FORM 5

QUARTERLY LISTING STATEMENT

Name of CNSX Issuer: **EXCALIBUR RESOURCES LTD.** (the "Issuer").

Trading Symbol: **XBR**

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.

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 "Related Parties" in Schedule "A"

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,

CNSX CANADIAN NATIONAL STOCK EXCHANGE

Date of Issue	Type of Security (common shares, convertible deben-tures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Considera-tion (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
Nov 26, 2010	Flow Through Units	Private Placement	2,670,000	$0.15	$400,500	Cash	N/A	Nil

On November 26, 2010, the Company completed a $400,500 financing through the sale of 2,670,000 flow-through Units at $0.15 per Unit, each Unit consisting of one Non-flow-through common share and one share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. No finders' fees were paid in connection with this private placement. These proceeds will be used for the Company's Catanava gold production project in Pinos Mexico and for general working capital needs. The warrants were assigned a fair value of $106,805 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 86.65%, a risk-free interest rate of 1.7% and an expected life of 1.5 years.

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

3. Summary of securities 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,

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

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

Authorized
100,000,000 common shares without par value
Issued - common shares

	Number of Shares	Value
Balance, May 31, 2008	8,050,852	$8,487,402
Shares issued for property acquisitions	47,500	18,600
Shares issued in settlement of debt	544,474	87,116
Shares issued for private placement	100,000	40,000
Less value allocated to warrants (Note 6(b))	-	(4,000)
Balance, May 31, 2009	**8,742,826**	**$8,629,118**
Shares issued for property acquisitions [(a)]	23,750	3,444
Shares issued in settlement of debt [(b)]	817,188	65,375
Share issued for private placements [(c)]	15,001,999	1,689,475
Share issue costs	-	(74,927)
Less: Value allocated to warrants (Note 6(b))	-	(448,039)
Renunciation of flow-through expenditures	-	(107,875)
Balance, May 31, 2010	**24,585,763**	**$9,756,571**
Shares issued for private placements[(d)]	5,372,702	900,500
Share issue costs	-	(50,000)
Less: Value allocated to warrants (Note 6(b))	-	(151,824)
Balance – November 30, 2010	**29,958,465**	**$10,455,247**

The following summarizes the stock option activities for the six months ended November 30:

	Number of Options	Weighted Average Exercise Price
Beginning balance May 31, 2009	**4,638,000**	**$0.56**
Granted	**1,642,250**	**$0.16**
Cancelled/expired	**(3,068,000)**	**$0.56**
Consolidation 8:1	**(1,374,000)**	**$0.56**
Beginning balance May 31, 2010	**1,838,250**	**$0.18**
Granted	**100,000**	**$0.15**
Cancelled/expired	**(96,000)**	**$0.40**
Outstanding and Exercisable at November 30, 2010	**1,842,250**	**$0.17**

At November 30, 2010, the Company had the following outstanding stock options:

Number of Options	Price	Expiry Date
56,250	$0.40	February 20, 2012
6,250	$0.40	April 3, 2013
37,500	$0.40	July 4, 2013
1,642,250	$0.16	January 12, 2015
100,000	$0.15	December 25, 2010
1,842,250		

At November 30, 2010, the Company had the following outstanding warrants:

			November 30, 2010
	Exercise Price	**Number of Warrants Outstanding**	**Expiry Date**
	$0.160	500,000	Mar. 11, 2012
	$0.250	2,199,998	Apr. 25, 2012
	$0.250	2,800,000	Apr. 25, 2012
	$0.250	877,000	May 26, 2012
	$0.250	2,972,972	July 12, 2012
	$0.250	2,670,000	Nov. 26, 2012
		12,019,970	

The following summarizes the warrant activities for the six months ended November 30:

	Number of Warrants	Weighted Average Exercise Price	Estimated Fair Value
Balance May 31, 2009	800,000	$0.40	$4,000
Consolidated 8:1	(700,000)	$0.40	(3,500)
Issued	500,000	$0.16	11,592
	1,999,999	$0.25	163,797
	199,999	$0.25	8,682
	1,500,000	$0.25	123,016
	877,000	$0.25	55,208
	1,300,000	$0.25	94,426
Expired	(100,000)	$0.25	(500)
Balance May 31, 2010	6,376,998	$0.25	$456,721
Issued	2,702,702	$0.25	40,925
	270,270	$0.25	4,093
	2,670,000	$0.25	133,602
Balance November 30, 2010	**12,019,970**	**$0.25**	**$635,341**

(c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer. **Not applicable.**

5. 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.

Tim Gallagher - Chairman, CFO and Director
Dianne Szigety - Corporate Secretary and Director
Andrew Robertson - Director
David Libby - Director
Charles Beaudry - Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Interim MD&A is attached.

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 **January 31, 2011**.

"Dianne Szigety"

Corporate Secretary
Official Capacity

Issuer Details Name of Issuer EXCALIBUR RESOURCES LTD.	For Quarter Ended 2010/11/30	Date of Report YY/MM/D 2011/01/31	
Issuer Address Suite 400, 20 Adelaide Street East			
City/Province/Postal Code Toronto, ON M5H 2T6	Issuer Fax No. (604) 637-5624	Issuer Telephone No. (416) 987-0298	
Contact Name Dianne Szigety	Contact Position Corporate Secretary	Contact Telephone No. (604) 608-1118	
Contact Email Address info@excaliburesources.ca	Web Site Address www.excaliburesources.ca		

SCHEDULE "A"

EXCALIBUR
RESOURCES LTD.

Interim Consolidated Financial Statements (Unaudited)
SECOND QUARTER REPORT
Six Months Ended November 30, 2010

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

SCHEDULE "A"

Excalibur Resources Ltd.

Interim Consolidated Balance Sheets (Unaudited)

	Note	November 30, 2010	May 31, 2010
Assets			
Current			
Cash		**$ 47,928**	$ 644,053
Prepaid and sales taxes receivables		**143,181**	69,319
Subscriptions receivables		**97,371**	30,000
		288,480	743,372
Mineral properties and deferred exploration costs	3	**2,482,754**	1,182,120
Reclamation bonds	4	**10,000**	10,000
		$ 2,781,234	$ 1,935,492
Liabilities			
Current			
Accounts payable and accrued liabilities		**$ 322,483**	$ 147,795
		322,483	147,795
Restoration liability	4	**10,000**	10,000
		332,483	157,795
Shareholders' Equity			
Capital stock	5	**10,428,450**	9,756,571
Warrants	6(b)	**635,341**	456,721
Contributed surplus	8	**1,254,462**	1,254,462
Deficit		**(9,869,502)**	(9,690,057)
		2,448,751	1,777,697
		$ 2,781,234	**$** 1,935,492

Nature of Operations and Going Concern (*Note 1)*
Subsequent Events *(Note 14)*

Approved by the Board *"Dianne Szigety"* Director **(**signed) *"Tim Gallagher"* Director (signed)

See Accompanying Notes

SCHEDULE "A"

Excalibur Resources Ltd.
Interim Consolidated Statements of Operations and Deficit (Unaudited)
Three and Six Months ended November 30, 2010 and 2009

	Three Months Ended November 30, **2010**	2009	Six Months Ended November 30, **2010**	2009
Expenses				
Consulting fees	**$ 7,250**	$ -	**$ 8,890**	$10,000
Management and administrative fees	**38,343**	34,208	**83,423**	28,000
Office and administrative expenses	**13,775**	3,262	**21,225**	33,788
Professional fees	**17,975**	785	**20,975**	2,285
Promotion and investor relations	**25,405**	3,239	**37,190**	8,986
Regulatory and transfer agent fees	**706**	8,493	**7,742**	9,413
Research and development	**-**	34,100	**-**	34,100
	103,455	84,087	**179,445**	126,572
Write-off administrative fees	**-**	(21,600)	**-**	(21,600)
Loss for the period	**103,455**	62,487	**179,446**	104,972
Deficit, beginning of period	**(9,766,048)**	(9,523,532)	**(9,690,057)**	(9,481,047)
Deficit, end of period	**$(9,869,502)**	$(9,586,019)	**$(9,869,502)**	$ (9,586,019)
Loss per share – basic and diluted	**$ (0.004)**	$ (0.0007)	**$(0.007)**	$ (0.001)
Weighted average number of common shares outstanding (1)	**24,874,545**	83,751,655	**25,159,832**	76,733,881

(1) On January 11, 2010 the issued and outstanding common shares of the Company were consolidated 8:1

See Accompanying Notes

SCHEDULE “A”

Excalibur Resources Ltd.

Interim Consolidated Statements of Cash Flows (Unaudited)
Three and Six months ended November 30, 2010 and 2009

	Three Months Ended November 30,		Six Months Ended November 30,	
	2010	2009	**2010**	2009
Cash provided by (used in):				
Operations				
Net loss	**$ (103,455)**	$ (62,487)	**$ (179,446)**	$ (104,972)
Net changes in non-cash working capital				
Prepaids and sales taxes receivables	**(157,819)**	(39,603)	**(141,233)**	(35,558)
Accounts payable and accrued liabilities	**96,219**	(13,241)	**174,688**	20,284
	(165,055)	(115,331)	**(145,991)**	(120,246)
Investing				
Mineral properties and deferred exploration costs	**(870,503)**	(465,880)	**(1,300,634)**	(431,920)
	(870,503)	(465,880)	**(1,300,634)**	(431,920)
Financing				
Shares issued for debt	**-**	148,325	**-**	148,325
Units issued pursuant to private placement	**400,500**	669,000	**850,500**	669,000
	400,500	817,325	**850,580**	817,325
Net change in cash	**(635,058)**	236,114	**(596,125)**	265,159
Cash, beginning of period	**682,986**	37,041	**644,053**	7,996
Cash, end of period	**$ 47,928**	$ 273,155	**$ 47,928**	$ 273,155

Supplemental Disclosure for Non-Cash Financing Activities:

Q2 2011: NIL

See Accompanying Notes

1. NATURE OF OPERATIONS AND GOING CONCERN

Excalibur Resources Ltd. (the "Company") is federally incorporated under the laws of Canada. The Company's principal assets are mining claims and deferred exploration expenditures made on properties which are not in commercial production. The Company is in the process of exploring its mining claims and has not yet determined whether or not the properties will contain economically recoverable reserves. The Company is listed on the Canadian National Stock Exchange. ("CNSX").

At November 30, 2010 the Company had cash and receivables of $288,480 and current liabilities of $322,483. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company. These financial statements have been prepared on a going concern basis that assumes the Company will be able to continue to realize its assets and discharge its liabilities in the normal course of business. In the event the Company is not able to obtain adequate funding, there is uncertainty as to whether the Company will be able to maintain or complete the exploration of its property interests. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP") and their basis of presentation is consistent with that in the previous year, except as described under new accounting pronouncements.

Outlined below are those policies considered particularly significant.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Excalibur Resources (US) Inc. On consolidation all intercompany transactions and balances have been eliminated.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reported periods. The most significant estimates are related to going concern, deferred exploration costs and amortization of capital assets. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include cash-on-hand and balances with banks and short-term investments with original maturities of three months or less.

Financial instruments

All financial instruments are classified into one of the following five categories: held for trading assets or liabilities, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities.

Held-for-trading financial instruments are measured at fair value and all gains and losses are included in net income in the period in which they arise. Available-for-sale financial instruments are measured at fair value

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

with revaluation gains and losses included in accumulated other comprehensive income until the instruments are derecognized or impaired. Loans and receivables, investments held-to-maturity and other financial liabilities are measured at amortized cost using the effective interest rate method.

The Company has made the following classifications:

Cash	Held-for-trading
Receivables	Loans and receivables
Reclamation bonds	Held-for-trading
Accounts payable and accrued liabilities	Other liabilities
Restoration liability	Other liabilities

Capital Assets

Capital assets, consisting of furniture and equipment, are recorded at cost and amortized on a declining basis at 20% per annum.

Mineral Properties, Deferred exploration expenditures and Asset retirement obligations

(i) Mineral rights and exploration costs are capitalized and carried until production commences. If a project is successful, the capitalized amounts related to the Properties are to be amortized over the estimated economic life of the project. If it is determined that the mineral property has no future economic value then the related capitalized costs will be expensed. Management of the Company will review the carrying value of the deferred exploration costs for each mineral property periodically, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable, reductions in the carrying value of a property would be recorded to the extent that the total carrying value of the mineral property exceeds its estimated fair value.

(ii) Asset retirement obligations include the costs related to the abandonment of mineral properties, dismantling and removal of tangible equipment and returning the land to its original condition. The Company recognizes an asset retirement obligation ("ARO") in the period in which it is identified and a reasonable estimate of the fair value can be made. Fair value is estimated based on the present value of the estimated future cash outflow to abandon the asset, discounted at the Company's credit-adjusted risk-free interest rate. The fair value of the estimated ARO is recorded as a long-term liability with an amount capitalized to mineral properties. The amount capitalized is charged to operations through the depletion and depreciation of the mineral properties. The ARO liability is increased each reporting period due to the passage of time and the amount of accretion is charged to operations. Revisions to the original estimated cost or the timing of the cash outflows may result in a change to the ARO. Actual costs incurred to settle the ARO reduce the long-term liability. Management is not aware of any significant asset retirement obligations at November 30, 2010.

Basic loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding for the period. The treasury stock method is used to compute the dilutive effect of options, warrants and similar instruments.

Accounting for stock-based compensation and other stock-based payments

The Company applies a fair value based method of accounting to all stock-based payments. Accordingly, stock-based payments are measured at the fair value of the consideration received or the fair value of the equity instruments issued or liabilities incurred, whichever is more reliably measurable. Stock-based compensation is charged to operations over the vesting period and the offset is credited to contributed surplus. Consideration received upon the exercise of stock options is credited to share capital and the related surplus is transferred to share capital.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Comprehensive income
Comprehensive income is the change in the net assets of the Company that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that would not normally be included in the statement of operations such as unrealized gains or losses on available-for-sale investments. For the six months ended November 30, 2010, the Company did not have other comprehensive income or loss; therefore comprehensive loss for the year was equal to the loss for the year.

Future Income Taxes
The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, as well as for the benefit of losses available to be carried forward to future years for tax purposes. Future income tax assets and liabilities are measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

Foreign Currency
Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at rates of exchange at each transaction date. Revenue and expenses are translated at the rate of exchange at each transaction date. Gains or losses on translation are included in income.

Share Issuance Costs
Costs incurred in connection with the issuance of capital stock are netted against the proceeds received.

Flow-through Common Shares
Resources expenditure for income tax purpose related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian income tax legislation. The Company records a future income tax liability and a reduction in capital stock for the estimated tax benefits transferred to shareholders. When the Company renounces flow-through expenditures, a portion of the Company's future income tax assets that were recognized in previous years, due to the recording of a valuation allowance, will be recognized as a recovery of future income taxes in the statement of operations.

Fair value hierarchy and liquidity risk disclosure
In June 2009, the Canadian Accounting Standards Board issued an amendment to CICA Section 3862, "Financial Instruments Disclosures" in an effort to make Section 3862 consistent with IFRS Section 7 – Disclosures ("IFRS 7"). The purpose was to establish a framework for measuring fair value in Canadian GAAP and expand disclosures about fair value measurements. To make the disclosures an entity shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs); (Level 3). This amendment was effective July 1, 2009. The adoption of this new standard resulted in additional disclosures in the notes to the consolidated financial statements.

As at November 30, 2010, the Company had the following financial instruments - Cash $47,928 and Reclamation bonds $10,000, both of which are classified as Level One in the fair value hierarchy.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Future Accounting Pronouncements

International Financial Reporting Standards
In February 2008, the CICA Accounting Standards Board (“AcSB”) confirmed that the use of International Financial Reporting Standards (“IFRS”) will be required in 2011 for public companies in Canada (IFRS will replace Canadian GAAP for public companies.) The official changeover date will apply for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011 with appropriate comparative data from the prior year. The Company has commenced the process to determine the impact of the transition to IFRS on its reporting process.

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests
In January 2009, the CICA issued Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, which replace Section 1581, Business Combinations and Section 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting of business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards (“IFRS”). Section 1582 is applicable for business combinations with acquisition dates on or after January 1, 2011. Early adoption of the section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for the fiscal years beginning on or after January 1, 2011. Early adoption of this section is permitted. If the Company chooses to early adopt any one of these sections, the other two sections must also be adopted at the same time. The Company does not believe the standard will have a material impact on its financial statements.

The adoption of these new standards had no impact on the Company's financial position as at November 30, 2010 or its results of operations for the three and six months then ended.

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

	Needles[(a)]	**Silver King[(b)]**	**Cariboo Claims[(c)]**	**Sturgeon Lake[(d)]**	**Minera Catanava[(e)]**	**Total**
Acquisition costs						
May 31, 2010	$ -	$120,038	$30,756	$ 93,331	-	$ 244,125
Shares issued	-	-	-	-	-	-
Cash payments (received)	-	-	-	-	-	-
November 30, 2010	**-**	**120,038**	**30,756**	**93,331**	**-**	**244,125**
Deferred exploration costs						
May 31, 2010	-	606,625	-	331,370	-	937,995
Additions		25,907	-	1,031,303	243,424	1,300,634
Impairment	-	-	-	-	-	-
November 30, 2010	**-**	**632,532**	**-**	**1,362,673**	**243,424**	**2,238,629**
Total November 30, 2010	**$ -**	**$752,570**	**$30,756**	**$1,456,004**	**$ 243,424**	**$2,482,754**

Acquisition costs						
May 31, 2009	$ 37,500	$ 77,500	$14,850	$ 93,331	-	$ 223,181
Shares issued	-	2,538	906	-	-	3,444
Cash pmts (received)	(37,500)	40,000	15,000	-	-	17,500
May 31, 2010	-	120,038	30,756	93,331	-	244,125
Deferred exploration costs						
May 31, 2009	-	196,438	-	11,746	-	208,184
Additions	504	410,187	-	319,624	-	730,315
Impairment	(504)	-	-	-	-	(504)
May 31, 2010	-	606,625	-	331,370	-	937,995
Total May 31, 2010	$ -	$726,663	$30,756	$ 424,701	$ -	$1,182,120

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (Cont'd)

(a) Needles Property
The Company sold this property for $37,500 prior to year end Fiscal 2010.

(b) Silver King Property
The Company entered into an option to earn a 100% interest in the Silver King Property located in the Kootenay District of British Columbia, by issuing common shares and making cash payments over four years as follows:

(i) $30,000, plus a $1,500 reimbursement of 2007 paid taxes (paid), upon the execution of the letter of agreement and the issuance of 70,000 pre-consolidation common shares (8,750 post-consolidation) at a price of $0.06 per share (issued);

(ii) $40,000 on or before June 1, 2008 (paid) and the issuance of 90,000 pre-consolidation common shares (11,250 post-consolidation) at a price of $0.02 per share (issued);

On August 11, 2009 the Company renegotiated the terms of the option agreement. The amended terms require the company to issue common shares and make the following cash payments;

(iii) $40,000 on or before June 1, 2010 (paid) and the issuance of 140,000 pre-consolidation common shares (17,500 post-consolidation) at a price of $0.145 per share (issued);

(iv) $75,000 on or before June 1, 2011 and the issuance of 190,000 pre-consolidation common shares (23,750 post-consolidation); and

(v) on or before June 1, 2012, the issuance of 250,000 pre-consolidation common shares (31,250 post-consolidation) and $100,000 plus the greater of:

1. 125% of the 2012 assessed value of the surface rights issued by the British Columbia Assessment Authority; or

2. $350,000.

The Company is required to issue an additional 200,000 pre-consolidation shares to the Optionor on receipt by the Company of a positive feasibility study, either in the form of a preliminary feasibility study or a bankable study, or upon commencement of commercial production.

In addition, the Optionor is entitled to receive 3% Net Smelter Return on the Silver King Property (the "NSR"), which shall be in an amount not be less than $50,000, adjusted by the Statistics Canada Consumer Price Index for British Columbia using 2006 as a base year. The Optionor is also entitled to receive an advanced royalty in the base amount of $50,000, adjusted by the Statistics Canada Consumer Price Index for British Columbia using 2006 as a base year, due on December 31 in each year that the Silver King Property is not in commercial production for a full 12 months, starting in the year in which the option is exercised by the Company. The NSR will be reduced by the total of any advance royalty paid. Upon commencement of commercial production, the Company will have the right to purchase 50% of the NSR for $1,500,000.

(c) Cariboo Claims
On December 12, 2007 the Company entered into an option to acquire a 100% interest in the Cariboo Group claims and the Princess and Cleopatra claims (collectively the "Cariboo Claims"), representing a total of five claim units near the City of Nelson, in the Kootenay District of British Columbia, by making the following option payments in cash and shares:

- $10,000 (paid) and 25,000 pre-consolidation common shares (3,125 post-consolidation) at a price of $0.05 per share (issued) upon signing of the Letter of Intent;

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (Cont'd)

On August 17, 2009 the Company renegotiated the terms of the option agreement for 80,000 pre-consolidation common shares (10,000 post-consolidation) (issued). The amended terms require the Company to issue common shares and make the following cash payments:

- $15,000 on or before June 1, 2010 (paid) and the issuance of 50,000 pre-consolidation common shares (6,250 post-consolidation shares) at a price of $0.145 per share (issued);
- $20,000 and 50,000 shares on or before June 1, 2011 and the issuance of 100,000 pre-consolidation common shares (12,500 post-consolidation shares);
- $25,000 on or before June 1, 2012;

In addition, the Company is required to issue 200,000 pre-consolidation common shares (25,000 post-consolidation shares) to the Optionor on receipt by the Company of a positive feasibility study, either in the form of a preliminary feasibility study or a bankable study, or upon commencement of commercial production. The Optionor is entitled to receive a 2% Net Smelter Return royalty on each of the mineral tenures. Upon commencement of commercial production the Company will have the right to purchase 50% of the NSR for $500,000.

(d) Sturgeon Lake Claims

The Company has undergone a staking program in the Sturgeon Lake area of Ontario and has 43 claims registered. In order to maintain these claims, the Company must spend between $1,200 – $6,400 per claim. This must be spent within two years from the date the claim was staked which is between September 2010 and June 2012.

(e) Minera Catanava

On September 22, 2011 the Company signed an agreement with Minera Apolo S.A. de C.V. under which the companies would form a company called Minera Catanava S.A. de C.V. Excalibur would retain a 49% interest in Minera Catanava ("MCSA") which was formed to develop and commence gold production on a 133 hectare Catanava property within the Municipality of Pinos, State of Zacatecas, Mexico.

Under the terms of the agreement, Minera Apolo would provide the Catanava property to MCSA and the Company would provide financing for a 250 tpd plant. Upon production each party will participate based upon their pro-rata share of MCSA. At November 30, 2010, the Company had advanced $235,000 USD for equipment purchases and working capital for the project.

4. RECLAMATION BONDS AND RESTORATION LIABILITY

As at November 30, 2009, management estimated site restoration costs relating to their exploration program on their mining claims relating to the Silver King Property to be $10,000. These costs are estimated by management and approved by the Ministry of Energy, Mines and Petroleum Resources in the province of British Columbia ("MEMP"). The Company was required to issue reclamation bonds to cover these estimated restoration costs. The reclamation bonds will be returned to the Company upon the MEMP being satisfied with the site restoration.

5. CAPITAL STOCK

Authorized
100,000,000 common shares without par value
Issued - common shares

Value	Number of Shares	
Balance, May 31, 2008	8,050,852	$ 8,487,402
Shares issued for property acquisitions	47,500	18,600
Shares issued in settlement of debt	544,474	87,116
Shares issued for private placement	100,000	40,000
Less value allocated to warrants (Note 6(b))	-	(4,000)
Balance, May 31, 2009	**8,742,826**	**$8,629,118**
Shares issued for property acquisitions [(a)]	23,750	3,444
Shares issued in settlement of debt [(b)]	817,188	65,375
Share issued for private placements [(c)]	15,001,999	1,689,475
Share issue costs	-	(74,927)
Less: Value allocated to warrants (Note 6(b))	-	(448,039)
Renunciation of flow-through expenditures	-	(107,875)
Balance, May 31, 2010	**24,585,763**	**$9,756,571**
Shares issued for private placements[(d)]	5,372,702	900,500
Share issue costs	-	(50,000)
Less: Value allocated to warrants (Note 6(b))	-	(178,621)
Balance – November 30, 2010	**29,958,465**	**$10,428,450**

(a) On May 28, 2009 the Company issued 190,000 pre-consolidation common shares (23,750 post-consolidation) for property acquisition.

(b) On November 5, 2009, the Company issued 6,537,500 pre-consolidation common shares (817,188 post-consolidation) and paid $2,400 cash to settle $193,384 in notes payable and accounts payable.

(c) On November 4 and 20, 2009, the Company issued 70,000,000 pre-consolidation shares (8,750,000 post-consolidation) that qualified as flow-through shares. Total issue costs for this private placement included aggregate cash payments of $14,500 and 600,000 pre-consolidation common shares (75,000 post-consolidation) (issued) at a price of $0.01 per share as a finder's fee.

On March 11, 2010, the Company issued 500,000 units at the price of $0.12 per unit for gross proceeds of $60,000. Each unit consisted of one common share of the Company and one common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at an exercise price of $0.16 per common share for 24 months from issuance. The warrants were assigned a fair value of $11,592 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 100%, a risk-free interest rate of 1.55% and an expected life of 2 years.

On April 30, 2010, the Company issued 1,999,999 flow-through units at the price of $0.175 per unit for gross proceeds of $349,999. Each unit consisted of one flow-through common share of the Company and one non-flow through common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at an exercise price of $0.25 per common share in the first 12 months from issuance and at $0.30 per common share in the second 12 months thereafter. The warrants were assigned a fair value of $163,797 using the Black-Scholes option pricing model with the following assumptions:

5. CAPITAL STOCK (Cont`d)

Dividend yield 0%, expected volatility 100%, a risk-free interest rate of 2% and an expected life of 2 years. The Company also issued 1,500,000 non-flow through units at the price of $0.15 per unit or gross proceeds of $225,000. Except for the flow-through features, the non-flow through units carry the same terms and conditions as the flow-through units. The warrants were assigned a fair value of $123,016 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 100%, a risk-free interest rate of 2.13% and an expected life of 2 years. In connection with this offering, the Company issued 199,999 Broker warrants as finder's fee. (Note 6(b)) The Broker warrants were assigned a fair value of $18,552 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 100%, a risk-free interest rate of 2% and expected life of 2 years ($8,682 was recorded in Warrants and the balance was allocated to Contributed Surplus). Total costs of issue for this offering included aggregate cash payments of $35,875.

On May 26, 2010, the Company issued 877,000 flow-through units at the price of $0.175 per unit for gross proceeds of $153,475. Each unit consisted of one common share of the Company and one common share purchase warrant of the Company. Each warrant entitles the holder to acquire one common share at an exercise price of $0.25 per common share in the first 12 months from issuance and at $0.30 per common share in the second 12 months thereafter. The Company also issued 1,300,000 non-flow through units at the price of $0.15 per unit for gross proceeds of $195,000. Except the flow-through features, the non-flow through units carry the same terms and conditions as the flow-through units. The warrants were assigned a fair value of $149,634 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 100%, a risk-free interest rate of 1.63% and an expected life of 2 years.

(d) On July 12, 2010, the Company completed a $500,000 financing through the sale of 2,702,702 flow-through Units at $0.185 per Unit, each Unit consisting of one flow-through common share and one non-flow-through share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. These proceeds will be used for the Company's Sturgeon Lake project in northwestern Ontario and for general working capital needs. The warrants were assigned a fair value of $40,925 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 50%, a risk-free interest rate of 1.6% and an expected life of 2.0 years. Total costs of issue for this offering included cash payments of $50,000.

On November 26, 2010, the Company completed a $400,500 financing through the sale of 2,670,000 flow-through Units at $0.15 per Unit, each Unit consisting of one Non-flow-through common share and one share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. No finders' fees were paid in connection with this private placement. These proceeds will be used for the Company's Catanava gold production project in Pinos Mexico and for general working capital needs. The warrants were assigned a fair value of $133,602 using the Black-Scholes option pricing model with the following assumptions: Dividend yield 0%, expected volatility 86.65%, a risk-free interest rate of 1.7% and an expected life of 2.0 years.

5. CAPITAL STOCK (Cont`d)

(d) On January 11, 2010, the Company's outstanding shares were consolidated on the basis of eight shares for one share.

(e) Upon renunciation of exploration expenditures under the terms of the flow-through common shares issuance in 2009 for aggregate consideration of $431,500, a future income liability of $125,135 was recognized in the 2010 fiscal year which was allocated as a cost of issuing the flow-through shares at the time of renunciation.

6. STOCK OPTIONS AND WARRANTS

(a) Stock Options

The Company maintains a Stock Option Plan (the "Plan") for the benefit of directors, officers, employees and consultants. The maximum number of common shares reserved for issuance with respect to the Plan cannot exceed 10% of the issued and outstanding common shares of the Company at the date of grant. Stock options granted generally vest immediately.

During Q1 of fiscal 2011, the Company granted 100,000 options to an Investor Relations consultant as compensation. Each option is exercisable to acquire one common share at a price of $0.15 with a maturity date of December 25, 2010. At quarter end, these options were out of the money and the option holder did not exercise his options.

The following summarizes the stock option activities for the six months ended November 30:

	Number of Options	Weighted Average Exercise Price
Beginning balance May 31, 2009	**4,638,000**	**$0.56**
Granted	**1,642,250**	**$0.16**
Cancelled/expired	**(3,068,000)**	**$0.56**
Consolidation 8:1	**(1,374,000)**	**$0.56**
Beginning balance May 31, 2010	**1,838,250**	**$0.18**
Granted	**100,000**	**$0.15**
Cancelled/expired	**(96,000)**	**$0.40**
Outstanding and Exercisable at November 30, 2010	**1,842,250**	**$0.17**

At November 30, 2010, the Company had the following outstanding stock options:

Number of Options	Price	Expiry Date
56,250	$0.40	February 20, 2012
6,250	$0.40	April 3, 2013
37,500	$0.40	July 4, 2013
1,642,250	$0.16	January 12, 2015
100,000	$0.15	December 25, 2010
1,842,250		

6. STOCK OPTIONS AND WARRANTS (Contd)

(b) Warrants

At November 30, 2010, the Company had the following outstanding warrants:

		November 30, 2010
Exercise Price	**Number of Warrants Outstanding**	**Expiry Date**
$0.160	500,000	Mar. 11, 2012
$0.250	2,199,998	Apr. 25, 2012
$0.250	2,800,000	Apr. 25, 2012
$0.250	877,000	May 26, 2012
$0.250	2,972,972	July 12, 2012
$0.250	2,670,000	Nov. 26, 2012
	12,019,970	

The following summarizes the warrant activities for the six months ended November 30:

	Number of Warrants	Weighted Average Exercise Price	Estimated Fair Value
Balance May 31, 2009	800,000	$0.40	$4,000
Consolidated 8:1	(700,000)	$0.40	(3,500)
Issued	500,000	$0.16	11,592
	1,999,999	$0.25	163,797
	199,999	$0.25	8,682
	1,500,000	$0.25	123,016
	877,000	$0.25	55,208
	1,300,000	$0.25	94,426
Expired	(100,000)	$0.25	(500)
Balance May 31, 2010	6,376,998	$0.25	$456,721
Issued	2,702,702	$0.25	40,925
	270,270	$0.25	4,093
	2,670,000	$0.25	133,602
Balance November 30, 2010	**12,019,970**	**$0.25**	**$635,341**

7. STOCK-BASED COMPENSATION

On June 26, 2010, 100,000 stock options were granted to a consultant for providing investor relations services. The exercise price is $0.15 per share and the options expire December 25, 2010. Due to the short term maturity of the options management has not charged stock compensation expense for this transaction.

8. CONTRIBUTED SURPLUS

There was no activity in contributed surplus since May 31, 2010.

	November 30, 2010	May 31, 2010
Contributed Surplus Balance at	**$1,254,462**	$1,254,462

9. INCOME TAXES

(a) Income Tax Income

The following table reconciles income taxes calculated at combined Canadian federal/ provincial tax rates with the income tax expense in the financial statements:

	2010	2009
Loss before income taxes		

(b) Future Income Taxes

The temporary differences that give rise to future income tax assets and future income tax liabilities are presented below:

	2010	2009
Amounts related to tax loss and credit carry forwards	**$ 335,700**	$ 513,500
Capital assets	**6,770**	7,850
Share issue costs	**21,600**	11,000
Exploration expenditures	**405,000**	504,000
	769,070	1,036,350
Flow-through expenditures	**(107,875)**	-
Net future tax asset	**661,195**	1,036,350
Less: Valuation allowance	**(661,195)**	(1,036,350)
	$ -	$ -

(c) Loss and Tax Credit Carryforwards

The Company has non-capital losses of $1,619,100 available to apply against future taxable income. If not utilized, the non-capital losses will expire as follows:

2014	$ 161,800
2015	188,700
2026	207,600
2027	327,000
2028	298,300
2029	207,600
2030	228,100
	$1,619,100

10. LITIGATION

A statement of claim was filed in the Ontario Superior Court against the Company by a former director and officer of the Company. The suit alleged that the Company owed the former director and officer an aggregate amount of approximately $227,000 for various services rendered and expense incurred. During the year management settled this action through the issuance of 2,000,000 pre-consolidated common shares (250,000 post-consolidation shares) with a value of $20,000. The Company had accrued $57,575 with respect to this matter and has updated its provision to the value of the shares issued. Accordingly, a recovery of $37,575 was recorded in the 2010 fiscal year.

11. RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount, which is the consideration established and agreed to by the respective parties.

During the reporting period, management and administrative fees of $83,423 (2009 - $28,000) and consulting fees of $NIL (2009-$10,000) were paid or accrued to directors and officers of the Company and a company controlled by a director and officer of the Company. Included in accounts payable and accrued liabilities is $8,371 (2009 - $12,600) owed to the above related parties.

12. CAPITAL DISCLOSURES

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued capital stock, warrant capital, contributed surplus and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity and warrants, debt or by securing strategic partners.

The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy.

13. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks by virtue of its activities, in particular: interest rate risk and liquidity risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance.

Risk management is carried out by management under policies approved by the Board of Directors. Management is charged with the responsibility of establishing controls and procedures to ensure that financial risks are mitigated in accordance with the approved policies.

(a) Interest rate risk:

Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and financial liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company's cash earns interest at market rates.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at November 30, 2010, the Company has accounts payable and accrued liabilities of $322,484 (2009 - $268,496) due within 12 months and has cash and sales taxes receivables of $288,480 (2009-$273,155) to meet its current obligations. As a result the Company has liquidity risk and is dependent on raising additional capital.

14. SUBSEQUENT EVENTS

a) On December 21, 2010, the Company closed the second tranche of a private placement through the sale of 850,000 flow-through Units at $0.15 per Unit, for gross proceeds of $127,500; each Unit consisted of one Non-flow-through common share and one share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. No finders' fees were paid in connection with this private placement. Proceeds from this financing will be used for the Company's Catanava gold production project in Pinos Mexico and for general working capital needs.

b) On December 31, 2010, the Company closed the third tranche of a private placement through the sale of 1,780,000 flow-through Units at $0.15 per Unit, for gross proceeds of $267,000; each Unit consisted of one Non-flow-through common share and one share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. Finders' fees of $3,150 were paid in connection with this financing. Proceeds from this financing will be used for the Company's Catanava gold production project in Pinos Mexico and Sturgeon Lake project in northwestern Ontario.

SCHEDULE "B"

EXCALIBUR
RESOURCES LTD.

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

SECOND QUARTER REPORT

(Six Months Ended November 30, 2010)

The following is Management's Discussion and Analysis ("MD&A) of the financial condition and results of operations of Excalibur Resources Ltd. ("Excalibur", the "Corporation", or "Company") to enable a reader to assess the financial condition and results of operations of the Company for the Three and Six Months ended November 30, 2010. This MD&A has been prepared as at January 28, 2010 unless otherwise indicated. This MD&A should be read in conjunction with the Consolidated Financial Statements ("Financial Statements") and Related Notes for the year ended May 31, 2010, which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). All monies are expressed in Canadian dollars unless otherwise indicated. Additional information relevant to the activities of the Company, including press releases has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") – www.sedar.com.

MANAGEMENT'S RESPONSIBILITIES FOR FINANCIAL REPORTING AND CONTROLS

The Financial Statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Policies ("CGAAP") and have been approved by the Company's board of directors (the "Board"). The integrity and objectivity of these Financial Statements are the responsibility of management. In addition, management is responsible for ensuring that the information contained in the MD&A is consistent where appropriate, with the information contained in the Financial Statements.

In support of this responsibility, the Company maintains internal and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Company's assets are properly accounted for and adequately safeguarded. The Financial Statements may contain certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis to ensure that the Financial Statements are presented fairly in all material respects.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its audit committee. The members of the audit committee are appointed by the Board and have sufficient financial expertise to assume this role with the Company.

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 other conditions, and is based on current expectations that involve a number of business risks, uncertainties and assumptions. Factors that could cause the Corporation's actual results to differ materially from any forward-looking statements include, but are not limited to: exploration and development costs varying significantly from estimates; inflation; fluctuations in commodity prices; delays in development of any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; failure to raise additional funds required to finance the completion of a project and other factors. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such 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.

HIGHLIGHTS FOR SECOND QUARTER 2011

- ***Completed a $400,500 private placement for 2,670,000 Units at $0.15 per Non-Flow-Through Unit, in November 2010; exercisable at $0.25 in the first year and $0.30 in the second year***

- ***Appointed Charles Beaudry M.Sc., P. Geo, Géo a new Director at the Annual General Meeting on December 2, 2010***

- ***Near completion of permitting process on Silver King Project***

- ***Post quarter end Company completed second tranche of a private placement by closing on an additional $127,500 of 850,000 Non-flow-through Units @ $0.15 per Unit and a third tranche of $267,000 of 1,780,000 Flow-through Units @ $.15 per Unit. The total of the financings to date is $795,000.***

CORPORATE OVERVIEW

Excalibur was incorporated on May 11, 1983 pursuant to the Company Act (British Columbia) under the name Cactus West Explorations Ltd. The Corporation's name was changed to Cimarron Minerals Ltd. and its share capital was consolidated on a five (old) for one (new) basis, on April 29, 1996. On May 1, 2000 the Corporation's name was changed to DiscFactories Corporation, and its share capital was consolidated on a two (old) for one (new) basis and the Corporation was continued into the federal jurisdiction under the Canada Business Corporations Act. The Corporation was extra-provincially registered in the Province of British Columbia on May 30, 2000 and in Ontario on January 24, 2011. On February 20, 2007 the Corporation completed a change of business transaction (the "Transaction"), pursuant to which it changed its name from DiscFactories Corporation to Excalibur Resources Ltd.

Excalibur Resources Ltd. is a junior exploration mining company focused on the discovery, development and mining of economically viable precious and base metal mineral resources. The Corporation is a reporting issuer in British Columbia, Alberta and Ontario and trades on the Canadian National Stock Exchange ("CNSX") under the symbol XBR and on the Frankfurt Stock Exchange under the security code WKN: A0MMDH. The Corporation maintains an office at Suite 400, 20 Adelaide Street East, Toronto, Ontario M5C 2T6. The Corporation has a US subsidiary, Excalibur Resources (US) Inc., incorporated under laws of the State of Nevada on April 24, 2007 and holds a 49% interest in a Mexican corporation, Minera Catanava S.A. de CV.

Selected Financial Results (Unaudited) – Second Quarter:

Balance Sheet Data	**As at November 30, 2010**
Cash & cash equivalents	$ 47,928
Total Assets	$2,781,414
Shareholders' Equity	$2,448,931
Statement of Operations and Deficit Data	September 1, 2010 to November 30, 2010
Total Revenue	$ --
Total Expenses	$103,455
	June 1, 2010 to November 30, 2010
Total Revenue	$ --
Total Expenses	$179,446

RESULTS OF OPERATIONS – PROJECT REVIEW

Silver King Property – British Columbia

Description and History

The Silver King Property is a former producer of silver and copper, located on Toad Mountain about 7 kilometers south of Nelson, British Columbia at an average elevation of 1,850 meters above sea level. It is readily accessible from Nelson, with a road distance of approximately 12kilometers, and is located in proximity to several existing gold discoveries in the area. The claims were originally staked in 1886. In 1895, Hall Mines Co. Ltd. of London, England began large scale development of the mine and construction of a smelter at Nelson to treat the Silver King ores and ores from other mines in the district. Between 1889 and 1958, over 15 million lbs. of copper and 4 million oz. of silver were produced from an estimated production of 222,721 tons. Most of this was produced before 1915 and was mined from the upper 100 meters of the Silver King veins. Development at this time included three portals, ten levels, an internal and an external shaft. The main Silver King vein, one of several quartz-filled shears on the property, has been responsible for nearly all the tonnage mined to-date. No National Instrument 43-101 compliant technical reports have yet been completed on the Silver King Property.

The Corporation commissioned an independent consultant to digitize a Pre-NI43-101 Report on the Silver King Property which was prepared by Robert Longe, P.Eng and dated May 1998. The Report can be accessed from the Corporation's website, along with updated claim changes made since the Longe Report was produced.

During the summer 2008 exploration season, the Corporation's geological team, under the guidance of Dr. Hamid Mumin, completed the first phase of a field work program at the Silver King Property. The work included detailed property mapping and sampling all mineralized areas encountered at surface including pits, trenches and outcrops. In addition, the team sampled the Corporation's adjacent Cariboo gold showing located immediately east of the Silver King property.

140 samples were analyzed by Acme Analytical Laboratories of Vancouver, B.C. Canada for geochemical values by four-acid digestion, ICP-MS analysis. All samples greater than 10,000 ppm (>1.0%) base metal content or greater than 200 ppm (200 g/ton) silver have been re-assayed to determine final values. Samples of visually mineralized material or immediately adjacent wall rocks, as well as unmineralized country rock samples and areas not associated with the main Silver King shear can be viewed on the Corporation's web site at www.excaliburresources.ca. Excalibur has released the results of all over-limit assays in an October 3, 2008 news release.

In October, 2009 the Corporation carried out a 2,100 meter Phase One diamond drilling program on the Silver King Property. Mineralization was intersected in 24 of 25 drill holes. Drill hole XB-09-04 intersected 3.95 meters of 14.13 oz/t Ag, 0.70 g/t Au, 3.18% Cu, 0.36% Zn and 0.10% Pb near surface between 13.45 meters and 17.40 meters. Drill hole XB-09-03 intersected 1.68 meters of 21.1 oz/t Ag, 0.20 g/t Au, 3.60% Cu, 0.19% Zn and 0.03% Pb near surface between 12.54 meters and 14.22 meters.

Most of the diamond drilling was carried out within 50 meters of surface, with the exception of four deeper holes in the Dandy area, which tested the zone to a maximum depth of approximately 150 meters below surface. The Silver King shear zone was tested across roughly 1.1 kilometers, with mineralization still open along strike in both directions and at depth.

Commitments

The Company entered into an option with J.D. Graham & Associates Inc. ("Graham") to earn a 100% interest in the Silver King Property located in the Kootenay District of British Columbia, by issuing common shares and making cash payments over four years as follows:

(a) $30,000, plus a $1,500 reimbursement of 2007 paid taxes (paid), upon the execution of the letter of agreement and the issuance of 70,000 shares (issued);

(b) $40,000 on or before June 1, 2008 (paid) and the issuance of 90,000 shares (issued);

On August 11, 2009 the Company renegotiated the terms of the option agreement. The amended terms require the Company to issue common shares and make the following cash payments:

(c) on or before June 1, 2010 $40,000 (paid) and the issuance of 140,000 pre-consolidation common shares (17,500 post-consolidation shares (issued));

(d) on or before June 1, 2011 $75,000 and the issuance of 190,000 pre-consolidation common shares (23,750 post-consolidation shares); and

(e) on or before June 1, 2012 the issuance of 250,000 pre-consolidation common shares (31,250 post-consolidation shares) and $100,000 plus the greater of:

   (i) 125% of the 2012 assessed value of the surface rights issued by the British Columbia Assessment Authority; or

   (ii) $350,000.

The Corporation is required to issue an additional 200,000 pre-consolidation common shares (25,000 post-consolidation shares) to Graham on receipt by the Corporation of a positive feasibility study, either in the form of a preliminary feasibility study or a bankable study, or upon commencement of commercial production.

In addition, Graham is entitled to receive a 3% net smelter return royalty on the Silver King Property (the "NSR"), which shall be in an amount not be less than $50,000, adjusted by the Statistics Canada Consumer Price Index for British Columbia using 2006 as a base year. Graham is also entitled to receive an advanced royalty in the base amount of $50,000, adjusted by the Statistics Canada Consumer Price Index for British Columbia using 2006 as a base year, due on December 31 in each year that the Silver King Property is not in commercial production for a full 12 months, starting in the year in which the option is exercised by the Corporation. The NSR will be reduced by the total of any advance royalty paid. Upon commencement of commercial production, the Corporation will have the right to purchase 50% of the NSR for $1,500,000.

Sturgeon Lake Claims, Ontario

Description and History

During the summer of 2008 the Corporation announced the completion of an 88 square kilometer (38 claims) staking program located in Northwestern Ontario. The western boundary of the staked property is located approximately 10 kilometers east of the past-producing Sturgeon Lake mining camp. The Sturgeon Lake mining camp was active from 1970-1990, producing approximately 19 million tons of high-grade Zn-Cu-Pb-Ag-Au bearing ores.

The Corporation staked the property to cover the majority of significant geophysical conductors identified in a 1990 Sturgeon Lake government survey which have never thoroughly been explored. Past drilling is minimal to non-existent over most of the property. The Corporation has determined from historical data that surveys undertaken on the west side of the property confirm that identified geophysical conductors are sulphide rich, including the presence of massive sulphide lenses. The Corporation's property contains numerous extensive zones of multiple sub-parallel and stacked sulphide-bearing conductors that cumulatively exceed 100 kilometers of strike length.

In addition, the identified geophysical conductors are located along strike of six mined VMS (Volcanogenic Massive Sulphide) deposits in this mineral belt. The most notable former mines in the area included operations containing high-grade zinc-copper-silver with associated lead and gold. The well-known Mattabi, Lyon Lake and Sturgeon Lake mines operated in proximity and along strike of the Corporation's current property location. Due to a cyclical downturn in metal prices, the mines terminated production in the 1980's and early 1990's.

In November, 2009 the Corporation commenced a major exploration program to isolate zones of maximum sulphide accumulation. Geotech Ltd. of Aurora, Ontario was contracted to execute a VTEM geophysical survey on 100 meter line spacings across the entire property. The survey shows a series of strong and laterally extensive conductors, across the 27 kilometers strike length of the property, comparable to those hosting VMS and nickel deposits in other mining camps. Previous fieldwork confirms that the VTEM conductors are sulphide-bearing horizons with anomalous Cu, Zn, Ag, and Au.

On June 1, 2010 the Company commenced its exploration program of the Sturgeon Lake property, consisting of line cutting, geological mapping, geochemistry which, along with the Maxwell Modelling, was used to define the drill program of approximately 4,000 meters..

Also on June 1, 2010 the Company staked a former mining lease of approximately 2 square kilometers north of the central part of its existing Sturgeon Lake property. This claim contains an iron formation that was explored for its gold and copper potential in the 2010 exploration program. With the addition of the new claim, the total size of the Sturgeon Lake property was 90 square kilometers.

In early July 2010, the Company announced the first set of results from geochemical surveys being carried out that include both Enzyme Leach (inorganic geochemistry) and Soil Gas Hydrocarbon (organic geochemistry) in order to discriminate which geophysical targets are associated with VMS deposits. SGH results have been received, which show strong coincident apical and halo anomalies typical of signatures from known VMS deposits. Enzyme Leach results have also confirmed the presence of metals that are characteristic of VMS deposits. The geochemistry and strong geophysical conductors and magnetic signatures in volcanic terrain along strike of six past producing deposits provide compelling reason for drill-testing of the identified targets.

On July 2, 2010 the Company staked a claim of approximately 1 square kilometer south of the central part of its existing Sturgeon Lake property. This claim provides more land near SGH soil geochemistry results that indicate the possibility of a VMS deposit. With the addition of the new claim, the total size of the Sturgeon Lake property was 91 square kilometers.

On August 9, 2010 the Company reported that it had signed a contract with Distinctive Drilling Services Inc. of Westbank, B.C. for a drill program of 4,000 meters at the Sturgeon Lake Property. The drilling commenced on August 16, 2010 and. approximately 3,784 meters over 21 holes were completed when the program was halted due to weather on October 23, 2010. Disseminated to massive sulphides including pyrrhotite, pyrite with various amounts of chalcopyrite and sphalerite have been observed in drill core from holes drilled to date. In hole SL-10-02 all 142m of the core contained from trace to massive sulphides and the assay results intersected anomalous gold over 26.12 meters with values of up to 0.42 g/t gold over 1.28 meters. Narrow intervals of anomalous zinc (up to 0.2%) and copper (up to 0.09%) were also reported. Assays of the remaining 19 drill holes are expected shortly.

Assays of grab samples received have yielded values up to 0.5 g/tonne gold, 0.34% zinc and 0.1% copper. In addition, Excalibur geologists have found boulders containing stockwork to massive sulphides in a hydrothermal structural breccia.

On August 30, 2010 the Company staked a further 15.68 square kilometers east of, and contiguous with, its existing Sturgeon Lake property. Examination of the 2009 VTEM survey results performed by Geotech of Aurora, Ontario, and the results of the 1990 HEM/Magnetic survey performed by Aerodat of Toronto, Ontario, show that these claims contain a short strike length bedrock conductor with an associated 7,000 nanoTesla magnetic high; and, a bend or "nose" in the magnetic anomaly that can be associated with concentrations of mineralization. The Sturgeon Lake Property now covers 107 square kilometers.

The Company received results from the Soil Gas Hydrocarbon (SGH) survey in October 2010 which were given the highest possible rating (6.0 out of 6.0) for each of three closely spaced targets by ActLabs of Ancaster, Ontario for their indication of the presence of Volcanogenic Massive Sulphide (VMS) type mineralization. These SGH anomalies are coincident with previously indentified high-priority VTEM geophysical and magnetic anomalies, and are also coincident with recently completed Enzyme Leach zinc and copper anomalies. The SGH and Enzyme Leach (EL) geochemistry were processed by Actlabs of Ancaster, Ontario from soil samples taken every 50 meters in five 100 to 200 meter spaced lines across the target area. Excalibur plans to drill these high priority targets. The SGH results are obtained from organic chemistry on soil samples and reflect the interaction of bacteria with VMS type sulphides; the Enzyme Leach (EL) results are obtained from analysis of the upper most B-horizon soils. The electromagnetic survey was flown and processed by Geotech of Aurora, Ontario.

The Sturgeon Lake region has good road access and infrastructure as a result of being a former mining district and due to logging in the area. Sturgeon Lake is reached from Trans Canada Hwy #17 and is approximately 60 kilometers north of Ignace, Ontario.

The Qualified Person supervising the work being carried out on the Silver King Property, the Cariboo Claims and the Sturgeon Lake Claims is Dr. Hamid Mumin, Ph.D, P.Eng., P.Geo.

Commitments

In order to maintain these claims, the Company must spend between $1,200- $6,400 per claim. These expenditures must be completed within two years from the date the claim was staked which is between September 2010 and June 2012.

Cariboo Claims, British Columbia

Description

On December 12, 2007 the Corporation announced that it had entered into a binding Letter of Intent with Tom E. Cherry (the "Optionor") for an option to acquire 100% of his interests in the Cariboo Group claims and the Princess and Cleopatra claims (the "Cariboo Claims"), representing a total of five claim units near the City of Nelson, in the Kootenay District of British Columbia.

The Cariboo Group claims comprise approximately 58 hectares (143 acres). The Princess and Cleopatra claims represent 17.7 hectares (43.7 acres) and 11.2 hectares (27.7 acres) respectively. The Cariboo Group claims lie mainly contiguous to the south-east of the Silver King Mine property boundary with some small gaps. The Cleopatra and Princess claims are located north-east of and approximately 2.5 kilometers from the Silver King boundary. During the Corporation's summer 2008 Silver King field program, samples were collected from the Cariboo Group claims, the results of which were reported upon in the Corporation's October 3, 2008 news release.

Assays from grab samples from the Cariboo Group claims returned gold grades up to 12g/tonne and silver grades up to 200 g/tonne.

Commitments

Under the terms of the above mentioned Letter of Intent, the Corporation can acquire the Optionor's 100% interest in the claims by making the following option payments in cash and shares:

(a) $10,000 (paid) and 25,000 shares (issued) upon signing of the Letter of Intent;
(b) $15,000 (paid) and 40,000 shares (issued) on or before December 1, 2008;
(c) $20,000 and 50,000 pre-consolidation common shares (6,250 post-consolidation shares were issued) on or before December 1, 2009;
(d) $25,000 and 100,000 pre-consolidation common shares (12,500 post-consolidation shares) on or before December 1, 2010.

During the month of August, 2009 the Corporation renegotiated the terms of its option agreement with the Optionor to defer a $15,000 cash payment originally due on December 1, 2008 until June 1, 2010 and to defer subsequent cash payments totaling $45,000 due December 1, 2009 and December 1, 2010 to June 1, 2011 and June 1, 2012. In addition, share issuances aggregating 150,000 common shares due December 1, 2009 and December 1, 2010 have been deferred to June 1, 2011 and June 1, 2012.

In addition, the Corporation is required to issue 200,000 pre-consolidation shares (25,000 post-consolidation shares) to the Optionor on receipt of a positive feasibility study, either in the form of a preliminary feasibility study or a bankable study, or upon commencement of commercial production. The Optionor is entitled to receive a 2% Net Smelter Return royalty on each of the mineral tenures. Upon commencement of commercial production the Corporation will have the right to purchase 50% of the NSR for $500,000.

Joint Venture – Minera Catanava S.A. de C.V. - Mexico

In September, 2010 the Company entered into an agreement with Minera Apolo S.A. de C.V. ("Minera Apolo") under which the two companies formed a (Minera Apolo) 51% / 49% (Excalibur) joint venture company called Minera Catanava S.A. de C.V. The joint venture's purpose will be to develop and commence gold production on the 133 hectare Catanava property within the Municipality of Pinos, State of Zacatecas, Mexico.

Under the terms of the agreement, Minera Apolo will provide the Catanava property to the joint venture company and Excalibur will provide financing for a 250 tpd plant. Upon production each party will participate based upon their pro-rata share in the joint venture. Procurement and construction of the plant has commenced and it is expected to be completed in 2011.

The Pinos Gold District is approximately 3,000 hectares in size and hosts four known high grade gold vein systems with consistent strike lengths of over 4 kilometers each. The Pinos District was discovered by the Spanish in 1546 and mined until 1810. The Cornish mined the property until the Mexican revolution in 1910. The only modern day mining occurred from 1935 to 1941 by a small individual miner. Most historic gold production was within the first 100 meters from surface. Old reports and physical evidence indicates that the water table was at approximately 100 meters and impeded further mining.

Catanava is a step-out area at the northern end of the Pinos Gold District that was largely not mined previously. It occurs where three of the four vein systems come together and also includes the richest of the bonanzas which was only mined to the water table.

Outlook

Subsequent to November 30, 2010, the Company received its Silver King permit to allow for further exploration activities, including drilling (planned for Summer 2011). The geologists who supervised the Sturgeon Lake project are currently compiling the results and their report is expected in February. There has been steady development work at the Catanava project in Mexico, including roads, fences, site foundation, electrical work, storage buildings, cleaning out of adits, and the delivery of the refurbished ball mill and a cone crusher.

RESULTS OF OPERATIONS - FINANCIAL PERFORMANCE

At period end the Company had cash and sales taxes receivables of $288,840 (2009-$333,106) to meet its current obligations of $322,483 (2009-$268,496). As a result the Company had liquidity risk and remains dependent on raising additional capital. In November 2010 the Company completed the first tranche of a private placement for proceeds of $400,500 for 2,670,000 Units. Each Unit consisted of one Non-Flow-Through common shares and one share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. No finders' fees were paid in connection with this placement. The second and third tranches of this placement closed in December 2010 and added $394,500 to treasury. (See Liquidity and Capital Resources section).

For the three months ended November 30, 2010 (the "Second Quarter 2010"), the Company posted a loss of $103,455 compared to a loss of $84,087 for the same period in 2009 ("Q2-2009"). For the six months ended November 30, 2010, the Company posted a loss of $179,446 compared to $126,572 for the same period in 2009. The Company was inactive during 2009 and the increased expenditures in 2010 were a result of heightened activities this year, particularly in connection with settling debt, litigation and transitioning to new management and establishing an office in Toronto. During the Fall of 2009 a research and development contract for $34,100 was signed with Brandon University and not renewed in 2010. When this one-time expense is removed from the analysis, overall costs increased 94% period over period. The most significant expenditures during the second quarter continued to be management, consulting and administrative fees and regulatory, transfer agent and investor relations expenses. The Company has no full-time employees and hires consultants and geological staff as needed. The Company holds no interests in producing or commercial ore deposits and generates no other source of revenue. Project expenditures in both Q1 and Q2 were approximately $1,300,000 – with expenditures of $243,424 advanced to Minera Catanava and the majority of the balance spent on exploration at Sturgeon Lake. All these expenditures were capitalized to the projects.

Selected Period Information	**September 1 to November 30, 2010**	September 1 to November 30, 2009
Revenues	**$ NIL**	$ NIL
Expenses	**$ 103,455**	$ 84,087
Loss for the period	**$ 103,455**	$62,487
Deficit, end of Quarter	**$ 9,869,502**	$ 9,586,019
Basic and fully diluted loss per share	**$ 0.004**	$ 0.0007
	June 1 to November 30, 2010	June 1 to August 31, 2009
Revenues	**$ NIL**	$ NIL
Expenses	**$ 179,446**	$126,572
Loss for the period	**$ 179,446**	$104,972
Deficit, end of Quarter	**$ 9,869,502**	$ 9,586,019
Basic and fully diluted loss per share	**$ 0.007**	$ 0.001

Liquidity and Capital Resources

In July 2010, the Corporation completed a flow through private placement for gross proceeds of $500,000. The Corporation issued an aggregate of 2,702,702 Flow-Through Units at $0.185 per Flow-Through Unit. Each unit consists of one common share and one share purchase warrant entitling the holder thereof to acquire one common share at a price of $0.30 per share in the first year and $0.40 in the second year. In the event that four months and one day after the closing, the volume weighted average trading price of the Company's common shares for a period of 20 consecutive trading days exceeds $0.50, the Company may, within five days after such an event, provide notice to Warrant holders of early expiry and thereafter the Warrants will expire on the date which is 30 days after the date of the notice to the Warrant holders.

The Company paid $50,000 or 10% in cash as finders' fees in connection with this financing.

In November 2010 the Company was successful in completing the first tranche of a private placement for 2,670,000 Units @ $0.15 per Unit for gross (and net) proceeds of $400,500. Each Unit consisted of one Non-Flow-Through common share and one share purchase warrant exercisable at $0.25 per share in the first year and $0.30 per share in the second year. No finders' fees were paid in connection with this financing. The second tranche of this placement closed subsequent to period end in December 2010, and that added $127,500 to cash on hand.

At November 30, 2010 the Corporation had cash of $47,928, HST receivable of $118,694 and subscriptions receivable of $97,371 to meet its current liabilities of $322,483; this resulted in a working capital deficiency of $34,003. Comparatively, at period end 2009, the Corporation had cash of $273,156, HST receivable of $24,761 and subscriptions receivable of $30,000 to meet current liabilities of $268,496; this left the Company with a positive working capital of $56,421.

The Company's ability to continue its operations and to realize assets at their carrying values is highly dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. This is typical for exploration companies of similar size. The Company has no regular cash flow however management anticipates that it has sufficient funding for its immediate term exploration activities and that it will be able to raise sufficient cash to fund its acquisition and exploration programs and operations in the future. This may include equity financing, the exercise of options and warrants, joint venture engagements or the disposition of assets. However there can be no assurance of future financings.

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters.

Three Months Ended	**Nov. 30, 2010 $**	**Aug. 31, 2010 $**	**May 31, 2010 $**	**Feb. 28, 2010 $**
Revenue	Nil	Nil	Nil	Nil
Loss before extraordinary items	103,455	75,991	277,724	46,723
Extraordinary items and future income tax	Nil	Nil	189,927	Nil
Net loss	103,455	75,991	87,797	46,723
Basic & diluted loss per share	0.004	0.003	0.014	0.001
Three Months Ended	**Nov. 30, 2009 $**	**Aug. 31, 2009 $**	**May 31, 2009 $**	**Feb. 29, 2009 $**
Revenue	Nil	Nil	Nil	Nil
Loss before extraordinary items	60,006	14,484	784	70,043
Extraordinary items and future income tax	Nil	Nil	652,801	Nil
Net Loss	60,006	14,484	653,585	70,043
Basic & Diluted Loss per share	0.001	0.0002	0.009	0.001

OFF SHEET BALANCE ARRANGEMENTS

The Company currently has no off-balance sheet arrangements or obligations other than mineral property option payments and exploration expenditures commitments.

PROPOSED TRANSACTIONS

The Company has no immediate intent to acquire any additional, or dispose of, any asset of the Company, however, from time to time the Company may acquire or dispose of property assets as exploration results, opportunities, competitive nature of the business, venture-capital and management may determine.

ASSESSMENT OF RECOVERABILITY OF MINERAL PROPERTY COSTS

The Company's recorded value of its exploration properties is based on historic costs that expect to be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale.

ASSESSMENT OF RECOVERABILITY OF FUTURE INCOME TAX ASSETS

In preparing the financial statements, the Company is required to estimate its income tax obligations. The process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered "more likely than not", a valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the income statement.

ASSESSMENT OF RECOVERABILITY OF GST/HST RECOVERABLE

The carrying amount of GST/HST Recoverable is considered representative of its respective value. The Company assesses the likelihood that these receivables will be recovered and, to the extent that recovery is considered doubtful a provision for doubtful accounts is considered.

COMMITMENTS AND CONTINGENCIES

Project Commitments:

Project	Year	Cash	Shares	Exploration Expenditures or Other
Silver King	2011	$ 75,000	23,750	25,000 shares on receipt of bankable feasibility study or commencement of commercial property and 3% NSR not less than $50,000 and $50,000 advance royalty which shall be deducted from commercial production
	2012	$100,000 and greater of 125% of assessed value or $350,000	31,250	NIL
Sturgeon Lake	2010-2012	-	-	$1,200 - $6,400 per claim

Cariboo Claims	2011 and 2012	Total of $45,000	Total of 150,000	25,000 shares on receipt of bankable feasibility study or on commencement of commercial production; Optionor is entitled to receive a 2% Net Smelter Return royalty on each of the mineral tenures

As of November 30, 2010, the Company has met all its ongoing obligations to maintain its rights and interests in the Company's mineral properties.

Environment Contingency

The Company's mining and exploration activities are subject to various federal, cantonal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount, which is the consideration established and agreed to by the respective parties.

(a) During the reporting period, management and administrative fees of $83,423 (2009 - $28,000) and consulting NIL (2009-$10,000) were paid or accrued to directors and officers of the Company and a company controlled by a director and officer of the Company. Included in accounts payable and accrued liabilities is $8,371 (2009-$12,000) owed to the above related parties.

CRITICAL ACCOUNTING POLICIES

Income Tax

The Company accounts for income taxes in accordance with the asset and liability method. Under this method, future income tax assets and liabilities are determined based on temporary differences between financial reporting and income tax bases of assets and liabilities, using substantively enacted tax rates in effect for the period in which the differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

Mineral Properties and Deferred Expenditures

Excalibur's mineral property acquisition and exploration costs are capitalized and carried until production commences. If a project is successful, the related mineral properties are to be amortized over the estimated economic life of the project. These deferred charges will be expensed if it is determined that the mineral property has no future economic value. Management of the Company will review the carrying value of each mineral property periodically, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable, reductions in the carrying value of a property would be recorded to the extent that the total carrying value of the mineral property exceeds its estimated fair value. Expenditures on properties in which the Company does not retain a contingent ownership interest or legal title to are expensed as incurred.

Loss per share

Basic loss per share is determined by dividing the net loss by the weighted average number of common shares outstanding during the financial period. Diluted loss per share is the same as basic loss per share as the effect of potential issues of shares under option or from warrant exercises would be anti-dilutive.

Share Issue Costs

Costs directly identifiable with the raising of capital are charged against the related capital stock.

FUTURE ACCOUNTING CHANGES

International Financial Reporting Standards

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed that the use of International Financial Reporting Standards ("IFRS") will be required in 2011 for public companies in Canada (IFRS will replace Canadian GAAP for public companies.) The official changeover date will apply for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011 with appropriate comparative data from the prior year.

Although IFRS employs a conceptual framework that is similar to Canadian GAAP there can be significant differences in recognition, measurement and disclosure. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time, but a more detailed description of the Company's transition to IFRS activity can be found in the Company's Annual Financial Statements for the year ended May 31, 2010.

INVESTOR RELATIONS

Dig Media has been retained to conduct the Company's investor relations program. The Company maintains a website at www.excaliburresouces.ca which serves as an additional source of information for its investors.

RISKS ASSOCIATED WITH MINING

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. Actual results could differ from those estimates.

Fair value of Financial Instruments

The carrying value of the Company's financial instruments approximates their fair values due to the relatively short periods to maturity of these instruments. Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company is not exposed to credit risk attributable to customers. Additionally, the Company's cash is lodged with highly-rated Canadian financial institutions. Management has assessed the risk of loss due to credit risk as remote.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in realizing assets, discharging liabilities or otherwise raising funds to meet commitments associated with financial instruments. The company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to discharge their liabilities as they come due. As at August 31, 2010, the Company has working capital of $503,161. As previously noted, there can be no assurance that it will be successful in its efforts to arrange additional financing, in amounts required to satisfy the Company's operational needs, on terms satisfactory to the Company.

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to the property, and possible environmental damage. None of the properties in which Excalibur has an interest have a known body of commercial ore. Mining involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that any of Excalibur's mineral exploration and development activities will result in discoveries of commercially viable bodies of ore.

Management of Excalibur attempts to mitigate the risks associated with mining and minimize their effect on the Company's financial performance, but there is no guarantee that the Company will be profitable in the future and the Company's common shares should be considered speculative.

Title

Although the Corporation has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Corporation or of any underlying vendor(s) from whom the Corporation may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples.

Environmental Matters

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Corporation, the extent of which cannot be predicted and which may well be beyond the capacity of the Corporation to fund. The Corporation's right to exploit any mining properties will be subject to various reporting requirements and to obtaining certain government approvals and there can be no assurance that such approvals, including environment approvals, will be obtained without inordinate delay or at all.

Commodity Prices

The price of the Company's common shares, its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control. The effect of these factors on the price of precious and base metals, and therefore the economic viability of the Company's exploration projects, cannot accurately be predicted. Excalibur does not have a hedging policy and has no present intention to establish one. Accordingly, Excalibur has no protection from declines in mineral resource prices.

OUTSTANDING SHARE DATA

The Corporation has one class of common shares and is authorized to issue 100,000,000 common shares without par value. On January 11, 2010 the Corporation's outstanding shares were consolidated on the basis of eight (old) shares for one (new) share.

As at January 28, 2011, the Company had the following issued and outstanding securities:

- 32,588,465 common shares
- 1,892,250 stock options pursuant to its Stock Option Plan:

Number of Options		Exercise Price	Expiry Date
56,250	*	$0.40	February 20, 2012
6,250	*	$0.40	April 3, 2013
37,500	*	$0.40	July 4, 2013
1,492,250		$0.16	January 12, 2015
300,000		$0.16	December 5, 2015
1,892,250			

* The Corporation's issued and outstanding shares were consolidated on an 8:1 basis effective January 11, 2010, therefore these options and the corresponding exercise prices are presented on the post-consolidation basis.

- 14,214,970 share purchase warrants as follows:

Number of Warrants	Exercise Price	Expiry Date
500,000	$0.16	March 12, 2012
3,499,999	$0.25	April 30, 2011
	$0.30	April 30, 2012
2,177,000	$0.25	May 26, 2011
	$0.30	May 26, 2012
199,999	$0.25	April 21, 2011
	$0.30	April 21, 2012
2,702,702	$0.30	July 9, 2011
	$0.40	July 9, 2012
270,270	$0.30	July 9,2011
	$0.40	July 9, 2012
2,670,000	$0.25	November 26, 2011
	$0.30	November 26, 2012
850,000	$0.25	December 17, 2011
	$0.30	December 17, 2012
1,345,000	$0.25	December 31, 2011
	$0.30	December 31, 2012
14,214,970	**$0.26 (weighted avg. price)**	

OUTLOOK AND STRATEGY

Excalibur's Strengths and Key Drivers:

- Value-added from election of professional geologist as newest director
- Seasoned management and exploration teams
- Mitigated risk by developing newest project as joint venture
- Favourable mining and exploration logistics
- Stable mining environment domestically and competitive exploration costs
- Heightened exploration activity in foreign mining jurisdiction
- Strengthening Cdn currency [generated from financings] against weakening US dollar [currency of Mexico expenditures]
- Buoyant commodity prices

Excalibur's Challenges and Key Drivers:

- Raising capital for programs and prudent cash management
- Need for positive exploration results
- Dependent on continued buoyant commodity price to attract and maintain investor support