GGL RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

FEBRUARY 28, 2013

(UNAUDITED **-** *Expressed in Canadian Dollars)*

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

GGL RESOURCES CORP.

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

	February 28, 2013	November 30, 2012
ASSETS		
Current		
Cash (Note 3)	$ 51,900	$ 38,670
Cash reserved for exploration (Note 3)	-	58,800
Amounts receivable (Note 4)	102,505	70,221
Prepaid expenses	15,121	15,206
Total Current Assets	169,526	182,897
Exploration and Evaluation Assets (Note 6)	3,586,420	3,636,654
Property and Equipment (Note 7)	124,873	126,445
	$ 3,880,819	$ 3,945,996
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 5,10)	$ 234,444	$ 202,789
Non-current		
Amounts owed to related parties (Note 10)	607,763	609,578
Total Liabilities	842,207	812,367
SHAREHOLDERS' EQUITY		
Share Capital (Note 8)	35,804,113	35,783,110
Subscription Advances (Note 8(c))	6,000	60,000
Share-based Payments Reserve	4,217,619	4,181,619
Deficit	(36,989,120)	(36,891,100)
Total Shareholders' Equity	3,038,612	3,133,629
	$ 3,880,819	$ 3,945,996

Nature of Operations and Going Concern (Note 1)
Events After the Reporting Period (Note 15)

On behalf of the Board:

"Raymond A. Hrkac"	*"Nick DeMare"*
Raymond A. Hrkac, Director	Nick DeMare, Director

Date of Board of Directors approval for issue: April 29, 2013

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

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Comprehensive Loss
For the three months ended
(Unaudited – Expressed in Canadian Dollars)

	February 28, 2013	February 29, 2012
Expenses		
Consulting fees	$ 6,250	$ 6,250
Depreciation	157	197
Exploration costs - general	12,440	24,603
Legal and audit	1,931	(1,000)
Licenses, taxes, insurance and fees	11,569	9,198
Office services and expenses	18,508	21,631
Shareholders' meetings and reports	-	766
Travel	-	399
Operating loss	(50,855)	(62,044)
Other income (loss)		
Interest income	117	391
Interest expense	(223)	(253)
Foreign exchange loss	-	(24)
Operator's fees	-	79
Sale of Shoe mineral leases (Note 6(c))	50,000	-
Termination payment	-	13,376
Write off of exploration and evaluation assets (Note 6(c))	(97,059)	(7,813)
	(47,165)	5,756
Net loss and comprehensive loss for the period	(98,020)	(56,288)
Loss per share - basic and diluted	$ (0.001)	$ (0.000)
Weighted average number of common shares outstanding - basic and diluted	157,903,693	155,023,693

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

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
For the three months ended
(Unaudited - Expressed in Canadian Dollars)

	Share # of Shares	Capital Amount ($)	Subscription Advances	Share-based Payments Reserve	Deficit	Shareholders' Equity
Balance November 30, 2011	**155,023,693**	**$ 35,727,357**	**$ -**	**$4,133,619**	**$(28,553,095)**	**$ 11,307,881**
Comprehensive loss	-	-	-	-	(56,288)	(56,288)
Balance February 29, 2012	**155,023,693**	**$ 35,727,357**	$ **-**	**$4,133,619**	**$(28,609,383)**	**$11,251,593**

	Share # of Shares	Capital Amount ($)	Subscription Advances	Share-based Payments Reserve	Deficit	Shareholders' Equity
Balance November 30, 2012	**157,423,693**	**$ 35,783,110**	**$ 60,000**	**$4,181,619**	**$(36,891,100)**	**$ 3,133,629**
Shares issued for cash – flow –through private placement	1,200,000	24,000	-	36,000	-	60,000
Share issue costs	-	(2,997)	-	-	-	(2,997)
Subscription advances	-	-	(54,000)	-	-	(54,000)
Comprehensive loss	-	-	-	-	(98,020)	(98,020)
Balance February 28, 2013	**158,623,693**	**$ 35,804,113**	**$ 6,000**	**$4,217,619**	**$(36,989,120)**	**$ 3,038,612**

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

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Cash Flows
For the three months ended
(Unaudited - Expressed in Canadian Dollars)

	February 28, 2013	February 29, 2012
Cash flows from (used in) operating activities		
Net loss for the period	$ (98,020)	$ (56,288)
Adjustment for items not involving cash:		
- depreciation of equipment	157	197
- depreciation of exploration equipment	6,415	7,849
- write off of exploration and evaluation assets	97,059	7,813
	5,611	(40,429)
Change in non-cash working capital items:		
- amounts receivable	(32,284)	136,253
- prepaid expenses	85	541
- accounts payable and accrued liabilities	8,406	892
	(18,182)	97,257
Cash flows from (used in) financing activities		
Advances (repaid) from related parties	(1,815)	-
Shares issued for cash – flow-through shares	60,000	-
Share issuance costs	(2,997)	-
Subscription advances	(54,000)	-
	1,188	-
Cash flows from (used in) investing activities		
Recoveries from exploration and evaluation assets	(23,576)	(116,251)
Purchase of exploration equipment	(5,000)	-
	(28,576)	(116,251)
Decrease in cash and cash reserved for exploration	(45,570)	(18,994)
Cash and cash reserved for exploration, beginning of period	97,470	179,801
Cash and cash reserved for exploration, end of period	$ 51,900	$ 160,807

See Note 13 Supplementary Cash Flow Information

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

1. Nature of Operations and Going Concern

GGL Resources Corp. ("the Company") was incorporated on May 25, 1981 under the provisions of the Company Act (British Columbia). The Company is listed on the TSX Venture Exchange, tier 2, under the symbol "GGL". The Company's head office is located at #906, 675 West Hastings Street, Vancouver, BC, V6B 1N2 Canada. The Company's records office and registered address is Davis LLP, 666 Burrard Street, Vancouver, BC, V6C 2Z7 Canada.

The Company is in the exploration stage and, on the basis of information to date, does not yet have economically recoverable reserves. The underlying value of the exploration and evaluation assets and related deferred costs are entirely dependent upon the existence of such reserves, the ability of the Company to obtain the necessary financing to develop the reserves and upon future profitable production.

As at February 28, 2013, the Company has a negative working capital of $64,918 (November 30, 2012 - $19,892) and a deficit of $36,989,120 (November 30, 2012 - $36,891,100).

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned any revenues and is considered to be in the exploration stage. The Company's operations are funded from equity financings which are dependent upon many external factors and it may be difficult to impossible to secure or raise additional funds when required. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

The Company will continue to require additional funding to maintain its ongoing exploration programs, property maintenance payments and operations and administration for the next fiscal year. The Company also recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. In light of negative cash flows from operating activities, operating losses accrued in the past years and a negative working capital, the Company's ability to continue its exploration programs is dependent on its ability to secure additional financing. The Company intends to continue its exploration programs. Management is actively pursuing such additional sources of financing. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

2. Basis of Preparation and Adoption of IFRS

Statement of Compliance and Conversion to International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). These condensed consolidated interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in, and should be read in conjunction with, the Company's audited consolidated financial statements for the year ended November 30, 2012.

(Unaudited - Expressed in Canadian Dollars)

2. Basis of Preparation and Adoption of IFRS, continued

Basis of Presentation

The Company's condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

3. Cash and cash reserved for exploration

	February 28, 2013	November 30, 2012
Cash	$ 51,900	$ 38,670
Cash reserved for exploration expenditures	-	58,800
	$ 51,900	$ 97,470

Cash reserved for exploration consists of proceeds of flow-through financings not yet expensed. Under the terms of the financing, the Company is committed to spend the proceeds on exploration activities.

4. Amounts Receivable

	February 28, 2013	November 30, 2012
Harmonized sales tax receivable	$ 77,321	$ 68,123
Other	25,184	2,098
	$ 102,505	$ 70,221

5. Accounts Payable and Accrued Liabilities

	February 28, 2013	November 30, 2012
Accounts payable	$234,444	$ 202,789

See Amounts owed to related parties Note 10.

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets

	Balance November 30, 2012	2013 Mineral Interests Additions	2013 Net Exploration cost additions	2013 Written off	Balance February 28, 2013
Doyle Lake	$ 363,436	$ -	$ 10,521	$ -	$ 373,957
Fishback Lake	80,081	-	1,709	-	81,790
CH	1,038,833	-	3,191	(97,059)	944,965
Providence Greenstone Belt	1,082,047	-	31,395	-	1,113,442
McConnell Creek	1,072,257	-	9	-	1,072,266
	$ 3,636,654	**$ -**	**$ 46,825**	**$ (97,059)**	**$ 3,586,420**

	Balance November 30, 2012	2013 Net Additions	2013 Written off	Balance February 28, 2013
Acquisition costs	$ 283,512	$ -	$ (4,436)	$ 279,076
Deferred exploration costs	3,353,142	46,825	(92,623)	3,307,344
	$ 3,636,654	**$ 46,825**	**$ (97,059)**	**$ 3,586,420**

	Balance November 30, 2011	2012 Mineral Interests Additions	2012 Exploration Cost Additions (Recoveries)	2012 Written Off/ Impairments	Balance November 30, 2012
Doyle Lake	$ 986,723	$ -	$ (7,079)	$ (616,208)	$ 363,436
Fishback Lake	730,177	-	4,367	(654,463)	80,081
CH	3,247,348	-	106,746	(2,315,261)	1,038,833
Providence Greenstone Belt	3,758,361	-	45,810	(2,722,124)	1,082,047
McConnell Creek	2,849,848	-	42,803	(1,820,394)	1,072,257
	$ 11,572,457	**$ -**	**$ 192,647**	**$(8,128,450)**	**$ 3,636,654**

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets, continued

	Balance November 30, 2011	2012 Net Additions	2012 Written Off/ Impairments	Balance November 30, 2012
Acquisition costs	$ 408,134	$ -	$ (124,622)	$ 283,512
Deferred exploration costs	11,164,323	192,647	(8,003,828)	3,353,142
	$ 11,572,457	**$ 192,647**	**$ (8,128,450)**	**$ 3,636,654**

Included in exploration and evaluation assets are reclamation bonds held in the name of the Ministry of Energy, Mines and Petroleum Resources of BC and the Receiver General (for Northwest Territories claims) in the amount of $76,400 (November 30, 2012 - $76,400).

Exploration costs incurred during the three months ended:

	February 28, 2013	February 29, 2012
Aircraft	$ 41,481	$ -
Licenses, recording fees and lease payments	6,635	19,032
Project supplies	(3,047)	137
Salaries and wages	265	355
Surveying	5,034	-
Technical and professional services	5,153	15,853
Transportation	(8,696)	-
	$ 46,825	**$ 35,377**

(a) Doyle Lake, Northwest Territories, Canada

Under the De Beers Agreement (“the Agreement”) dated May 25, 1995, De Beers Canada Inc. (“De Beers”) has earned a 60% interest in the Doyle Lake Properties (“the Properties”), which consist of 5 claims and 3 fractional claims (12,972 acres), by completing exploration expenditures of $4.65 million.

6. Exploration and Evaluation Assets, continued

(a) Doyle Lake, Northwest Territories, Canada, continued

Under the Agreement, De Beers will recover all of the Company's costs of prospecting, exploration, development and construction incurred preproduction, financed by De Beers or by way of third party borrowings, out of 90% of the annual available cash flow (i.e. cash flow after provision for ongoing operating and non-operating costs) from any mine constructed on the Properties with interest at LIBOR plus 3% or the actual interest rates agreed to be paid, whichever is applicable. The remaining 10% of such available cash flow will be distributed to the members in the Agreement in proportion to their interests in the Properties. If after the completion of a feasibility study and prior to the commencement of commercial production from the first mine, the members in the Agreement cease to carry on development work on the Properties other than by reason of force majeure for a period of more than two years, interest other than interest on third party borrowings, will not be accrued for the period exceeding two years. When development work resumes, the Company will continue to accrue the interest.

In addition, the Company holds a 100% interest in 12 claims (12,557 acres) in the Doyle Lake area that are not subject to the Agreement. 11 of these claims are leases.

(b) Fishback Lake, Northwest Territories, Canada

The Company owns 2 claims (3,108 acres). One of these claims is a mining lease.

(c) CH, Northwest Territories, Canada

The Company owns 46 claims (90,249 acres), north-northeast of Yellowknife, acquired by staking during the years 2000 to 2003. These claims include the Courageous, Seahorse, Starfish, Winterlake North, Winterlake South, GDC, BP, Zip and Mill claims. 20 of these claims are leases.

During the period, the four Shoe mineral leases (10,194 acres) were sold to Arctic Star Exploration Corp. for a cash payment of $50,000 and a retained 1.5% Royalty of which 0.5% may be purchased for $2 million. The costs related to these Shoe leases of $97,059 were written off.

(d) Providence Greenstone Belt, Northwest Territories, Canada

The Company owns 57 claims (119,059 acres) in the Providence Greenstone Belt ("PGB") area of the Northwest Territories. These claims lie within an extensive belt of rocks previously identified by a mapping project funded by the Geological Survey of Canada and reported as having the potential for hosting magmatic nickel mineralization.

Recorded expenditures for 2013 include camp rental and the sale of excess fuel of $21,875. The amount was recorded as exploration cost recoveries on exploration and evaluation assets.

(Unaudited - Expressed in Canadian Dollars)

6. Exploration and Evaluation Assets, continued

(e) McConnell Creek, British Columbia, Canada
The Company owns 2 mineral claims (4,878 hectares) in the Omineca Mining Division of British Columbia.

7. Property and Equipment

		Office Furniture		Exploration Equipment		Total
Cost						
Balance as at November 30, 2011	$	58,953	$	665,290	$	724,243
Additions		-		3,362		3,362
Disposals		-		(115,925)		(115,925)
Balance as at November 30, 2012	$	58,953	$	552,727	$	611,680
Addition		-		5,000		5,000
Balance as at February 28, 2013	$	58,953	$	557,727	$	616,680
Accumulated Depreciation						
Balance as at November 30, 2011	$	46,613	$	516,725	$	563,338
Depreciation		2,468		29,138		31,606
Disposals		-		(109,709)		(109,709)
Balance as at November 30, 2012	$	49,081	$	436,154	$	485,235
Depreciation		494		6,078		6,572
Balance as at February 28, 2013	$	49,575	$	442,232	$	491,807
Carrying Amounts						
At November 30, 2011	$	12,340	$	148,565	$	160,905
At November 30, 2012	$	9,872	$	116,573	$	126,445
At February 28, 2013	$	9,378	$	115,495	$	124,873

At February 28, 2013 depreciation is recorded on the Statement of Comprehensive Loss as $157 in depreciation and $6,415 is recorded as part of general exploration costs.

8. Share Capital

(a) Authorized: unlimited common shares without par value;

(b) During the period ended February 28, 2013, the Company completed a private placement of 1,200,000 flow-through units at $0.05 per unit for gross proceeds of $60,000 (share issuance costs of $2,247). Each unit consists of one common flow-through share and one non-transferable non flow-through warrant. Each warrant entitles the holder to purchase one non flow-through common share until January 24, 2016 at $0.05 per share during the first year and at $0.10 per share during years two and three, subject to an Acceleration Event. The securities have a hold period until May 25, 2013.

(Unaudited - Expressed in Canadian Dollars)

8. Share Capital, continued

(b) If GGL's common shares trade on the TSX Venture Exchange at a closing price greater than $0.40 per share for twenty consecutive trading days at any time after four months and one day from the closing date, GGL may accelerate the expiry of the warrants by giving notice to the holders thereof, and in such case the warrants will expire on the 30th day after the date on which such notice is given ("Acceleration Event").

At February 28, 2013, all the proceeds from these flow-through shares have been spent on Canadian exploration expenditures on the Company's exploration and evaluation assets.

(c) During the period ended February 28, 2013, the Company received $6,000 in gross proceeds for a non-brokered private placement announced March 7, 2013. See Events After the Reporting Period Note 15.

(d) During the period, the Company paid $750 in other share issuance costs for the non flow-through private placement mentioned in 8 (c), in addition to the costs reported in Note 8(b).

(e) Changes in warrants during the three months ended:

	February 28, 2013		February 29, 2012	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of period	4,000,000	$0.10	6,798,334	$0.16
Issued	1,200,000	$0.05	-	-
Expired	-	-	-	-
Outstanding, end of period	5,200,000	$0.09	6,798,334	$0.16

The Company has the following warrants outstanding and exercisable as at February 28, 2013:

Number of warrants	Exercise Price	Expiry Date
1,600,000	$0.10	Sept. 20, 2014
1,200,000	$0.05/$0.10	Jan. 24, 2016
2,400,000	$0.10	Aug. 17, 2017
5,200,000		

(Unaudited - Expressed in Canadian Dollars)

9. Stock Options

In 2006, the Company amended its Stock Option Plan to a 10% rolling plan whereby the Company may grant stock options to purchase up to 10% of the issued capital of the Company at the time of the grant of any option. Under the policies of the TSX Venture Exchange, options granted under the 10% rolling plan will not be required to include the mandatory vesting provisions required by the Exchange for a fixed number stock option plan, except for stock options granted to investor relations consultants which vest over 12 months. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors based on the most recent trading prices and subject to the TSX Venture Exchange policies.

Under this plan, the number of shares available for grant increases as the issued capital of the Company increases.

	# of Options Outstanding	Weighted Average Exercise Price
Options outstanding as at November 30, 2011	12,405,000	$0.19
Expired	(3,425,000)	$0.34
Options outstanding as at November 30, 2012	8,980,000	$0.14
Expired	-	-
Options outstanding as at February 28, 2013	8,980,000	$0.14

	Feb. 28, 2013	**Feb, 29, 2012**
Weighted average remaining contractual life	1.03 years	1.57 years
Weighted average fair value of options granted during the period	N/A	N/A

(Unaudited - Expressed in Canadian Dollars)

9. Stock Options, continued

The following table sets forth information relating to stock options outstanding as at February 28, 2013:

Expiry Dates	Exercise prices	Number outstanding and exercisable at February 28, 2013	Weighted average remaining contractual life (years)
May 1/13	$0.20	450,000	0.17
May 23/13	$0.10 and $0.20	3,350,000	0.23
July 31/13	$0.20	25,000	0.42
Aug. 19/14	$0.10	4,275,000	1.47
June 24/15	$0.10	880,000	2.32
		8,980,000	

The fair value of each option granted to an employee is estimated as of the date of grant using the *Black-Scholes option pricing model* with the following assumptions: risk-free interest rate, dividend yield, volatility, expected life and estimated forfeiture rate.

Option-pricing models require the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates and therefore, existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

10. Related Party Disclosures

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

There are two related parties: one director and officer and one consultant. The related parties have agreed to not demand payment of their November 30, 2012 outstanding fees until after December 1, 2013. At November 30, 2012, the amounts owing to them were classified as non-current liabilities, amounts owed to related parties on the consolidated statements of financial position. These payments were classified as part of current liabilities in previous years. See Note 5.

(Unaudited - Expressed in Canadian Dollars)

10. Related Party Disclosures, continued

February 28, 2013	Consulting Fees	Technical and professional services	Current Accounts Payable	Non-current Amounts owed to related parties
Management	$ 6,250	$ -	$ 6,250	$465,633
Non-management	$ -	$ 9,053	$ 6,090	$142,130
Total	$ 6,250	$ 9,053	$ 12,340	$607,763

February 29, 2012	Consulting Fees	Technical and professional services	Current Accounts Payable	Non-current Amounts owed to related parties
Management	$ 6,250	$ 1,000	$ 448,250	$ -
Non-management	$ -	$ 17,850	$ 106,683	$ -
Total	$ 6,250	$ 18,850	$ 554,933	$ -

11. Segmented Information

The Company is involved in mineral exploration and development activities, which are conducted in Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results for each of the three months ended February 28, 2013 and February 29, 2012.

12. Financial Instruments

The Company classifies all financial instruments as fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, or other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial instruments – Disclosures

IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - nputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - inputs that are not based on observable market data.

(Unaudited - Expressed in Canadian Dollars)

12. Financial Instruments, continued

(a) **Fair Value**

The fair value of financial instruments at February 28, 2013 and February 29, 2012 is summarized as follows:

	February 28, 2013		February 29, 2012	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
FVTPL				
Cash	$ 51,900	$ 51,900	$ 128,812	$ 128,812
Cash reserved for exploration	$ -	$ -	$ 31,995	$ 31,995
Loans and receivables				
Amounts receivable	$ 102,505	$ 102,505	$ 53,696	$ 53,696
Financial Liabilities				
Other Financial liabilities				
Accounts payable and accrued liabilities	$ 234,444	$ 234,444	$ 717,847	$ 717,847
Amounts owed to related parties	$ 607,763	$ 607,763	$ -	$ -

The recorded amounts for cash, cash reserved for exploration, amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's fair value of cash, and cash reserved for exploration under the fair value hierarchy are measured using Level 1 inputs.

(b) **Financial Risk Management**

The Company's activities potentially expose it to a variety of financial risks, including credit risk, foreign exchange (currency) risk and liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash, cash reserved for exploration and amounts receivable. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. The Company deposits the majority of its cash with high credit quality financial institutions in Canada.

Currency risk

The Company operates in Canada and transacts business with foreign vendors and is therefore exposed to foreign exchange risk arising from transactions denominated in foreign currencies. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk. Currency risk is not considered significant.

(Unaudited - Expressed in Canadian Dollars)

12. Financial Instruments, continued

(b) **Financial Risk Management**, continued

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial liabilities. The Company manages liquidity by carefully monitoring its operating requirements.

13. Supplementary Cash Flow Information

Non-cash operating, financing, and investing activities were conducted by the Company during the three months ended:

	February 28, 2013	February 29, 2012
Operating activities		
Accounts payable for exploration and evaluation assets	$ 105,648	$ 467,417
Financing activities		
Advances from related parties for exploration and evaluation assets	$ 660,571	$ -
Investing activities		
Additions to exploration and evaluation assets	$ (766,219)	$ (467,417)
Other supplementary cash flow information:		
Cash paid for interest charges	$ 223	$ 253

14. Management of Capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity as well as cash and cash reserved for exploration.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash.

In order to maximize ongoing development efforts, the Company does not pay dividends.

15. Events After the Reporting Period

Subsequent to February 28, 2013, the Company announced on March 7, 2013 that it would be raising up to $150,000 by way of a non-brokered private placement of up to 7,500,000 units at $0.02 per unit. Each unit will consist of one common non flow-through share and one non-transferable non-flow through warrant. Each warrant will entitle the holder to purchase one non flow-through common share for five years from the closing date at $0.05 per share during the first year and at $0.10 per share during years two to five, subject to meeting the requirements of the TSXV's Temporary Relief Measures and the Acceleration Event (see Share Capital section, Note 8(b), second paragraph). The private placement is subject to acceptance for filing by the TSX Venture Exchange.