FORM 5

QUARTERLY LISTING STATEMENT

Name of CNSX Issuer: Mistango River Resources Inc. (the "Issuer").
Trading Symbol: MIS

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the Securities Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the CNSX.ca website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the CNSX Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS
Financial statements are required as follows:
For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

- See attached unaudited interim financial statements for the three month periods ended March 31, 2011 and 2010.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

- See Note 11 (page 20) of the unaudited interim financial statements for the three month periods ended March 31, 2011 and 2010 and Related Party Transactions (Page 14) of the Management Discussion ans Analysis for the three month period ended March 31, 2011.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

- None

(b) summary of options granted during the period,

- None

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

- See Note 13 (a) (page 21) of the unaudited interim financial statements for the three month periods ended March 31, 2011 and 2010.

(b) number and recorded value for shares issued and outstanding,

- o See Note 13 (a) (page 21) of the unaudited interim financial statements for the three month periods ended March 31, 2011 and 2010.

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

- o See Note 13 (b) (page 21) of the unaudited interim financial statements for the three month periods ended March 31, 2011 and 2010.

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

- o See Note 13 (page 21) of the unaudited interim financial statements for the three month periods ended March 31, 2011 and 2010.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Directors: Dan Farrell
William Whitehead
Nelson Baker
Donald Kasner
Robert J. Kasner

Officers:	Robert J. Kasner	President & Chief Executive Officer
	Johnny Oliveira	Chief Financial Officer
	Diane McKean	Corporate Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS
Provide Interim MD&A if required by applicable securities legislation.

- o See attached Management Discussion ans Analysis for the three month period ended March 31, 2011.

Certificate Of Compliance

The undersigned hereby certifies that:

1 The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2 As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3 The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).

4 All of the information in this Form 5 Quarterly Listing Statement is true.

Dated .

Name of Director or Senior Officer: Robert J. Kasner

Signature:

Official capacity: Chairman, Chief Executive Officer and Director

Issuer details Mistango River Resources Inc.	**For Quarter Ended** March 31 2011	**Date of Report** June 28, 2011
Issuer address P.O. Box 546, 4 Al Wende Avenue,		
City/Province/Postal Code Kirkland Lake, Ontario, Canada P2N 3J5	**Issuer Fax Number** (705) 567 5557	**Issuer Telephone Number** (705) 567 5351
Contact Name Robert J. Kasner	**Contact Position** President, CEO, and Director	**Contact Telephone Number** (705) 567 5351
Contact e-mail Address kasner1@ntl.sympatico.ca	**Website Address** www.mistangoriverresources.com	

MISTANGO RIVER RESOURCES

UNAUDITED INTERIM FINANCIAL STATEMENTS

For the three month periods ended March 31, 2011 and 2010

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Mistango River Resources Inc. are the responsibility of the management and Board of Directors of the Company.

The unaudited interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting and IFRS 1 - First-Time Adoption of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Robert J. Kasner", President and CEO	*"Johnny Oliveira"*, CFO
Robert J. Kasner	Johnny Oliveira

NOTICE TO READER

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim financial statements for the three months ended March 31, 2011 and 2010 have not been reviewed by the Company's auditors.

Mistango River Resources Inc.

UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION

(Canadian dollars)

AS AT,	March 31, 2011	December 31, 2010	January 1, 2010
ASSETS		(Note 3)	(Note 3)
Current			
Cash (Note 5)	**$ 49,911**	$ 210,139	$ 154,070
Restricted cash (Note 5)	**-**	116,568	582,589
Marketable securities (Note 6)	**2,066,278**	-	-
Trade and other receivables (Note 7)	**85,135**	41,980	458,331
Assets held for sale	**-**	-	1
	2,201,324	368,687	1,194,991
Investments (Note 8)	**133,654**	125,304	1,095,708
Property, plant and equipment (Note 9)	**99,809**	105,062	128,449
	$ 2,434,787	$ 599,053	$ 2,419,148
LIABILITIES			
Current			
Trade and other payables (Note 10 and 11)	**$ 394,271**	$ 541,931	$ 954,875
Current portion of long-term debt (Note 12)	**14,946**	14,583	13,950
	409,217	556,514	968,825
Long-term debt (Note 12)	**27,813**	31,879	46,462
	437,030	588,393	1,015,287
EQUITY			
Share capital (Note 13 (a))	**17,234,936**	17,234,936	17,234,186
Reserve for share based payments (Note 14)	**3,415,474**	3,415,474	3,415,474
Deficit	**(18,736,707)**	(20,730,441)	(19,151,119)
Accumulated other comprehensive income (loss)	**84,054**	90,691	(94,680)
	1,997,757	10,660	1,403,861
	$ 2,434,787	$ 599,053	$ 2,419,148

Commitments and Contractual Obligations (Note 19)
Subsequent Events (Note 20)

Approved on behalf of the Board on June 28, 2011:

"Robert J. Kasner", Director

"Daniel Farrell", Director

The accompanying notes are an integral part of these unaudited interim financial statements

Mistango River Resources Inc.

UNAUDITED INTERIM STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

(Canadian dollars)

Three month periods ended March 31,	2011	2010
Expenses		(Note 3)
Salaries, fees and benefits	$ 61,252	$ 92,818
Professional and consulting fees	16,878	28,144
Office, general and administrative	20,268	23,554
Shareholder Information	18,314	23,851
Amortization (Note 9)	5,253	7,203
Restructuring costs (Note 15)	-	5,781
Exploration and evaluation expenditures (Note 16)	26,681	548,321
Net loss before the undernoted	$ (148,646)	$ (729,672)
Gain on sale of property, plant and equipment (Note 15)	2,504,350	-
Unrealized loss on marketable securities (Note 6)	(376,957)	-
Loss on sale of investments (Note 8)	-	(200,020)
Future income tax recovery	14,987	-
Net income (loss) for the period	$ 1,993,734	$ (929,692)
Income (Loss) per share		
Basic and diluted	$ 0.13	$ (0.06)
Weighted average number of common shares outstanding		
Basic and diluted	15,904,815	15,898,565
Comprehensive Income (Loss)		
Net income (loss)	$ 1,993,735	$ (929,692)
Unrealized gain (loss) on investments	(6,637)	101,859
Net comprehensive income (loss)	$ 1,987,098	$ (827,833)

The accompanying notes are an integral part of these unaudited interim financial statements

Mistango River Resources Inc.
UNAUDITED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Canadian dollars)

	Share Capital		Reserves			
	Number of Shares*	Amount	Share based payments	Deficit	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2010	15,898,565	$ 17,234,186	$ 3,415,474	$ (19,151,119)	$ (94,680)	$ 1,403,861
Net loss for the period	-	-	-	(929,692)	-	(929,692)
Unrealized gain on investments for the period	-	-	-	-	101,859	101,859
Balance at March 31, 2010	15,898,565	$ 17,234,186	$ 3,415,474	$ (20,080,811)	$ 7,179	$ 576,028
Shares issued for mineral properties	6,250	750	-	-	-	750
Net loss for the period	-	-	-	(649,630)	-	(649,630)
Unrealized gain on investments for the period	-	-	-	-	83,512	83,512
Balance at December 31, 2010	**15,904,815**	**$ 17,234,936**	**$ 3,415,474**	**$ (20,730,441)**	**$ 90,691**	**$ 10,660**
Net income for the period	**-**	**-**	**-**	**1,993,734**	**-**	**1,993,734**
Unrealized loss on investments for the period	**-**	**-**	**-**	**-**	**(6,637)**	**(6,637)**
Balance at March 31, 2011	**15,904,815**	**$ 17,234,936**	**$ 3,415,474**	**$ (18,736,707)**	**$ 84,054**	**$ 1,997,757**

** Number of shares outstanding is post four for one share consolidation of the Company’s issued and outstanding shares*

Mistango River Resources Inc.
UNAUDITED INTERIM STATEMENTS OF CASH FLOW
(Canadian dollars)

Three months ended March 31,	2011	2010
Operations		
Net loss	$ 1,993,734	$ (929,692)
Adjustments to reconcile net loss to cash flow from operating activities:		
Gain on sale of property, plant and equipment	(2,504,350)	-
Unrealized loss on marketable securities	376,957	-
Future income tax recovery	(14,987)	-
Amortization	5,253	7,203
Loss on sale of investments	-	200,020
Net change in non-cash operating working capital items:		
Restricted cash	116,568	(619)
Trade and other receivables	(43,155)	(59,883)
Trade and other payables	(147,660)	(166,467)
	(217,640)	(949,438)
Financing		
Payment of long-term debt	(3,703)	(3,429)
	(3,703)	(3,429)
Investing		
Proceeds from sale of investments	-	1,323,327
Proceeds from sale of property, plant and equipment	61,115	-
	61,115	1,323,327
Net increase (decrease) in cash	(160,228)	370,460
Cash, beginning of period	210,139	154,070
Cash, end of period	$ 49,911	$ 524,530

The accompanying notes are an integral part of these unaudited interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN CONSIDERATIONS

Mistango River Resources Inc. ("Mistango" or the "Company") is a federally incorporated company. The Company's head office is located at 4 Al Wende Ave., Kirkland Lake, ON, P2N 3J5. At a Special Meeting of shareholders held on March 17, 2011, the shareholders approved the consolidation of its Class A Voting Common Shares on the basis of one (1) new common share for four (4) old common shares (the "Consolidation") and change the Company's name from GLR Resources Inc. to Mistango River Resources Inc. Fractional shares remaining after giving effect to the Consolidation were cancelled such that shareholdings of each shareholder will be rounded down to the nearest whole number of post Consolidation common shares. On March 23, 2011, Articles of Amendment were filed to give effect to the disclosed changes. Mistango's principal business is the acquisition and exploration of mineral properties. Substantially all of the efforts of the Company are devoted to these business activities. To date, the Company has not earned significant revenue and is considered to be in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing.

As at March 31, 2011, the Company had working capital of $1,792,107 (December 31, 2010 – working capital deficiency of $187,827), had not yet achieved profitable operations, had accumulated losses of $18,736,707 (December 31, 2010 - $20,730,441) and expects to incur further losses in the development of its business, all of which casts doubt upon the Company's ability to continue as a going concern. The Company is in the exploration stage and has no proven reserves or production relating to its operations. The application of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and obtain necessary financing to do so.

Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve month period. However, management plans on securing additional financing through the issue of new equity, among other things. Nevertheless, there is no assurance that these initiatives will be successful.

These financial statements have been prepared on the basis of accounting principles applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The business of mining and exploring for minerals involves a high degree of risk and there is no guarantee that the Company's exploration programs will yield positive results or that the Company will be able to obtain the necessary financing to carry out the exploration and development of its mineral property interests.

Management believes the going concern assumption to be appropriate for these financial statements. If the going concern assumption was not appropriate, adjustments might be necessary to the carrying value of the assets and liabilities, reported revenues and expenses, and the statement of financial position classifications used in the financial statements.

The future profitability of exploration properties and the Company's continued existence are dependent upon the preservation of its interests in the underlying properties, the development of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim financial statements are unaudited and have been prepared in accordance with IAS 34 *'Interim Financial* Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The policies applied in these interim financial statements are based on IFRS issued and outstanding as of June 28, 2011, the date the Board of Directors approved the interim financial statements. Any subsequent changes to IFRS that are given effect in the 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.

These are the Company's first IFRS interim financial statements for part of the period covered by the Company's first IFRS annual financial statements for the year ending December 31, 2011. Previously, the Company prepared its annual and interim financial statements in accordance with Canadian Generally Accepted Accounting Principles ("GAAP").

As these are the Company's first set of interim financial statements in accordance with IFRS, the Company's disclosures exceed the minimum requirements under IAS 34. The Company has elected to exceed the minimum requirements in order to present the Company's accounting policies in accordance with IFRS and the additional disclosures required under IFRS, which also highlight the changes from the Company's 2010 annual financial statements prepared in accordance with Canadian GAAP. In 2011 and beyond, the Company may not provide the same amount of disclosure in the Company's interim financial statements under IFRS as the reader will be able rely on the annual financial statements which will be prepared in accordance with IFRS.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis except for certain non-current assets and financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 4. The comparative figures presented in these interim financial statements are in accordance with IFRS and have not been audited.

2.3 Adoption of new and revised standards and interpretations

The IASB issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2011. For the purpose of preparing and presenting the Financial Information for the relevant periods, the Company has consistently adopted all these new standards for the relevant reporting periods.

At the date of authorization of these Financial Statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods.

- IFRS 9 *'Financial Instruments: Classification and Measurement'* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.

2. BASIS OF PREPARATION (continued)

2.3 Adoption of new and revised standards and interpretations (continued)

- IFRS 10 '*Consolidated Financial Statements'* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- IFRS 11 '*Joint Arrangements'* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.
- IFRS 12 '*Disclosure of Interests in Other Entities'* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.
- IFRS 13 '*Fair Value Measurement'* - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.

3. FIRST TIME ADOPTION OF IFRS

The Company has adopted IFRS on January 1, 2011 with a transition date of January 1, 2010. Under IFRS 1 *'First time Adoption of International Financial Reporting Standards'*, the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to retained earnings unless certain exemptions are applied.

The Company elected to take the following IFRS 1 optional exemptions:

- to apply the requirements of IFRS 3, *Business Combinations,* prospectively from the transition date; and
- to apply the requirements of IFRS 2, *Share based payments*, only to equity instruments granted after November 7, 2002 which had not vested as of the transition date.

3. FIRST TIME ADOPTION OF IFRS (continued)

Below is the Company's Statement of Financial Position as at the transition date of January 1, 2010 under IFRS.

Reconciliation of assets, liabilities and equity

	As at January 1, 2010			
	GAAP	Effect of transition to IFRS	IFRS	Notes
Assets				
Current Assets				
Cash	$ 154,070	-	$ 154,070	
Restricted cash	582,589	-	582,589	
Trade and other receivables	458,331	-	458,331	
Assets held for sale	1	-	1	
	1,194,991	-	1,194,991	
Investments	1,095,708	-	1,095,708	
Property, plant and equipment	128,449	-	128,449	
Mineral properties and deferred expenditures	1,936,657	(1,936,657)	-	(a)
	$ 4,355,805	(1,936,657)	$ 2,419,148	
Liabilities				
Current Liabilities				
Trade and other payables	$ 954,875	-	$ 954,875	
Current portion of long-term debt	13,950	-	13,950	
	968,825	-	968,825	
Long-term debt	46,642	-	46,462	
	1,015,287	-	1,015,287	
Equity				
Share capital	17,234,186	-	17,234,186	
Reserve for share based payments	3,415,474	-	3,415,474	
Deficit	(17,214,462)	(1,936,657)	(19,151,119)	(a)
Accumulated other comprehensive loss	(94,680)	-	(94,680)	
	3,340,518	(1,936,657)	1,403,861	
	$ 4,355,805	(1,936,657)	$ 2,419,148	

3. FIRST TIME ADOPTION OF IFRS (continued)

IFRS employs a conceptual framework that is similar to Canadian GAAP. The adoption has resulted in significant changes to the reported financial position, results of operations, and cash flows of the Company. Presented below are reconciliations prepared by the Company to reconcile to IFRS the assets, liabilities, equity, net loss and cash flows of the Company from those reported under Canadian GAAP:

Reconciliation of assets, liabilities and equity

	As at March 31, 2010			
	GAAP	Effect of transition to IFRS	IFRS	Notes
Assets				
Current Assets				
Cash	$ 524,530	-	$ 524,530	
Restricted cash	583,208	-	583,208	
Trade and other receivables	150,643	-	150,643	
Assets held for sale	1	-	1	
	1,258,382	-	1,258,382	
Investments	41,791	-	41,791	
Property, plant and equipment	121,246	-	121,246	
Mineral properties and deferred expenditures	2,484,978	(2,484,978)	-	(a)
	$ 3,906,397	(2,484,978)	$ 1,421,419	
Liabilities				
Current Liabilities				
Trade and other payables	$ 788,408	-	$ 788,408	
Current portion of long-term debt	14,224	-	14,224	
	802,632	-	802,632	
Long-term debt	42,759	-	42,759	
	845,391	-	845,391	
Equity				
Share capital	17,234,186	-	17,234,186	
Reserve for share based payments	3,415,474	-	3,415,474	
Deficit	(17,595,833)	(2,484,978)	(20,080,811)	(a)
Accumulated other comprehensive income	7,179	-	7,179	
	3,061,006	(2,484,978)	576,028	
	$ 3,906,397	(2,484,978)	$ 1,421,419	

3. FIRST TIME ADOPTION OF IFRS (continued)

Reconciliation of assets, liabilities and equity

	As at December 31, 2010			
	GAAP	Effect of transition to IFRS	IFRS	Notes
Assets				
Current Assets				
Cash	$ 210,139	-	$ 210,139	
Restricted cash	116,568	-	116,568	
Trade and other receivables	41,980	-	41,980	
	368,687	-	368,687	
Investments	125,304	-	125,304	
Property, plant and equipment	105,062	-	105,062	
Mineral properties and deferred expenditures	2,620,434	(2,620,434)	-	(a)
	$ 3,219,487	(2,620,434)	$ 599,053	
Liabilities				
Current Liabilities				
Trade and other payables	$ 541,931	-	$ 541,931	
Current portion of long-term debt	14,583	-	14,583	
	556,514	-	556,514	
Long-term debt	31,879	-	31,879	
	588,393	-	588,393	
Equity				
Share capital	17,234,936	-	17,234,936	
Reserve for share based payments	3,415,474	-	3,415,474	
Deficit	(18,110,007)	(2,620,434)	(20,730,441)	(a)
Accumulated other comprehensive income	90,691	-	90,691	
	2,631,094	(2,620,434)	10,660	
	$ 3,219,487	(2,620,434)	$ 599,053	

3. FIRST TIME ADOPTION OF IFRS (continued)

Reconciliation of statement of loss and comprehensive loss

	Three months ended March 31, 2010			
	GAAP	**Effect of transition to IFRS**	**IFRS**	**Notes**
Expenses				
Salaries, fees and benefits	$ 92,818	-	$ 92,818	
Professional and consulting fees	28,144	-	28,144	
Office, general and administrative	23,554	-	23,554	
Shareholder Information	23,851	-	23,851	
Amortization (Note 6)	7,203	-	7,203	
Restructuring costs	5,781	-	5,781	
Exploration and evaluation expenditures (Note 7)	-	548,321	548,321	(a)
Net loss before the undernoted	181,351	548,321	$ 729,672	
Loss on sale of investments (Note 18)	200,020		200,020	
Net loss for the period	$ 381,371	548,321	$ 929,692	
Comprehensive Loss				
Net loss	$ 381,371	548,321	$ 929,692	
Unrealized gain on investments	(101,859)	-	(101,859)	
Net comprehensive loss	$ (279,512)	548,321	$ 827,833	

3. FIRST TIME ADOPTION OF IFRS (continued)

Reconciliation of statement of comprehensive loss

	Year ended December 31, 2010			
	GAAP	Effect of transition to IFRS	IFRS	Notes
Expenses				
Salaries, fees and benefits	$ 314,296	-	$ 314,296	
Professional and consulting fees	135,451	-	135,451	
Office, general and administrative	86,943	-	86,943	
Shareholder Information	78,934	-	78,934	
Amortization (Note 6)	23,387	-	23,387	
Restructuring costs	36,338	-	36,338	
Write-down of mineral properties	20,176	(20,176)	-	(a)
Exploration and evaluation expenditures (Note 7)	-	703,953	703,953	(a)
Net loss before the undernoted	695,525	683,777	$1,379,302	
Loss on sale of investments (Note 18)	200,020		200,020	
Net loss for the period	$ 895,545	683,777	$1,579,322	
Comprehensive Loss				
Net loss	$ 895,545	683,777	$1,579,322	
Unrealized gain on investments	(185,371)	-	(185,371)	
Net comprehensive loss	$ (710,174)	683,777	$1,393,951	

3. FIRST TIME ADOPTION OF IFRS (continued)

Reconciliation of Cash Flows

	Three months ended March 31, 2010			
	GAAP	Effect of transition to IFRS	IFRS	Notes
Operations				
Net loss	$ (381,371)	(548,321)	$ (929,692)	(a)
Adjustments to reconcile net loss to cash flow from operating activities:				
Amortization	7,203	-	7,203	
Loss on sale of investments	200,020	-	200,020	
Net change in non-cash operating working capital items				
Restricted cash	(619)	-	(619)	
Trade and other receivables	(59,883)	-	(59,883)	
Trade and other payables	(166,467)	-	(166,467)	
	(401,117)	(548,321)	(949,438)	
Financing				
Payment of long-term debt	(3,429)	-	(3,429)	
	(3,429)	-	(3,429)	
Investing				
Proceeds from sale of investments	1,323,327	-	1,323,327	
Expenditures on deferred exploration	(548,321)	548,321	-	(a)
	775,006	548,321	1,323,327	
Net increase in cash	370,460	-	370,460	
Cash, beginning of period	154,070	-	154,070	
Cash, end of period	$ 524,530	-	$ 524,530	

3. FIRST TIME ADOPTION OF IFRS (continued)

Reconciliation of Cash Flows

	Year ended December 31, 2010			
	GAAP	Effect of transition to IFRS	IFRS	Notes
Operations				
Net loss	$ (895,545)	(683,777)	$ (1,579,322)	(a)
Adjustments to reconcile net loss to cash flow from operating activities:				
Amortization	23,387	-	23,387	
Write-down of mineral properties	20,176	(20,176)	-	(a)
Shares issued for exploration and evaluation expenditures	-	750	750	(a)
Loss on sale of investments	200,020	-	200,020	
Net change in non-cash operating working capital items				
Restricted cash	466,021	-	466,021	
Trade and other receivables	48,779	-	48,779	
Assets held for sale	1	-	1	
Trade and other payables	(412,944)	-	(412,944)	
	(550,105)	(703,203)	(1,253,308)	
Financing				
Payment of long-term debt	(13,950)	-	(13,950)	
	(13,950)	-	(13,950)	
Investing				
Proceeds from sale of investments	1,323,327	-	1,323,327	
Expenditures on deferred exploration	(703,203)	703,203	-	(a)
	620,124	703,203	1,323,327	
Net increase in cash	56,069	-	56,069	
Cash, beginning of year	154,070	-	154,070	
Cash, end of year	$ 210,139	-	$ 210,139	

3. FIRST TIME ADOPTION OF IFRS (continued)

Notes to Reconciliations

a) Acquisition, exploration and evaluation expenditures

Under Canadian GAAP – Prior to 2011, the Company used the policy to defer the cost of mineral properties and their related exploration and development costs are until the properties are placed into production, sold or abandoned. These costs would be amortized over the estimated useful life of the properties following the commencement of production. Cost includes both the cash consideration as well as the fair market value of any securities issued on the acquisition of mineral properties. Properties acquired under option agreements or joint ventures, whereby payments were made at the sole discretion of the Company, were recorded in the accounts at such time as the payments are made. The proceeds from property options granted reduced the cost of the related property and any excess over cost is applied to income.

Under IFRS – Acquisition, exploration and evaluation expenditures for each property, net of incidental revenues, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment ("PPE"). On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Mineral properties
All acquisition and exploration costs, net of incidental revenues, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into PPE. On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

4.2 Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of PPE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write-off the cost of PPE, less their estimated residual value, using the declining balance method or unit-of-production method over the following expected useful lives:

• Exploration equipment	30%
• Office furniture	20%

An item of PPE is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of comprehensive income.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for PPE and any changes arising from the assessment are applied by the Company prospectively.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Property, plant and equipment (continued)

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of plant and equipment. Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized.

4.3 Decommissioning, restoration and similar liabilities ("Asset retirement obligation" or "ARO")

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of mineral properties and PPE, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement obligation is recognized at its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding asset retirement obligation is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of-production method or the straight-line method, as appropriate. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

4.4 Share based payments

Share based payment transactions
Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share based payment.

Equity-settled transactions
The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Share based payments (continued)

***Equity-settled transactions* (continued)**

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

4.5 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax
Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Taxation (continued)

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

4.6 Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The “treasury stock method” is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the year. During the three months ended March 31, 2011 and 2010 all the outstanding stock options and warrants were antidilutive.

4.7 Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans-and-receivables or at fair value through profit or loss (“FVTPL”).

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company’s cash and marketable securities are classified as FVTPL.

Financial assets classified as loans-and-receivables and held-to-maturity are measured at amortized cost. The Company’s trade and other receivables are classified as loans-and-receivables.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Financial assets (continued)

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. The Company's investments are classified as available-for-sale.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the settlement date.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

4.8 Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's trade and other payables, promissory notes payable and current and long-term portions of long-term debt are classified as other-financial-liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as held-for-trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income. At March 31, 2011 the Company has not classified any financial liabilities as FVTPL.

4.9 Impairment of financial assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Impairment of financial assets (continued)

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

Available-for-sale
If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit or loss.

4.10 Impairment of non-financial assets
At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

4.11 Cash
Cash in the statement of financial position comprises cash at banks and on hand.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

4.13 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

4.14 Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to asset retirement obligations; property, plant and equipment, recoverability of trade and other receivables, valuation of deferred income tax amounts, impairment testing and the calculation of share based payments. The most significant judgements relate to recognition of deferred tax assets and liabilities, determination of the commencement of commercial production and the determination of the economic viability of a project.

4.15 Flow-through Shares

The obligation to renounce tax deductions at the time of issuance of flow-through shares is recorded as a liability in accordance with IAS 37, “Provisions, Contingent Liabilities and Contingent Assets” measured using a residual or a relative fair value method. This obligation is released into the statement of comprehensive income as a gain as and when the Company incurs qualifying expenditures (i.e. fulfilling its obligation to renounce tax attributes).

4.16 Comparatives

Certain prior year amounts have been reclassified to conform to account presentation in the current year. The net loss stated in prior year has not been affected by these changes.

5. CASH

The cash balance at March 31, 2011, contains cash on deposit of $49,911 (December 31, 2010 - $210,139).

Restricted cash at March 31, 2011 of $Nil (December 31, 2010 - $116,568), consists of cash on deposit. This restricted cash is held in trust by the Trustee in its capacity as trustee in bankruptcy. Included in Trade payables and other is an equivalent amount owing to the Trustee. These funds were used to settle the Trustee's outstanding account.

6. MARKETABLE SECURITIES

Marketable securities are comprised of 1,396,134 (December 31, 2010 - Nil) common shares of Brigus Gold Corp. ("Brigus"), a publicly traded Canadian company traded on the Toronto stock exchange ("TSX"). As at March 31, 2011, these FVTPL investments have been measured at their fair value of $2,066,278 (December 31, 2010 – $Nil), as determined by the closing price of the securities on the TSX on March 31, 2011 (December 31, 2010). The revaluation to market value resulted in an unrealized loss on marketable securities of $376,957 (2010 – $Nil) as market value was less than the previous carrying value as at March 31, 2011. These shares are subject to a four month hold that expires in June 2011.

7. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables arise from three main sources: sales and harmonized services tax ("HST") receivable due from government taxation authorities, receivables from related parties and prepaid expenses. These are broken down as follows:

	As at,		
	March 31, 2011	December 31, 2010	January 1, 2010
	$	$	$
HST receivable	**48,525**	27,716	75,093
Due from related parties	**15,495**	14,264	9,773
Other receivables and prepaid expenses	**21,115**	-	373,465
Total trade and other receivables	**$ 85,135**	$ 41,980	$ 458,331

At March 31, 2011, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables. The credit risk on the receivables has been further discussed in Note 17.

The Company holds no collateral for any receivable amounts outstanding as at March 31, 2011.

8. INVESTMENTS

Investments include 835,121 shares of RJK Explorations Inc. ("RJK") and 136 shares of Strategic Resources Inc. ("SRI"), publicly-traded Canadian companies listed on the TSX-V. As at March 31, 2011 these available-for-sale investments have been measured at their fair value, as determined by the closing price of the securities on March 31, 2011 of $133,654 (December 31, 2010 – $125,304). The impact to the interim financial statements of this revaluation to market value resulted in an increase of $8,350 to the value of the investments with a corresponding increase in accumulated other comprehensive loss of $6,637 offset by future income tax recovery of $14,987 that has been included in the current period's net income.

9. PROPERTY, PLANT AND EQUIPMENT

	Exploration equipment	Office furniture	Total
Cost			
As at January 1, 2010	$ 121,843	$ 36,776	$ 158,619
Additions/disposals	-	-	-
As at December 31, 2010	121,843	36,776	158,619
Additions/disposals	-	-	-
As at March 31, 2011	$ 121,843	$ 36,776	$ 158,619
Accumulated depreciation			
As at January 1, 2010	$ -	$ 30,170	$ 30,170
Amortization	22,066	1,321	23,387
As at December 31, 2010	22,066	31,491	53,557
Amortization	4,989	264	5,253
As at March 31, 2011	$ 27,055	$ 31,755	$ 58,810
Net book value			
As at December 31, 2010	99,777	5,285	105,062
As at March 31, 2011	94,788	5,021	99,089

10. TRADE AND OTHER PAYABLES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities. The usual credit period taken for trade purchases is between 30 to 90 days.

The following is an aged analysis of the trade and other payables:

As at,	**March 31, 2011**	December 31, 2010	January 1, 2010
	$	$	$
Less than 1 month	**313,280**	459,146	924,413
1 – 3 months	**10,082**	8,775	2,340
Over 3 months	**70,909**	74,010	28,122
Total trade and other payables	**$ 394,271**	$ 541,931	$ 954,875

11. RELATED PARTY TRANSACTIONS

Officers, directors and companies controlled by officers and directors of the Company and individuals related to them charged management, professional and consulting fees, exploration services in the amount of $46,500 (2010 - $75,000) to the Company during the three month period ended March 31, 2011. In addition, the Company incurred exploration and evaluation expenditures of $Nil (2010 - $10,500) indirectly paid to a sibling of a director and President of Mistango.

During the three month period ended March 31, 2011, the Company was charged $7,415 (2010 - $7,415) for administrative costs are comprised of rent paid to a company controlled by the President of the Company (See Note 19-Commitments and Contractual Obligations).

Trade and other payables at March 31, 2011 includes $4,000 (December 31, 2010 - $2,000) owing to officers, directors and companies controlled by officers and directors.

Amounts due from related parties in trade and other receivables are miscellaneous expense advances for which expense reports have not cleared at period end.

Subsequent to quarter end, the Company entered into a short-term loan agreement with the President of the Company to provide a loan facility of up to $200,000 (see Note 20).

Management believes these transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

12. LONG-TERM DEBT

Long-term debt arises from the purchase of a truck during December 2009 for use in operations by the Company. The remaining term of the loan is for a period of 36 months, is fully secured and bears interest at the rate 5.9% per annum.

Long-term debt balance outstanding	$ 42,759
Current portion of long-term debt	$ 14,946
Long-term portion of long-term debt	$ 27,813

Management does not believe any of the conditions to accelerate the payment obligation will occur in the current period; accordingly, the outstanding balance due later than one year is recorded as long-term debt.

The remaining principal repayments over the next three years are as follows:

Fiscal	Amount $
2011	11,087
2012	15,541
2013	16,131
	42,759

13. SHARE CAPITAL

(a) Common shares

Mistango's authorized share capital consists of an unlimited number of Class A Voting Common Shares, and an unlimited number of non-voting, redeemable Class B Preferred Shares, Series A. This series is redeemable by the Company, in whole or in part, at the rate of $1,000 per Series A share. The holders of the Series A shares are not entitled to dividends.

The issued Class A Voting Common Share capital is summarized as follows:

	Number of Shares	Amount
Balance, January 1, 2010	63,595,024	$ 17,234,186
Issued for mineral properties	25,000	750
Balance, December 31, 2010	**63,620,024**	**17,234,936**
Consolidation 4:1	**(47,715,209)**	**-**
Balance, December 31, 2010 and March 31, 2011	**15,904,815**	**$ 17,234,936**

(b) Options

The Company has a stock option plan (the "Plan") under which the directors of the Company may grant options to acquire common shares of the Company to directors and officers, employees, and consultants of the Company. The maximum aggregate number of common shares under options any time under the Plan cannot exceed 10% of the issued shares. As at March 31, 2011, the Company had 1,256,731 (December 31, 2010 – 4,632,002) options available for issuance under the Plan. The options outstanding to purchase common shares are as follows:

	March 31, 2011		December 31, 2010	
	Options	Weighted Average Exercise price	Options	Weighted Average Exercise price
Outstanding at beginning of period/year	1,730,000	$ 0.55	2,130,000	$ 0.53
Transaction during the period/year				
Consolidation 4:1	(1,297,500)	2.20		
Forfeited/Expired	(98,750)	2.00	(400,000)	0.45
Outstanding at end of period/year	333,750	$ 2.28	1,730,000	$ 0.55

The following summarizes information on the stock options outstanding at March 31, 2011.

Range of Exercise Prices ($)	**No. of Options Outstanding**	**Weighted Average Remaining Life (Years)**	**Weighted Average Exercise Price ($)**
1.60	57,500	0.21	1.60
2.32 – 2.40	258,750	0.23	2.39
2.80	17,500	1.58	2.80
1.60 – 2.80	**333,750**	**0.30**	**2.28**

14. RESERVE FOR SHARE BASED PAYMENTS

Reserve for share based payments is comprised of the following:

	March 31, 2011	December 31, 2010	January 1, 2010
Balance, beginning of the period/year	**$ 3,415,474**	$ 3,415,474	$ 3,415,474
Balance, end of period/year	**$ 3,415,474**	$ 3,415,474	$ 3,415,474

15. RESTRUCTURING AND GAIN ON SALE OF PROPERTY, PLANT AND EQUIPMENT

On May 26, 2009, the Company announced that it had entered into a definitive purchase and sale agreement with Linear Gold Corp., now Brigus to sell its 100% interest in the Goldfields Mine, including the Box and Athona deposits, contiguous exploration property and plant and equipment. Following court approval of this transaction on August 18, 2009, the sale closed on August 20, 2009. Upon closing of the transaction, Brigus paid US$5.0 million, in cash, and issued 727,272 common shares of then Linear Gold Corp.

On May 29, 2009, the Company filed a Notice of Intention with the Official Receiver to make a proposal to its creditors under the *Bankruptcy and Insolvency Act* ("BIA"). Paddon + Yorke Inc. ("PYI" or the "Trustee") was appointed as proposal trustee under the BIA proceeding. The Company filed its proposal on June 5, 2009 and, subsequently filed certain amendments to the proposal on July 20, 2009 (the "Proposal").The Proposal was governed by and construed in accordance with the laws of Ontario and the federal laws of Canada.

On August 18, 2009, the Court approved the Proposal and the sale of its Goldfields assets to Brigus. The Transaction closed on August 20, 2009. The Trustee has certified that the Company has fully performed its obligations under the proposal in bankruptcy as of the 15th day of June 2010.

In addition and subject to certain conditions, the Company was to receive post-closing reimbursement of deposits, aggregating approximately $2.8 million, made by the Company in respect of certain equipment contracts which were assigned to a wholly-owned subsidiary of Brigus as part of the Transaction. On December 31, 2009, Brigus reimbursed the Company in the amount of $300,000.

On January 27, 2011, the Company and, Brigus entered into a settlement agreement, as amended, which provided for the issuance to the Company of 1,396,134 common shares of Brigus valued at $2,443,235 based on a deemed price of $1.75 per share and cash payments aggregating US$60,000 comprised of three equal payments of US$20,000 payable on the last day of each of February, March and April of 2011. As a result of this transaction, the Company recorded a gain on sale of property, plant and equipment of $2,504,350 (2010 - $Nil).

16. MINERAL PROPERTIES AND EXPLORATION AND EVALUATION EXPENDITURES

The evaluation and exploration expenses for the Company are broken down as follows:

	Three months ended		Cumulative to date *
	March 31, 2011	March 31, 2010	
Baldwin, Ontario	**$ 1,007**	$ 65,633	**$ 593,935**
Casa Berardi, Quebec	**3,295**	385,967	**682,400**
Goldie, Ontario	**-**	-	**511,825**
Kirkland West, Ontario	**-**	1,208	**252,389**
Omega Property, Ontario	**14,815**	1,295	**38,138**
Sackville, Ontario	**6,131**	94,218	**449,899**
General and other	**1,433**	-	**118,529**
Exploration and evaluation expenditures	**$ 26,681**	$ 548,321	**$ 2,647,115**

* Only properties currently under exploration are included in this figure.

Pursuant to a re-instated option agreement in respect of its Boudreault property, the Company made a $10,000 payment in 2010. In order to exercise its right to acquire the Boudreault property under the re-instated option, Mistango made a cash payment of $15,000 and issued 25,000 shares in the capital of the Company on December 1, 2010.

17. FINANCIAL INSTRUMENTS

Fair value

The Company's financial instruments as at March 31, 2011 include cash, marketable securities, trade and other receivables, investments, trade and other payables, and long-term debt. The Company has designated its cash and marketable securities as FVTPL, which are measured at fair value cash and is determined based on transaction value and is categorized as Level 1 measurement. The Company has designated its investments as available-for-sale, which are measured at fair value cash and is determined based on transaction value and is categorized as Level 1 measurement. Fair value of trade and other receivable and trade and other payables, promissory notes payable and long-term debt are determined from transaction values which were derived from observable market inputs. Fair values of these financial instruments are based on Level 2 measurements. The Company records its financial instruments at their carrying amounts which approximates fair value, unless otherwise disclosed in the financial statements. The carrying amounts approximate fair values due to the short-term maturities of these financial instruments.

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

Interest-rate risk

The Company has cash balances bearing fixed interest rates and no interest bearing debt. The Company’s current policy is to invest excess cash in investment-grade short term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

17. FINANCIAL INSTRUMENTS (continued)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to cash and receivables included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consist of bank deposits, which have been invested in a Canadian chartered bank, from which management believes the risk of loss is remote. As at March 31, 2011, the Company's receivables primarily consist of amounts due from the Canadian government. The Company's receivables are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to March 31, 2011. The Company is exposed to credit risk with regards to debtors refusing payment and the government denying the Company claims filed.

The Company's maximum exposure to credit risk as at March 31, 2011 is the carrying value of cash and trade and other receivables.

Liquidity risk

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 current assets of $2,201,324 (December 31, 2010 - $368,687) to settle current liabilities of $409,217 (December 31, 2010 - $556,514). The ability of the Company to continue to pursue its exploration activities and continue as a going concern is dependent on its ability to secure additional equity or other financing. All of the Company's financial liabilities (other than long-term debt) have contractual maturities of less than 30 days and are subject to normal trade terms. As at March 31, 2011, the Company had working capital of $1,792,107 (December 31, 2010 – Deficiency of $187,827).

Price risk

The Company holds common shares of TSX and TSXV-traded companies. The Company has classified some of these investments as FVTPL and others as available-for-sale and such common shares are subject to stock market volatility. The value of this financial instrument fluctuates on a daily basis due to external market factors that are not within the control of the Company. The Company monitors the trading value of these common shares in order to ensure that, if in the best interest of the Company, sale of the shares is made under favourable conditions

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a one year period:

i. The Company's marketable securities and investments are subject to fair value fluctuations. As at March 31, 2011, if the fair value of the marketable securities and investments had decreased/increased by 50% with all other variables held constant, net comprehensive income (loss) for the three month period ended March 31, 2011 would have been approximately $1,100,000 (2010 - $21,000) higher/lower. Similarly, as at March 31, 2011, reported equity would have been approximately $1,110,000 (2010 - $21,000) lower/higher as a result of a 50% decrease/increase in the fair value of the marketable securities and investments.

18. CAPITAL MANAGEMENT

The Company's objectives in managing its capital are: to maintain adequate levels of funding to support its expenditures arising from the Company's investments; to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its properties; to maintain a flexible capital structure for its projects for the benefit of its stakeholders; to maintain corporate and administrative functions necessary to support the Company's operations and corporate functions; and to seek out and acquire new projects of merit.

The Company considers its capital to be equity, which is comprised of share capital, reserve accounts, accumulated deficit and accumulated other comprehensive income, which as at March 31, 2011 totaled $1,997,757 (December 31, 2010 - $10,660).

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will continue to assess its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

The Company's investment policy is to invest its cash in low-risk, highly liquid, short-term interest-bearing investments, selected with regards to the expected timing of upcoming expenditures.

The Company expects its capital resources will be sufficient to carry out its exploration plans and operations through its current operating period. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three month period ended March 31, 2011. The Company is not subject to externally imposed capital requirements.

19. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees. The Company has not determined and is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that all Canadian Exploration Expenditures were effected and renounced in compliance with the prescribed regulations of the *Income Tax Act (Canada)*.

During the three month period ended March 31, 2010, Mistango signed a one-year lease extension on the Kirkland Lake premises. Pursuant to the terms of the renewed lease agreement, the Company is committed to paying approximately $22,245, during 2011, to a company owned by the President of Mistango.

20. SUBSEQUENT EVENTS

On June 14, 2011, the Company entered into a property option agreement to acquire a 100% interest in six claims in close proximity to the Company's Omega property in Larder Lake, Ontario. To acquire a 100% interest the Company will pay cash of $150,000 as follows: $25,000 on signing, $25,000 on or before June 30, 2012, $50,000 on or before June 30, 2013, and $50,000 on or before June 30, 2014 and issue 300,000 common shares as follows: 50,000 on signing, 50,000 on or before June 30, 2012, 100,000 on or before June 30, 2013, and 100,000 on or before June 30, 2014. In addition, the Company is required to carry out $500,000 in work expenditures on these claims by June 30, 2014. The vendor will retain a 3% NSR.

On June 9, 2011, the Company granted 1,550,000 options to various officers, directors and consultants. These options vest immediately and are exercisable at $0.25 for a period of 5 years.

On June 3, 2011, the Company completed a private placement totaling 2,200,000 units at $0.25 each for an aggregate amount of $550,000. Each unit is comprised of one "flow-through" common share and one half of one common share purchase warrant. Each whole warrant is exercisable at a price of $0.35 for a period of 12 months and then $0.45 for the ensuing 12 month period.

On May 9, 2011, the Company entered into a short-term loan agreement with the President of the Company to provide a loan facility of up to $200,000 for a period no longer than 6 months at an interest rate of 6% per annum. This facility is secured by the Companies marketable securities. As of June 28, 2011, the Company had used $104,000 of this facility.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

March 31, 2011

This management discussion and analysis ("MD&A") has been prepared based on information available to Mistango River Resources Inc. ("Mistango" or the "Company") as at June 28, 2011. The MD&A of the operating results and financial condition of the Company for the three month period ended March 31, 2011, should be read in conjunction with the Company's unaudited interim financial statements (the "Financial Statements") and the related notes for the three month period ended March 31, 2011 and the Company's audited financial statements for the years ended December 31, 2010 and 2009. The accompanying interim financial statements have been prepared by management and are in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements. Additional information relating to the Company can be found on SEDAR at www.sedar.com.

MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING ("ICFR")

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of the financial statements.

As the Company is a Venture Issuer (as defined under under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) ("NI 52-109"), the Company and Management are not required to include representations relating to the establishment and/or maintenance of disclosure controls and procedures ("DC&P) and/or ICFR, as defined in NI 52-109.

CAUTIONARY NOTE

This document contains or refers to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or assumptions in respect of future production, capital costs and future economic, market and other conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to: the grade and recovery of ore which is mined varying from estimates; exploration and development costs varying significantly from estimates; inflation; fluctuations in commodity prices; delays in the development of the any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; termination or revision of any debt financing; failure to raise additional funds required to finance the completion of a project; and other factors. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no responsibility to update them or revise them to reflect new events or circumstances, except as required by law. See the section entitled ***Risks and Uncertainties***.

Overview

Mistango is a Canadian-based junior mining and exploration company incorporated under the Canada Business Corporations Act which currently holds a portfolio of exploration stage projects in Ontario and Quebec which Mistango continues to evaluate. Recent developments include the following:

- On June 14, 2011, the Company entered into a property option agreement to acquire a 100% interest in six claims in close proximity to the Company's Omega property in Larder Lake, Ontario. To acquire a 100% interest the Company will pay cash of $150,000 as follows: $25,000 on signing, $25,000 on or before June 30, 2012, $50,000 on or before June 30, 2013, and $50,000 on or before June 30, 2014 and issue 300,000 common shares as follows: 50,000 on signing, 50,000 on or before June 30, 2012, 100,000 on or before June 30, 2013, and 100,000 on or before June 30, 2014. In addition, the Company is required to carry out $500,000 in work expenditures on these claims by June 30, 2014. The vendor will retain a 3% NSR.

- On June 9, 2011, the Company granted 1,550,000 options to various officers, directors and consultants. These options vest immediately and are exercisable at $0.25 for a period of 5 years.

- On June 3, 2011, the Company completed a private placement totaling 2,200,000 units at $0.25 each for an aggregate amount of $550,000. Each unit is comprised of one "flow-through" common share and one half of one common share purchase warrant. Each whole warrant is exercisable at a price of $0.35 for a period of 12 months and then $0.45 for the ensuing 12 month period.

- On May 27, 2011, the Company appointed Johnny Oliveira as Chief Financial Officer of the Company. Mr. Oliveira is a Chartered Accountant, and holds an Honours Bachelor in Business Administration from the University of Wilfrid Laurier and has practiced professionally in the past as a senior audit manager. Currently, Mr. Oliveira is serving as Controller and/or Chief Financial Officer of several junior mining and exploration companies listed on the CNSX, TSXV and TSX.

- On May 9, 2011, the Company entered into a short-term loan agreement with the President of the Company to provide a loan facility of up to $200,000 for a period no longer than 6 months at an interest rate of 6% per annum. This facility is secured by the Companies marketable securities. As of June 28, 2011, the Company had used $104,000 of this facility.

- At a Special Meeting of shareholders held on March 17, 2011, the shareholders approved the consolidation of its Class A Voting Common Shares on the basis of one new common share for four old common shares and change the Company's name to Mistango River Resources Inc. On March 20, 2011 the Company's shares commenced trading on the CNSX under the symbol MIS.

- On January 27, 2011, Brigus Gold Corp. ("Brigus") and Mistango reached an agreement regarding the reimbursement by Brigus to Mistango. Pursuant to the agreement, as amended, Brigus issued to GLR 1,396,134 common shares of Brigus valued at $2,443,235 based on a deemed price of $1.75 per share and is making cash payments aggregating US$60,000. The agreement was subject to receipt of requisite regulatory approvals and discontinuance of the outstanding legal action between Brigus and Mistango.

Selected Annual Financial Information

Expressed in Canadian dollars, except share amounts	March 31, 2011 $	December 31, 2010 $	December 31, 2009 (CGAAP) $
Cash	210,139	210,139	154,070
Property, plant and equipment	99,809	105,062	128,449
Mineral properties and deferred expenditures	-	-	1,936,657
Total assets	2,434,787	599,053	4,355,805
Working capital (deficiency)	1,792,107	(187,827)	226,166
Long-term liabilities	27,813	31,879	46,462
Cash used in operations	(217,640)	(1,253,308)	(2,869,497)
Common shares issued for cash	-	-	-
Common shares outstanding*	15,904,815	15,904,815	15,898,565
Income	-	-	6,907,946
Operating expenses	148,646	1,379,302	9,855,226
Net income (loss)	1,993,734	(1,579,322)	(2,417,280)
Other comprehensive income (loss)	(6,637)	185,371	(85,156)
Net income (loss) per share- basic and diluted	0.13	(0.10)	(0.04)
Dividends paid	0.00	0.00	0.00

** Number of shares outstanding is post four for one share consolidation of the Company's issued and outstanding shares*

Selected Quarterly Information

	2010 Q2 $	2010 Q3 $	2010 Q4 $	2011 Q1 $
Revenues	-	-	-	-
Expenses	216,439	131,169	302,022	148,646
Net income (loss)	(216,439)	(131,169)	(302,022)	1,993,734
Basic and fully diluted loss per share	(0.01)	(0.01)	(0.02)	0.12

	2009 Q2 (CGAAP) $	2009 Q3 (CGAAP) $	2009 Q4 (CGAAP) $	2010 Q1 $
Revenues	294	6,942,153	(34,591)	-
Expenses	885,491	8,495,251	234,835	729,672
Net income (loss)	(885,197)	(1,553,098)	260,574	(929,692)
Basic and fully diluted loss per share	(0.01)	(0.02)	0.00	(0.06)

Results of Operations

3 months ended March 31, 2011 and 2010

For the 3 months ended March 31, 2011, the Company posted net income of $1,993,734 compared to a net loss of $929,692 in the same period in 2010. Net income per share was or 12¢ (2010 – net loss 0.6¢). The current year net income was a result of a gain on sale of property, plant and equipment of $2,504, 350 (2010 - $Nil) in regards to a settlement reached in the period with Brigus in regards to post-closing reimbursement of deposits made by the Company in respect of certain equipment contracts which were assigned to a wholly-owned subsidiary of Brigus as part of a transaction entered into in 2009.

General office expenses were reduced in the 3 months ended March 31, 2011 to $20,268 (2010 - $23,554) and professional fees and consulting were reduced in the 3 months ended March 31, 2011 to $16,278 (2010 - $28,144) as management of Mistango continues to take action to reduce cash expenditures.

Salaries, fees and benefits were reduced in the 3 months ended March 31, 2011 to $55,252 (2010 - $92,818) as management of Mistango continues to take action to reduce all expenses to focus as much resources on exploring its mineral properties. These fees are expected to be consistent quarter to quarter.

Exploration and evaluation expenditures were reduced in the 3 months ended March 31, 2011 to $26,681 (2010 - $548,321) as management preserved its cash balances as it looked for equity financing and for the hold on its marketable securities to be lifted in June 2011.

Capital Resources and Liquidity

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and on the assumption that Mistango will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of business as a going concern. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing and reach positive cash flows from operations.

Capital Resources

As at March 31, 2011, the Company had working capital of $1,792,107 (December 31, 2010 – working capital deficiency of $187,827). On January 27, 2011, Brigus and the Company reached an agreement, as amended, regarding the reimbursement by Brigus to the Company. Pursuant to the agreement, Brigus issued to the Company 1,396,134 common shares of Brigus valued at $2,443,235 based on a deemed price of $1.75 per share and make cash payments aggregating US$60,000. The settlement also included final payment on the outstanding balance related to the equipment manufactured in Australia. The shares received are subject to a four month hold period which ended in June 2011. The Company will look to liquidate its holdings when necessary to fund its on-going operations.

On June 3, 2011, the Company completed a private placement totaling 2,200,000 units at $0.25 each for an aggregate amount of $550,000. Each unit is comprised of one "flow-through" common share and one half of one common share purchase warrant. Each whole warrant is exercisable at a price of $0.35 for a period of 12 months and then $0.45 for the ensuing 12 month period.

Liquidity

Future Sources of Funds

The exploration and development of the Company's properties depends on the ability of the Company to obtain financing. If the Company's exploration programs are successful, additional funds will be required to develop Mistango's properties and, if successful, to place them in commercial production. The only sources of future funds available to the Company are further offerings of either debt or equity capital of the Company, or the sale by the Company of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in some or all of its properties and reduce or terminate its operations.

There are no other statement of financial position conditions that would adversely affect the Company's liquidity.

Commitments and Contingencies

The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that all Canadian Exploration Expenditures were effected and renounced in compliance with the prescribed regulations of the *Income Tax Act (Canada)*.

The Company has entered into a one-year lease extension for its current location in Kirkland Lake with a Company owned by the President of the Company.

Mineral properties

The following table summarizes the Company's exploration activity during the three month periods ended March 31, 2011 and 2010:

	Three months ended March 31, 2011	Three months ended March 31, 2010	Cumulative to date *
Baldwin, Ontario	$ 1,007	$ 65,633	$ 593,935
Casa Berardi, Quebec	3,295	385,967	682,400
Goldie, Ontario	-	-	511,825
Kirkland West, Ontario	-	1,208	252,389
Omega Property, Ontario	14,815	1,295	38,138
Sackville, Ontario	6,131	94,218	449,899
General and other	1,433	-	118,529
Exploration and evaluation expenditures	$ 26,681	$ 548,321	$ 2,647,115

* Only properties currently under exploration are included in this figure.

Baldwin/Omega Property

Line cutting has now been completed and deep penetrating induced polarity survey (IP) commenced during March 2011. Mistango considers the Omega property to have excellent potential to host an economic gold deposit.

The following is excerpted from a report prepared by Guy Hinse P.Eng. and dated May 7 1986:

> "Historic production from the previous owner Omega Gold Mines was 1,584,264 tons with an average grade of 0.158 ounces gold per ton from 1936 to 1947. None of the forgoing is 43-101 compliant and should not be relied on. It is presented as historical information only. The property lies along the Larder Lake "break", a major structure defined by the presence of carbonate rocks. This structure is highly favourable to economic concentrations of gold values.
>
> Using a cut off grade of 0.10 ounce per ton, a minimum mining width of 4 feet and all assays cut to 1 ounce. Drill indicated reserves were estimated at 269,934 tons of 0.160 oz Au/ton (5.48 g/t Au) mostly above the 300 foot level. This estimate is non 43-101 compliant and is not to be relied upon. Undoubtedly there remains an unknown quantity of low grade material in the wall and peripheries of the mined out ore zones."

On June 14, 2011, the Company entered into a property option agreement to acquire a 100% interest in six claims in close proximity to the Company's Omega property in Larder Lake, Ontario. To acquire a 100% interest the Company will pay cash of $150,000 as follows: $25,000 on signing, $25,000 on or before June 30, 2012, $50,000 on or before June 30, 2013, and $50,000 on or before June 30, 2014 and issue 300,000 common shares as follows: 50,000 on signing, 50,000 on or before June 30, 2012, 100,000 on or before June 30, 2013, and 100,000 on or before June 30, 2014. In addition, the Company is required to carry out $500,000 in work expenditures on these claims by June 30, 2014. The vendor will retain a 3% NSR.

Kirkland West Property

The Company is reviewing all its historical work on this property to outline an exploration program to be executed late in 2011.

Sackville Property

Mistango holds a 100% interest in the Sackville Property with RJK Explorations Ltd. retaining a 1% NSR. Mistango has now received all the geochemistry samples undertaken during 2010. Upon reviewing this data and older data, there appears to be a significant area of high enzyme leach geochemistry results in an area of low magnetics. This is an area yet to be tested by any drilling and has been tested only partially by geophysics. The property could potentially be the host of the high grade gold/silver/zinc boulders discovered previously. In 2010, Mistango completed a 43-101 report on the property which can be reviewed on www.sedar.ca or the company's website at www.mistangoriverresources.com.

General

The Company has no exploration or evaluation work planned for its other exploration properties during 2011. Timing of receipt of proceeds from the sale of Brigus shares and/or participation in a flow-through share arrangement will affect timing of exploration and development of each of Baldwin/Omega and Sackville properties during 2011.

Dividend Record

There are no restrictions that prevent the Company from paying dividends. The Company has not paid any dividends on its common shares during the last 5 fiscal years. The Company currently has no intention of paying any dividends on its Class A common shares. The Board of Directors of the Company will determine if and when dividends should be declared and paid in the future, based on the Company's financial position at the relevant time.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the reporting period.

Mineral properties

All acquisition and exploration costs, net of incidental revenues, are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, in which case subsequent exploration costs and the costs incurred to develop a property are capitalized into property, plant and equipment ("PPE"). On the commencement of commercial production, depletion of each mining property will be provided on a unit-of-production basis using estimated resources as the depletion base.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of PPE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided at rates calculated to write-off the cost of PPE, less their estimated residual value, using the declining balance method or unit-of-production method over the following expected useful lives:

• Exploration equipment	30%
• Office furniture	20%

An item of PPE is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of comprehensive income.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for PPE and any changes arising from the assessment are applied by the Company prospectively.

Where an item of plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of plant and equipment. Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized.

Decommissioning, restoration and similar liabilities ("Asset retirement obligation" or "ARO")

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of mineral properties and PPE, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement obligation is recognized at its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding asset retirement obligation is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of-production method or the straight-line method, as appropriate. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Share based payments

Share based payment transactions

Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share based payment.

Equity-settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the year. During the three months ended March 31, 2011 and 2010 all the outstanding stock options and warrants were antidilutive.

Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans-and-receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash and marketable securities are classified as FVTPL.

Financial assets classified as loans-and-receivables and held-to-maturity are measured at amortized cost. The Company's trade and other receivables are classified as loans-and-receivables.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) except for losses in value that are considered other than temporary. The Company's investments are classified as available-for-sale.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the settlement date.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's trade and other payables, promissory notes payable and current and long-term portions of long-term debt are classified as other-financial-liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as held-for-trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income. At March 31, 2011 the Company has not classified any financial liabilities as FVTPL.

Impairment of financial assets

The Company assesses at each date of the statement of financial position whether a financial asset is impaired.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

Available-for-sale

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit or loss.

Impairment of non-financial assets

At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

Cash

Cash in the statement of financial position comprises cash at banks and on hand.

Provisions
Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Related party transactions
Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

Significant accounting judgments and estimates
The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to asset retirement obligations; property, plant and equipment, recoverability of trade and other receivables, valuation of deferred income tax amounts, impairment testing and the calculation of share based payments. The most significant judgements relate to recognition of deferred tax assets and liabilities, determination of the commencement of commercial production and the determination of the economic viability of a project.

Flow-through Shares
The obligation to renounce tax deductions at the time of issuance of flow-through shares is recorded as a liability in accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets" measured using a residual or a relative fair value method. This obligation is released into the statement of comprehensive income as a gain as and when the Company incurs qualifying expenditures (i.e. fulfilling its obligation to renounce tax attributes).

Comparatives
Certain prior year amounts have been reclassified to conform to account presentation in the current year. The net loss stated in prior year has not been affected by these changes.

Status of Mistango's transition to IFRS

Transition to IFRS from GAAP

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt IFRS for financial periods beginning on and after January 1, 2011.

The Company has adopted IFRS with an adoption date of January 1, 2011 and a transition date of January 1, 2010.

IFRS Conversion
The Company's IFRS conversion plan was comprehensive and addressed matters including changes in accounting policies, restatement of comparative periods, organizational and internal controls and any required

changes to business processes. To facilitate this process and ensure the full impact of the conversion was understood and managed reasonably, the Company hired an IFRS conversion project manager. The accounting staff attended several training courses on the adoption and implementation of IFRS. Through in-depth training and the preparation of reconciliations of historical Canadian GAAP financial statements to IFRS, the Company believes that its accounting personnel have obtained a thorough understanding of IFRS.

In conjunction with the adoption of IFRS the Company has implemented a new accounting system, which will satisfy all the information needs of the Company under IFRS. The Company has also reviewed its current internal and disclosure control processes and believes they will not need significant modification as a result of our conversion to IFRS.

Impact of IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP; however significant differences exist in certain matters of recognition, measurement and disclosure. While the adoption of IFRS will not change the actual cash flows of the Company, the adoption will result in changes to the reported financial position and results of operations of the Company. In order to allow the users of the financial statements to better understand these changes, we have provided the reconciliations between Canadian GAAP and IFRS for the total assets, total liabilities, shareholders equity and net earnings in Note 3 to the interim consolidated financial statements. The adoption of IFRS has had no significant impact on the net cash flows of the Company. The changes made to the statements of financial position and comprehensive income have resulted in reclassifications of various amounts on the statements of cash flows, however there has been no change to the net cash position.

In preparing the reconciliations, the Company applied the principles and elections of IFRS 1, with a transition date of January 1, 2010. As the Company has adopted IFRS effective January 1, 2010, it will apply the provisions of IFRS 1 as described under the section entitled "Initial Adoption – IFRS 1", with a January 1, 2010 transition date. The Company will also apply IFRS standards in effect at December 31, 2011 as required by IFRS 1.

Initial Adoption of International Accounting Standards

IFRS 1 ''First Time Adoption of International Accounting Standards'' sets forth guidance for the initial adoption of IFRS. Under IFRS 1 the standards are applied retrospectively at the transitional date of the statement of financial position with all adjustments to assets and liabilities as stated under GAAP taken to retained earnings unless certain exemptions are applied. The Company has chosen to take the following exemptions under IFRS 1:

- to apply the requirements of IFRS 3, *Business Combinations,* prospectively from the transition date; and
- to apply the requirements of IFRS 2, *Share-based payments*, only to equity instruments granted after November 7, 2002 which had not vested as of the transition date.

Comparative Information

The Company has restated all prior period figures in accordance with IFRS.

Related Party Transactions

During the three month period ended March 31, 2011 the Company incurred the following related party transactions:

Officers, directors and companies controlled by officers and directors of the Company and individuals related to them charged management, professional and consulting fees, exploration services in the amount of $46,500 (2010 - $75,000) to the Company during the three month period ended March 31, 2011. In addition, the Company incurred exploration and evaluation expenditures of $Nil (2010 - $10,500) indirectly paid to a sibling of a director and President of Mistango.

During the three month period ended March 31, 2011, the Company was charged $7,415 (2010 - $7,415) for administrative costs are comprised of rent paid to a company controlled by the President of the Company (See

Note 19 to the unaudited interim financial statements for the three month period ended March 31, 2011 - Commitments and Contractual Obligations).

Trade and other payables at March 31, 2011 includes $4,000 (December 31, 2010 - $2,000) owing to officers, directors and companies controlled by officers and directors.

Amounts due from related parties in trade and other receivables are miscellaneous expense advances for which expense reports have not cleared at period end.

Management believes these transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties.

Share Capital

Mistango's share capital consists of an unlimited number of Class A voting common shares and an unlimited number of non-voting, redeemable Class B Preferred Shares, Series A. This series of shares is redeemable by Mistango, in whole or in part, at the rate of $1,000 per Series A share. The holders of Series A shares are not entitled to receive dividends. There were no Class B, Series A Preferred Shares issued as at the date of this MDA.

As at June 28, 2011	Outstanding
Class A common shares issued	18,154,815
Shares issuable pursuant to:	
Warrants	1,100,000
Stock options	1,550,000
Fully diluted	20,804,815

On March 17, 2011, the shareholders approved the consolidation of its Class A Voting Common Shares on the basis of one new common share for four old common shares and change the Company's name to Mistango River Resources Inc. Fractional shares remaining after giving effect to the consolidation will be cancelled such that shareholdings of each shareholder were rounded down to the nearest whole number of post-consolidation common shares.

Additional Disclosure for Venture Companies without Significant Revenue

	Three month period ended March 31, 2011	Year ended December 31, 2010
Exploration and evaluation expenditures in the period/year		
Government fees	**$ 3,200**	$ 12,826
Acquisition/staking	**5,400**	19,405
Geo Reporting	**-**	60,716
Drilling	**776**	420,831
Assays, surveys, maps	**925**	72,810
Line cutting	**11,685**	-
Travel	**-**	7,851
Equipment rental	**48**	8,617
Project administration	**400**	97,590
Other	**4,247**	3,307
	$ 26,681	$ 703,953

Risks and Uncertainties

Operational

There is uncertainty about the Company's ability to realize the carrying value of its assets and discharge its liabilities as they come due. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing and reach positive cash flows from operations.

The Company's assets are subject to the risk of increases in taxes and royalties, renegotiation of contracts and currency exchange fluctuations. Operational risks include finding and developing economic ore reserves. Financial risks include interest and U.S. dollar exchange rates, which are beyond the control of the Company. The ability of the Company to develop its properties and the future profitability of the Company are directly related to the market price of exploited minerals and metals. The Company is subject to various regulatory risks, many of which also are beyond the control of the Company.

The Company is considered to be in the exploration stage and has not yet recorded any revenues from its on-going operations nor has the Company commenced commercial production on any of its properties. There can be no assurance that the Company will generate any revenues or that the assumed levels of expenses will prove to be accurate.

The Company expects to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require substantial resources to complete the development of its properties. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future.

The Company's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of its properties are added. The amounts and timing of expenditures will depend on the progress of on-going development, the results of consultant's analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties and other factors, many of which are beyond the Company's control.

The Company's vulnerability to changes in metal prices may cause its share price to be volatile and may affect the Company's operations and financial results.

Changes in the market price of precious and base metals will significantly impact the ability of the Company to finance its operations and, indirectly, its share price. The Company's financial results will be very sensitive to external economic factors related to metal prices. A major risk will arise if there is a prolonged period of lower metal prices. Many factors beyond the Company's control influence the market price of the metals the Company seeks on its mineral properties. These factors include: global supply and demand; availability and costs of metal substitutes; speculative activities; international political and economic conditions; and production levels and costs in other gold-producing countries.

The Company is subject to extensive environmental legislation and the costs of complying with these regulations may be significant. Changes in environmental legislation could increase the costs of complying with applicable regulations and reduce levels of production. Environmental legislation relating to land, air and water affects nearly all aspects of the Company's operations. This legislation requires the Company to obtain various operating licenses and also imposes standards and controls on activities relating to exploration, development and production of gold and other precious metals. The cost of obtaining operating licenses and abiding by standards and controls on its activities may be significant. Further, if the Company fails to obtain or maintain such operating licenses or breaches such standards or controls imposed on its activities, it may not be able to continue its operations in its usual manner, or at all, or the Company may be subject to fines or other claims for remediation which may have a material adverse impact on its operations or financial results. The Company will be responsible for all costs of closure and reclamation at the Goldfields Mine. While the Company is unaware of any existing material environmental liabilities, it cannot guarantee that no such liabilities currently exist or will occur in the future.

Changes in environmental laws, new information on existing environmental conditions or other events may increase future compliance expenditures or otherwise have a negative effect on the Company's financial condition and results of operations. In addition to existing requirements, it is expected that other environmental regulations will likely be implemented in the future with the objective of protecting human health and the environment. Some of the issues currently under review by environmental agencies include reducing or stabilizing air emissions, mine reclamation and restoration, and water quality. Other changes in environmental legislation could have a negative effect on production levels, product demand, product quality and methods of production and distribution. The complexity and breadth of these issues make it difficult for the Company to predict their impact. The Company expects that capital and operating expenditures will increase as a result of compliance with the introduction of new more stringent environmental regulations. Failure to comply with environmental legislation may result in the issuance of clean-up orders, imposition of penalties, liability for related damages and the loss of operating permits. While the Company believes it is now in material compliance with existing environmental legislation, it cannot give assurances that it will, at all future times, be in compliance with all federal and provincial environmental regulations or that steps to bring the Company into compliance would not have a negative effect on its financial condition and results of operations. The mining industry is intensely competitive and the Corporation must compete in all aspects of its operations with a substantial number of other junior mining companies, some of which have greater technical and financial resources. The Company may be at a disadvantage with respect to some of its competitors in the acquisition and/or development of high potential mining properties throughout the principal markets and geographical areas in which the Company carries on its business activities.

Financing risk
There can be no assurance that any funding required by the Company will become available, and, if so, that it will be offered on reasonable terms or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects or that they can be secured on competitive terms.

Political Risk
All of the Company's properties are located in Canada. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in Canada. The Company's mineral exploration activities could be affected in varying degrees by such political instability, aboriginal land claims and government regulation relating to foreign investment and the mining business. Operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation.

Acquisition
The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Segregation of duties
Segregation of duties is a basic, key internal control and one of the most difficult to achieve in a small company. It is used to ensure that errors or irregularities are prevented or detected on a timely basis by employees in the normal course of business. Due to the Company's small size and limited resources, a complete segregation of duties within the Company's accounting group cannot be fully achieved. The result is that the Company is highly reliant on the performance of mitigating procedures during the process of closing its financial statements in order to ensure the financial statements are presented fairly in all material respects. Management will identify and hire additional accounting resources where cost effective and when required. Where it is not cost effective to obtain

additional accounting resources, management will review existing mitigating controls and, if appropriate, implement changes to its internal control processes whereby more effective mitigating controls will be adopted.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Reliance on Management

The success of the Company depends to a large extent upon its abilities to retain the services of its senior management and key personnel. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate is business.

Financial Instruments

Fair value

The Company's financial instruments as at March 31, 2011 include cash, marketable securities, trade and other receivables, investments, trade and other payables, and long-term debt. The Company has designated its cash and marketable securities as FVTPL, which are measured at fair value cash and is determined based on transaction value and is categorized as Level 1 measurement. The Company has designated its investments as available-for-sale, which are measured at fair value cash and is determined based on transaction value and is categorized as Level 1 measurement. Fair value of trade and other receivable and trade and other payables, promissory notes payable and long-term debt are determined from transaction values which were derived from observable market inputs. Fair values of these financial instruments are based on Level 2 measurements. The Company records its financial instruments at their carrying amounts which approximates fair value, unless otherwise disclosed in the financial statements. The carrying amounts approximate fair values due to the short-term maturities of these financial instruments.

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

Interest-rate risk

The Company has cash balances bearing fixed interest rates and no interest bearing debt. The Company's current policy is to invest excess cash in investment-grade short term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to cash and receivables included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consist of bank deposits, which have been invested in a Canadian chartered bank, from which management believes the risk of loss is remote. As at March 31, 2011, the Company's receivables primarily consist of amounts due from the Canadian government. The Company's receivables are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to March 31, 2011. The Company is exposed to credit risk with regards to debtors refusing payment and the government denying the Company claims filed.

The Company's maximum exposure to credit risk as at March 31, 2011 is the carrying value of cash and trade and other receivables.

Liquidity risk

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 current assets of $2,201,324 (December 31, 2010 - $368,687) to settle current liabilities of $409,217 (December 31, 2010 - $556,514). The ability of the Company to continue to pursue its exploration activities and continue as a going concern is dependent on its ability to secure additional equity or other financing. All of the Company's financial liabilities (other than long-term debt) have contractual maturities of less than 30 days and are subject to normal trade terms. As at March 31, 2011, the Company had working capital of $1,792,107 (December 31, 2010 – Deficiency of $187,827).

Price risk

The Company holds common shares of TSX and TSXV-traded companies. The Company has classified some of these investments as FVTPL and others as available-for-sale and such common shares are subject to stock market volatility. The value of this financial instrument fluctuates on a daily basis due to external market factors that are not within the control of the Company. The Company monitors the trading value of these common shares in order to ensure that, if in the best interest of the Company, sale of the shares is made under favourable conditions

Internal Control over Financial Reporting

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The Company's President and Chief Executive Officer and Chief Financial Officer have ensured the design of internal control over financial reporting.

During the most recent year, there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Other Information

This MD&A of the financial position and results of operation as at March 31, 2011, should be read in conjunction with the audited financial statements and related notes for the years ended December 31, 2010 and 2009. Additional information will be accessible at the Company's website www.mistangoriverresources.com or through the Company's public filings at www.sedar.com.

Management's Responsibility

Management is responsible for all information contained in this MD&A. The unaudited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the unaudited consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the unaudited interim financial statements with management. The Board of Directors has approved these unaudited interim financial statements on the recommendation of the Audit Committee.

External auditors, appointed by the shareholders, have not audited or reviewed the unaudited interim financial statements for the three month periods ended March 31, 2011 and did not performed the tests deemed necessary to enable them to express an opinion on these unaudited interim financial statements.

"Robert J. Kasner"
President and Chief Executive Officer

June 28, 2011