets	(768,105)	(67,188)
	(787,667)	(69,919)
Increase in cash and cash equivalents	373,085	93,440
Cash and cash equivalents, beginning of period	700,853	163,483
Cash and cash equivalents, end of period	1,073,938	256,923
Cash and cash equivalents consist of:		
Cash	8,920	56,923
Guaranteed Investment Certificates	1,065,018	200,000
Supplementary information:		
Non-cash financing and investing activities:		
Shares issued for finder's fees (Notes 5(a) and 7(c))	38,800	7,245
Shares issued for exploration and evaluation assets (Note 5(a))	74,000	-

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

NOTE 1 – NATURE OF OPERATIONS

Inca One Resources Corp. (the "Company") was incorporated under the laws of Canada on November 9, 2005. On November 25, 2009, the Company consolidated its capital stock on a ten-for-one basis. All share and per share information contained in these financial statements reflect the post-consolidated share numbers. On May 11, 2011, the Company changed its name from SUB Capital Inc. to Inca One Metals Corp. and on October 26, 2011, to Inca One Resources Corp. The Company's shares are traded on the TSX Venture Exchange ("Exchange") under the symbol "IO".

Effective September 5, 2008, the Company was designated as inactive and its listing was transferred to the NEX ("NEX") Board of the TSX Venture Exchange ("Exchange"). On June 25, 2010, the Company entered into an option agreement (Note 5(b)) for an asset acquisition and this transaction constituted the Company's Change of Business under the policies of the Exchange. On September 23, 2010, the Company received Exchange acceptance of its Change of Business and effective September 24, 2010, the Company's listing was transferred from the NEX to Tier 2 of the Exchange.

The head office and principal address of the Company are located at Suite 507 – 700 West Pender Street, Vancouver, BC, Canada, V6C 1G8. The Company's records office and registered office address is located at Suite 300 - 576 Seymour Street, Vancouver, British Columbia, Canada, V6B 3K1.

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain reserves that are economically recoverable. The Company's ability to continue as a going concern and the recoverability of the amounts capitalized for resource properties and related deferred exploration expenditures are dependent upon the ability of the Company to raise additional financing in order to complete the acquisition, exploration and development of its resource properties, the discovery of economically recoverable reserves, the attainment of future profitable production or proceeds from disposition of the Company's resource properties. The outcome of these matters cannot be predicted at this time.

The Company has a history of losses with no operating revenue and had working capital at January 31, 2012 of $1,198,995 (April 30, 2011 - $554,697). Management has estimated that the Company will have adequate funds from existing working capital to meet corporate, administrative and other obligations over the next twelve months. The Company will be required to raise additional capital in order to meet its option payments and incur expenditures to maintain its option to acquire an interest in the Las Huaquillas property and to fund working capital requirements in the long term. However, there can be no assurance that the Company will be able to obtain additional financial resources necessary and/or achieve profitability or positive cash flows. These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in the accompanying financial statements.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The financial statements were authorized for issue on March 20, 2012 by the Directors of the Company. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Statement of compliance and adoption of International Financial Reporting Standards ("IFRS")

The condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" and IFRS 1, "First time adoption of International Financial Reporting Standards ("IFRS")" using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

The condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended April 30, 2011 prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). The basis of presentation of these condensed interim consolidated financial statements is different to that of the Company's most recent annual financial statements due to the first time adoption of IFRS.

The impact of the conversion from GAAP to IFRS is explained in note 10. Note 10 includes reconciliations of the Company's condensed interim consolidated statements of financial position for comparative periods prepared in accordance with GAAP as previously reported to those prepared and reported in these unaudited condensed interim consolidated financial statements in accordance with IFRS.

(b) Basis of presentation and consolidation

The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted. The condensed interim consolidated financial statements include the accounts of the Company, its wholly owned subsidiary, Inca One Metals S.A., and Minera Huaquallis SAC, a private company incorporated in Peru (Note 5(a)). All intercompany balances and transactions have been eliminated on consolidation.

The condensed interim consolidated financial statements of the Company have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as explained in note 2(m).

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES - continued

(c) Use of estimates and judgments

The preparation of the Company's condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments and other equity-based payments and the estimated useful life and recoverability of equipment. Actual results may differ from those estimates and judgments.

(d) Functional and presentation of foreign currency

(i) Functional and presentation currency

Items included in the financial statements of the Company's subsidiary are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

The condensed interim consolidated financial statements are presented in Canadian dollars.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are included in profit and loss.

(iii) Subsidiaries

The results and financial position of subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the reporting date;
- Income and expenses for each income statement are translated at average exchange rates for the period; and
- All resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES - continued

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(f) Equipment

Equipment is carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is determined at rates which will reduce original cost to estimated residual value over the expected useful life of each asset. The annual rate used to compute depreciation is as follows:

Computer hardware	declining-balance basis	30%
Furniture	declining-balance basis	20%

(g) Exploration and evaluation assets

These assets relate to mineral rights acquired and exploration and evaluation expenditures capitalized in respect of projects that are in the exploration or pre-development stage.

Once a right to explore a mineral property has been secured, exploration and evaluation expenditures are capitalized and include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration costs include value added taxes incurred in foreign jurisdictions when recoverability of these taxes is uncertain. Costs incurred before the Company has obtained the legal rights to explore a mineral property are expensed as incurred.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that mineral property are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective mineral properties.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – continued

(h) Impairment of non-financial assets

The carrying amount of the Company's non-financial assets (which include equipment and exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost 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 the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

(i) Decommissioning obligation

The liability for a decommissioning obligation, such as site reclamation costs, is recorded when a legal or constructive obligation exists and is recognized in the period in which it is incurred. The Company records the estimated present value of future cash flows associated with site reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized decommissioning costs will be amortized to expense over the life of the related assets using the units-of-production method. The liability is accreted to reflect the passage of time and adjusted to reflect changes in the timing and amount of estimated future cash flows.

As at January 31, 2012, April 30, 2011 and May 1, 2010, the Company has not commenced exploration work on its resource property.

(j) Share capital

Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity. The proceeds from the exercise of stock options or warrants together with amounts previously recorded over the vesting periods are recorded as share capital. Share capital issued for non-monetary consideration is recorded at an amount based on fair value on the date of issue.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – continued

(k) Share-based payments

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(l) Loss per share

The Company calculates basic loss per share using the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting the weighted average number of common shares outstanding by an amount that assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are applied to repurchase common shares at the average market price for the period in calculating the net dilution impact. Stock options and warrants are dilutive when the Company has income from continuing operations and the average market price of the common shares during the period exceeds the exercise price of the options and warrants.

As the Company reported losses for the nine months ended January 31, 2012 and 2011, basic loss per share is equal to dilutive loss per share for the periods presented.

(m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity. Financial assets and financial liabilities are recognized on the consolidated statements of financial position at the time the Company becomes a party to the contractual provisions. Upon initial recognition, financial instruments are measured at fair value. Measurement in subsequent periods is dependent on the classification of the financial instrument. The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities at amortized cost.

(i) Financial assets and liabilities at fair value through profit and loss

Financial assets and liabilities at fair value through profit and loss are either ‘held-for-trading’ or classified at fair value through profit or loss. They are initially and subsequently recorded at fair value and changes in fair value are recognized in profit or loss for the period. Cash and cash equivalents are designated at fair value through profit or loss.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES – continued

(m) Financial instruments - continued

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and such assets are recognized initially at fair value and subsequently on an amortized cost basis using the effective interest method, less any impairment losses. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. Receivables are classified as loans and receivables.

(iii) Held-to-maturity

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are initially recorded at fair value and subsequently measured at amortized cost. The Company currently holds no held-to-maturity investments.

(iv) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses.

(v) Financial liabilities at amortized cost

Non-derivative financial liabilities (excluding financial guarantees) are recorded at the date of obligation at fair value and are subsequently measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities and loans payable are classified as financial liabilities.

The Company assesses at each reporting period whether there is any objective evidence that a financial asset, other than those measured at fair value, is impaired. When assessing impairment, the carrying value of financial assets carried at amortized cost is compared to the present value of estimated future cash flows, discounted using the instrument's original effective interest rate. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in income or loss.

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS

The following IFRS standards have been recently issued by the IASB: The Company is assessing the impact of these new standards, but does not expect them to have a significant effect on the financial statements.

(a) IFRS 10, Consolidated Financial Statements

In 2011, the IASB issued IFRS 10 which provides additional guidance to determine whether an investee should be consolidated. The guidance applies to all investees, including special purpose entities. The standard is required to be adopted for periods beginning January 1, 2013.

(b) IFRS 11, Joint Arrangements

In 2011, the IASB issued IFRS 11 which presents a new model for determining whether an entity should account for joint arrangements using proportionate consolidation or the equity method. An entity will have to follow the substance rather than legal form of a joint arrangement and will no longer have a choice of accounting method. The standard is required to be adopted for periods beginning January 1, 2013.

(c) IFRS 12, Disclosure of Interests in Other Entities

In 2011, the IASB issued IFRS 12 which aggregates and amends disclosure requirements included within other standards. The standard requires a company to provide disclosures about subsidiaries, joint arrangements, associates and unconsolidated structured entities. The standard is required to be adopted for periods beginning January 1, 2013.

(d) IFRS 13, Fair value measurement

In 2011, the IASB issued IFRS 13 to provide comprehensive guidance for instances where IFRS requires fair value to be used. The standard provides guidance on determining fair value and requires disclosures about those measurements. The standard is required to be adopted for periods beginning January 1, 2013.

(e) IAS 1, Presentation of Items of Other Comprehensive Income

In 2011, the IASB issued amendments to IAS 1 Presentation of Financial Statements to split items of other comprehensive income (OCI) between those that are reclassed to income and those that are not. The standard is required to be adopted for periods beginning on or after July 1, 2012.

(f) IAS 27, Separate Financial Statements

The IASB issued amendments to IAS 27 Separate Financial Statements to coincide with the changes made in IFRS 10, but retains the current guidance for separate financial statements.

(g) IAS 28, Investments in Associates and Joint Ventures

The lASB issued amendments to lAS 28 Investments in Associates and Joint Ventures to coincide with the changes made in IFRS 10 and IFRS 11.

(Expressed in Canadian Dollars)

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS - continued

(h) IFRS 7, Financial Instruments: Disclosures

In 2011, IASB issued amendments to IFRS 7 Financial Instruments: Disclosures relating to disclosure requirements for the offsetting of financial assets and liabilities when offsetting is permitted under IFRS. The disclosure amendments are required to be adopted retrospectively for periods beginning January 1, 2013.

NOTE 4 – RECEIVABLES

	January 31, 2012	April 30, 2011	May 1, 2010
	$	$	$
Share subscription receipts in transit	-	1,599	218,290
HST recoverable	108,210	42,253	10,439
Interest receivable	6,893	450	-
	115,103	44,302	228,729

As at April 30, 2011, there was a share subscription receipt in transit of $1,599 from the exercise of 222,222 warrants at $0.125 per share which was received during the nine months ended January 31, 2012.

On April 28, 2010, the Company issued 2,425,444 common shares at $0.09 per share pursuant to a private placement which the Company's lawyer was holding against payments in transit of $218,290, all of which were received during the year ended April 30, 2011.

NOTE 5 – EXPLORATION AND EVALUATION ASSETS

	Las Huaquillas project Peru (a)	Thorburn Lake property Canada (b)	Total
	$	$	$
Balance, May 1, 2010	-	-	-
Acquisition costs:			
Option payments - cash	74,175	30,000	104,175
Others (professional and regulatory fees)	83,922	10,545	94,467
Impairment of resource property	-	(40,545)	(40,545)
Balance, April 30, 2011, carried forward	158,097	-	158,097

(Expressed in Canadian Dollars)

NOTE 5 – EXPLORATION AND EVALUATION ASSETS

Balance, April 30, 2011, brought forward	158,097	-	158,097
Acquisition costs:			
Option payments and finder's fee - cash	323,843	-	323,843
Option payments and finder's fee- common shares	77,700	-	77,700
Staking	49,381	-	49,381
Others (professional and regulatory fees)	61,660	-	61,660
	512,584	-	512,584
Exploration costs:			
Field costs	22,641	-	22,641
Geology	18,350	-	18,350
Office and administration	14,110	-	14,110
Mineral concession fees	21,211	-	21,211
Professional fees	90,651	-	90,651
Rent, utilities and maintenance	10,415	-	10,415
Travel and accommodation	14,239	-	14,239
Value added tax [1]	13,120	-	13,120
Wages and contract labor	129,736	-	129,736
	334,473	-	334,473
Balance, January 31, 2012	1,005,154	-	1,005,154

[1] Expenses incurred by the Company in Peru, including exploration expenses, are subject to Peruvian Value Added Tax ("VAT"). The VAT is not currently refundable to the Company but the amounts may be used in the future to offset amounts due to the Peruvian tax administration by the Company resulting from VAT charged to clients on future sales.

(a) Las Huaquillas project

On March 25, 2011, the Company entered into a definitive letter agreement (the "Agreement") with Rial Minera SAC ("Rial") and its shareholders (collectively the "Optionors") pursuant to which the Company was been granted an option to acquire all of the issued and outstanding shares of Rial (the "Rial Shares"). Rial is a private Peruvian company that owns a 100% interest in the Las Huaquillas gold-copper project (the "Project") located in the Department of Cajamarca in northern Peru. Pursuant to the Agreement, the Company can acquire 100% of the Rial Shares, of which 95% may be acquired by (a) paying an aggregate of US$5,000,000 to the Optionors; (b) issuing 5,000,000 common shares of the Company to the Optionors; and (c) incurring exploration expenditures of US$10,000,000 over a period of four years as follows:

(Expressed in Canadian Dollars)

NOTE 5 – EXPLORATION AND EVALUATION ASSETS - continued

(a) Las Huaquillas project - continued

	Cash		Common shares	
	US$		#	
Within 5 days of execution of the Letter Agreement	75,000	Paid	-	
Within 5 days of Exchange approval	125,000	Paid	200,000	Issued
Concurrently with the execution of the public deed formalizing the mining assignment agreement ("dated July 26, 2011")	50,000	Paid	-	
On or before January 26, 2012	125,000	Paid	125,000 [1]	
Within 5 days from the date in which the Supreme Decree is granted and published in the Official Gazette "EI Peruano"	125,000		125,000	
On or before July 26, 2012 [2]	375,000		375,000	
On or before July 26, 2013 [2]	1,500,000		1,500,000	
On or before July 26, 2014 [2]	1,500,000		1,550,000	
On or before July 26, 2015 [2]	1,125,000		1,125,000	
Total	5,000,000		5,000,000	

(1) Issued subsequent to January 31, 2012.

(2) Subject to the Amended Agreement dated January 18, 2012.

Upon the Company acquiring 95% of the Rial Shares, a 1% net smelter royalty shall be payable to the Optionors on all future production. After completion of the above cash and share payments and exploration expenditures, the Company may earn a further 5% of the Rial Shares by issuing an additional 3,000,000 common shares of the Company to one of the Optionors within 15 days of notice of exercise of the option ("Second Option"). In addition, the Company shall issue to one of the Optionors as bonus payments one common share of the Company per each new ounce of gold or gold equivalent that is found or determined to exist on the Project, in excess of 560,000 ounces of gold or gold equivalent, to be delivered upon public announcement of such discovery.

Pursuant to the Agreement, Rial entered into a mining assignment agreement dated July 26, 2011 with Minera Huaquillas SAC ("Minera"), a Peruvian company engaged in the exploration of mineral properties, whereby Rial assigned all of its exploration rights and obligations related to the Project to Minera for a period of four years. On May 24, 2011, the Company entered into a loan agreement with Minera pursuant to which the Company will advance to Minera up to US$100,000 to fund its exploration activities on the Project. The loan is non-interest bearing and due within one year from the date of the last amount advanced. As at January 31, 2012, the Company advanced $85,635 under the loan agreement and the balance was eliminated on consolidation.

(Expressed in Canadian Dollars)

NOTE 5 – EXPLORATION AND EVALUATION ASSETS - continued

(a) Las Huaquillas project – continued

On January 18, 2012, the Company signed an amended agreement with the Optionors ("Amended Agreement") whereby if by June 27, 2012, Minera has not received the permits required to carry out exploration activities in the Project ("drill permits"), all options payments due starting from July 26, 2012 shall be deferred until the drill permits have been obtained. In addition, Minera is required to submit its application for the drill permits not later than June 20, 2012. [(2)]

As consideration for the acquisition, the Company entered into a finder's fee agreement dated July 31, 2011, to pay a finder's fee of US$282,500 and 400,000 common shares over a period of four years as follows:

	Cash		Common shares	
	US$		#	
Within 5 days of execution of the Letter Agreement	7,500	Paid	-	
Within 5 days of Exchange approval	12,500	Paid	10,000	Issued
Concurrently with the execution of the public deed formalizing the Mining Assignment Agreement ("dated July 26, 2011")	5,000	Paid	-	
On or before January 26, 2012	10,625	[(1)]	6,250	[(1)]
Within 5 days from the date in which the Supreme Decree is granted and published in the Official Gazette "EI Peruano"	9,375		6,250	
On or before July 26, 2012 [(2)]	28,125		18,750	
On or before July 26, 2013 [(2)]	78,125		75,000	
On or before July 26, 2014 [(2)]	75,000		77,500	
On or before July 26, 2015 [(2)]	56,250		56,250	
Within 15 days as of the date in which the Second Option is exercised by the Company [(2)]	-		150,000	
Total	282,500		400,000	

(1) Paid and issued subsequent to January 31, 2012.

(2) Payment of finder's fees will be deferred in accordance with the Amended Agreement and will resume upon resumption of the Company's option payments to the Optionors.

NOTE 5 – EXPLORATION AND EVALUATION ASSETS - continued

(b) Thorburn Lake property

On June 25, 2010, the Company entered into an option agreement with Unity Energy Corp. ("Unity") whereby the Company could earn a 75% interest in the Thorburn Lake Property located within the Athabasca Basin, in the La Ronge Mining District of northern Saskatchewan (the "Property").

Unity had an option to acquire a 100% undivided interest in the Property pursuant to an agreement dated February 22, 2010 with GWN Investment Ltd. ("GWN") by paying GWN an aggregate of $610,000 over a period of three years, issuing 750,000 common shares of Unity to GWN and incurring $2,500,000 in exploration expenditures on the Property. In addition, there was reserved to GWN a 1% net smelter return ("NSR") which may be purchased at any time by Unity by paying GWN $1,000,000 less all amounts previously received by GWN as NSR payments.

The Company could exercise the Option by paying Unity $30,000 (paid), making the above Underlying Payments directly to GWN and incurring $2,400,000 in exploration expenditures prior to February 22, 2014, including not less than $200,000 on or before December 31, 2011.

During the year ended April 30, 2011, the Company determined that it would not pursue the option agreement for the Thorburn Lake Property and as a result, $40,545 in resource property costs was written off.

NOTE 6 – LOANS PAYABLE

During the year ended April 30, 2011, the Company arranged for loans totaling $120,000 pursuant to loan agreements dated August 16, 2010. The loans had a term of one year which matured August 31, 2011 and bore interest at 12% per annum. $60,000 of the $120,000 loan was payable to a company controlled by an officer of the Company. During the nine months ended January 31, 2012, the loans were fully repaid, and the Company paid $1,105 (2010 - $Nil) in interest on the loans.

NOTE 7 – SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of voting common shares without par value.

b) Issued share capital

At January 31, 2012, there were 22,521,124 issued and fully paid common shares (April 30, 2011 – 16,471,707; May 1, 2010 – 9,619,039).

NOTE 7 – SHARE CAPITAL AND RESERVES – continued

c) Share issuances

During the nine months ended January 31, 2012, the Company completed a private placement of 5,000,000 units at $0.40 per unit for gross proceeds of $2,000,000. Each unit consisted of one common share and one-half of one share purchase warrant. Each share purchase warrant entitles the holder to acquire one additional common share of the Company at $0.75 per share expiring June 30, 2013. The warrants are subject to an acceleration provision whereby the warrant holders will be required to exercise their warrants within a period of 30 days if the Company's common shares close at or above $1.00 per share for 10 consecutive trading days, otherwise the warrants will, if not exercised, expire at the end of such 30 day period. Share issuance costs with respect to the private placement totaled $183,582, which included finders' fees of $136,790, 87,750 common shares at a fair value of $35,100 and regulatory expenses of $11,692.

During the nine months ended January 31, 2012, 751,667 common shares were issued for proceeds of $93,958 on the exercise of 751,667 warrants at $0.125 per share.

During the year ended April 30, 2011, the Company completed a private placement of 805,001 units at $0.09 per unit for gross proceeds of $72,450. Each unit consisted of one common share and one common share purchase warrant entitling its holder to acquire an additional common share at $0.125 per share on or before May 27, 2011. Share issuance costs with respect to this private placement totaled $19,147, which included 80,500 common shares at a fair value of $7,245 and Legal fees of $11,902.

During the year ended April 30, 2011, 6,064,412 common shares were issued for gross proceeds of $758,052 on the exercise of 6,064,412 warrants at $0.125 per share.

During the year ended April 30, 2011, 12,000 stock options at $0.22 per share were exercised for total proceeds of $2,640. A reclassification of $2,448 from contributed surplus to share capital was recorded on the exercise of these options.

c) Escrow securities

As of January 31, 2012, the Company had 1,339,733 (April 30, 2011 – 1,674,666; May 1, 2010 - 109,246) common shares, 156,000 (April 30, 2011 – 195,000; May 1, 2010 - nil) stock options and nil (April 30, 2011 – nil; May 1, 2010 - nil) share purchase warrants held in escrow.

Pursuant to an escrow agreement dated July 7, 2010, 1,196,444 common shares of the Company were deposited in escrow in connection with the Company's Change of Business. In addition, a total of 260,000 stock options (120,000 at $0.135 expiring February 18, 2015 and 140,000 at $0.125 expiring April 17, 2015) and share purchase warrants to purchase up to 1,036,444 common shares of the Company at $0.125 expiring April 28, 2011, were also subject to the escrow agreement. During the year ended April 30, 2011, 777,333 warrants were exercised and 777,333 common shares were deposited into escrow.

Under the escrow agreement, 10% of the escrowed securities were released from escrow following receipt of Exchange approval of the Change of Business. The remaining 90% of the securities will be released from escrow in increments of 15% every nine months thereafter over a period of thirty six months. In the event the Company becomes a Tier 1 issuer of the Exchange, the escrow release schedule will be accelerated to 18 months.

(Expressed in Canadian Dollars)

NOTE 7 – SHARE CAPITAL AND RESERVES - continued

c) Escrow securities - continued

On July 26, 2010, 109,246 common shares held in escrow pursuant to an escrow agreement dated January 10, 2007 were cancelled and returned to treasury.

A summary of the status of the escrow securities outstanding follows:

	Shares	Stock Options	Warrants
	#	#	#
Balance, May 1, 2010	109,246	-	-
Cancelled	(109,246)	-	-
Deposited	1,196,444	260,000	1,036,444
Warrants exercised	777,333	-	(777,333)
Released	(299,111)	(65,000)	(259,111)
Balance, April 30, 2011	1,674,666	195,000	-
Released	(334,933)	(39,000)	-
Balance, January 31, 2012	1,339,733	156,000	-

d) Stock options

The Company adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Stock options will be exercisable for a period of up to 10 years from the date of grant.

In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or consulting arrangement was by reason of death, the option may be exercised within a maximum period of twelve months after such death, subject to the expiry date of such option.

(Expressed in Canadian Dollars)

NOTE 7 – SHARE CAPITAL AND RESERVES - continued

d) Stock options - continued

A summary of the status of the options outstanding follows:

	Options	Weighted Average Exercise Price
	#	$
Balance, May 1, 2010	911,000	0.128
Granted	136,000	0.220
Exercised	(12,000)	(0.220)
Balance, April 30, 2011	1,035,000	0.140
Granted	1,196,000	0.452
Balance, January 31, 2012	2,231,000	0.307

The following table summarizes the options outstanding and exercisable as at January 31, 2012:

Options	Weighted Average Remaining Contractual Life	Exercise Price	Expiry Date	Options Exercisable
#		$		#
311,000 [(1)]	3.31 years	0.135	February 18, 2015	311,000
600,000 [(1)]	3.44 years	0.125	April 7, 2015	600,000
124,000	9.01 years	0.220	September 23, 2020	124,000
376,000	9.54 years	0.500	May 13, 2021	188,000
820,000	9.73 years	0.430	July 21, 2021	485,000
2,231,000	7.07 years	0.307		1,708,000

[(1)] Of these options, 72,000 and 84,000 are held in escrow respectively (Note 7(d)).

During the nine months ended January 31, 2012, the Company recognized share-based compensation expense of $335,558 (2011 - $27,739) for stock options granted and vested during the period.

(Expressed in Canadian Dollars)

NOTE 7 – SHARE CAPITAL AND RESERVES - continued

d) Stock options - continued

The fair value of stock options was estimated using the Black-Scholes options pricing model with the following weighted average assumptions:

	2012	2011
Risk-free annual interest rate	1.94%	1.44%
Expected annual dividend yield	0%	0%
Expected stock price volatility	194.17%	225%
Average expected life of options	5.47 years	3 years

The weighted average fair value of stock options granted during the nine months ended January 31, 2012 was $0.36 (2011- $0.20) per option.

e) Warrants

Each whole warrant entitles the holder to purchase one common share of the Company. A summary of the status of the warrants outstanding follows:

	Warrants	Weighted Average Exercise Price
	#	$
Balance, May 1, 2010	7,396,430	0.370
Issued	805,001	0.125
Exercised	(6,064,412)	0.125
Balance, April 30, 2011	2,137,019	0.965
Issued	2,500,000	0.750
Expired	(125,000)	2.000
Exercised	(751,667)	0.125
Balance, January 31, 2012	3,760,352	0.956

(Expressed in Canadian Dollars)

NOTE 7 – SHARE CAPITAL AND RESERVES - continued

e) Warrants - continued

The following table summarizes the share purchase warrants outstanding at January 31, 2012:

Warrants	Weighted Average Remaining Contractual Life	Exercise Price	Expiry Date
#		$	
916,666	0.28 years	1.500	May 9, 2012
343,686	0.87 years	1.000	December 12, 2012
2,500,000	1.42 years	0.750	June 30, 2013
3,760,352	1.09 years	0.956	

f) Loss per share

	Three months ended January 31,		Nine months ended January 31,	
	2012	2011	2012	2011
	$	$	$	$
Loss per share - basic and diluted	0.01	0.01	0.04	0.02
Net loss for the period	216,339	140,893	849,084	240,668
	#	#	#	#
Weighted average number of shares - basic and diluted	22,521,124	10,572,349	21,282,006	10,429,665

(Expressed in Canadian Dollars)

NOTE 8 – RELATED PARTY TRANSACTIONS

(a) Related party transactions

The Company incurred the following transactions with companies that are controlled by an officer of the Company and with companies having a director and an officer in common:

	Three months ended January 31,		Nine months ended January 31,	
	2012	2011	2012	2011
	$	$	$	$
Office, rent and administration	24,900	9,900	64,700	23,100
Legal fees and share issuance costs	1,452	52	17,634	28,495
Interest paid	-	1,815	493	3,317
	26,352	11,767	82,827	54,912

(b) Compensation of key management personnel

The Company's key management personnel has authority and responsibility for planning, directing and controlling the activities of the Company and consists of its Directors, Chief Executive Officer and Chief Financial Officer.

	Three months ended January 31,		Nine months ended January 31,	
	2012	2011	2012	2011
	$	$	$	$
Short-term benefits - management fees	31,500	12,000	73,500	19,500
Share-based compensation	23,725	-	173,375	-
	47,725	12,000	239,375	19,500

(c) Related party balances

The following related party amounts were included in *(i)* accounts payable and accrued liabilities and *(ii)* prepaid expenses and deposits:

	January 31, 2012	April 30, 2011	May 1, 2010
	$	$	$
Director and officer of the Company *(i)*	14,856	-	-
Companies controlled by a director and an officer of the Company *(i)*	-	13,630	9,800
Company having an officer in common *(ii)*	1,200	1,200	-

(Expressed in Canadian Dollars)

NOTE 8 – RELATED PARTY TRANSACTIONS – continued

These transactions are in the normal course of operations and are measured at the fair value amount of consideration established and agreed to by the related parties. Any amounts due to related parties are unsecured, non-interest bearing and have no specific repayment terms.

NOTE 9 – SEGMENTED INFORMATION

The Company operated in the following geographic segments at January 31, 2012, April 30, 2011 and May 1, 2010:

January 31, 2012	Canada	Peru	Total
	$	$	$
Current assets	1,172,412	71,019	1,243,431
Equipment	2,607	17,399	20,006
Exploration and evaluation assets	740,116	265,038	1,105,154
	1,915,135	353,456	2,268,591

April 30, 2011	Canada	Peru	Total
	$	$	$
Current assets	746,355	-	746,355
Equipment	2,321	-	2,321
Exploration and evaluation assets	158,097	-	158,097
	906,773	-	906,773

May 1, 2010	Canada	Peru	Total
	$	$	$
Current assets	392,212	-	392,212

NOTE 10 – CONVERSION TO IFRS

The Company adopted IFRS on May 1, 2011, with the transition date of May 1, 2010 representing the Company's opening IFRS balance sheet. As required by IFRS 1, *First-time Adoption of IFRS*, the Company will apply the IFRS in effect as at April 30, 2012 on a full retrospective basis, except where permitted or required under an IFRS 1 exemption.

On adoption of IFRS 1, the Company elected to apply the following exemptions:

IFRS 2 "Share-based Payment" has not been applied to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to May 1, 2010 (date of transition date to IFRS), which have been accounted for in accordance with GAAP.

NOTE 10 – CONVERSION TO IFRS - continued

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 balance sheet dated May 1, 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 at May 1, 2010 were consistent with its previous estimates under GAAP for the same date.

In preparing its IFRS condensed consolidated financial statements, the Company has adjusted amounts reported previously in financial statements prepared in accordance with GAAP. An explanation of how the transition from previous GAAP to IFRS affected the Company's financial position and results is set out in the following notes and accompanying tables.

(a) Reserves

Under GAAP, amounts recorded in relation to the fair value of stock options granted and warrants issued were recorded to contributed surplus. Under IFRS, these amounts have been reclassified within equity as either stock option or warrant reserves.

(b) Share-based payments

Under GAAP, the Company recognized an expense related to share-based payments on a straight-line basis through the date of full vesting and did not incorporate a forfeiture multiple on the grant date. Under IFRS, the Company is required to recognize the expense over the individual vesting periods for the graded vesting awards and estimate a forfeiture rate.

The Company has elected not to retrospectively apply IFRS 2 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 provision of IFRS 2 only to all outstanding equity instruments that were unvested as at May 1, 2010. As at May 1, 2010, all stock options granted were fully vested and no fair value adjustment was made.

(c) Forfeited or expired options and warrants

Under GAAP, the Company's policy was to leave the value recorded for forfeited or expired unexercised stock options and warrants in contributed surplus.

On transition to IFRS, the Company elected to change its accounting policy for the treatment of forfeited or expired unexercised options and warrants whereby amounts recorded for forfeited or expired unexercised stock options and warrants are transferred to deficit or share capital, respectively.

Accordingly, upon conversion to IFRS, the value assigned to forfeited options of $131,460 had been reclassified from reserves to deficit as at April 30, 2011, January 31, 2011 and May 1, 2010.

(Expressed in Canadian Dollars)

NOTE 10 – CONVERSION TO IFRS - Continued

IFRS Reconciliation of Statements of Financial Position

		As at May 1, 2010			As at January 31, 2011			As at April 30, 2011		
	Note	GAAP	Effect of Conversion to IFRS	**IFRS**	GAAP	Effect of Conversion to IFRS	**IFRS**	GAAP	Effect of Conversion to IFRS	**IFRS**
		$	$	**$**	$	$	**$**	$	$	**$**
Assets										
Current:										
Cash and cash equivalents		163,483	-	**163,483**	256,923	-	**256,923**	700,853	-	**700,853**
Receivables		228,729	-	**228,729**	33,681	-	**33,681**	44,302	-	**44,302**
Prepaid expenses and deposits		-	-	**-**	1,200	-	**1,200**	1,200	-	**1,200**
Deferred costs		-	-	**-**	-	-	**-**	-	-	**-**
		392,212	-	**392,212**	291,804	-	**291,804**	746,355	-	**746,355**
Equipment		-	-	**-**	2,424	-	**2,424**	2,321	-	**2,321**
Exploration and evaluation assets		-	-	**-**	67,188	-	**67,188**	158,097	-	**158,097**
		-	-	**-**	69,612	-	**69,612**	160,418	-	**160,418**
		392,212	-	**392,212**	361,416	-	**361,416**	906,773	-	**906,773**

(Expressed in Canadian Dollars)

NOTE 10 – CONVERSION TO IFRS -continued

IFRS Reconciliation of Statements of Financial Position - continued

		As at May 1, 2010			As at January 31, 2011			As at April 30, 2011		
	Note	GAAP	Effect of Conversion to IFRS	**IFRS**	GAAP	Effect of Conversion to IFRS	**IFRS**	GAAP	Effect of Conversion to IFRS	**IFRS**
		$	$	**$**	$	$	**$**	$	$	**$**
Liabilities										
Current:										
Accounts payable and accrued liabilities		54,830	-	**54,830**	16,540	-	**16,540**	71,658	-	**71,658**
Loans payable		-	-	**-**	120,000	-	**120,000**	120,000	-	**120,000**
		54,830	-	**54,830**	136,540	-	**136,540**	191,658	-	**191,658**
Shareholders' Equity										
Share capital		4,067,480	-	**4,067,480**	4,124,972	-	**4,124,972**	4,848,237	-	**4,848,237**
Reserves	(a)	-	448,745	**448,745**	-	519,415	**519,415**	-	516,967	**516,967**
Contributed surplus	(a)(c)	580,205	(580,205)	**-**	650,875	(650,875)	**-**	648,427	(648,427)	**-**
Deficit	(c)	(4,310,303)	131,460	**(4,178,843)**	(4,550,971)	131,460	**(4,419,511)**	(4,781,549)	131,460	**(4,650,089)**
		337,382	-	**337,382**	224,876	-	**224,876**	715,115	-	**715,115**
		392,212	-	**392,212**	361,416	-	**361,416**	906,773	-	**906,773**

NOTE 10 – CONVERSION TO IFRS - continued

The transition from GAAP to IFRS had no impact on the Company's previously reported statements of loss and comprehensive loss and statements of cash flows for the year ended April 30, 2011 and the nine months ended January 31, 2011.