NORTH ARROW MINERALS INC.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

OCTOBER 31, 2010

(Unaudited – Prepared by Management)

Reader’s Note: These interim consolidated financial statements for North Arrow Minerals Inc. (“North Arrow”), for the six months ended October 31, 2010 have been prepared by management and have not been subject to review by North Arrow’s auditor.

NORTH ARROW MINERALS INC.
INTERIM CONSOLIDATED BALANCE SHEET

		October 31, 2010 (Unaudited)		April 30, 2010 (Audited)
ASSETS				
Current				
Cash and equivalents	$	1,164,593	$	1,126,124
Receivables		50,128		2,021
Prepaid expenses		32,164		25,014
		1,246,885		1,153,159
Equipment (Note 3)		1,924		2,264
Mineral properties (Note 4)		2,539,900		2,207,651
	$	3,788,709	$	3,363,074
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	325,066	$	115,227
Due to related parties (Note 6)		55,872		76,610
		380,938		191,837
Shareholders' equity				
Capital stock (Note 5)		9,568,769		8,755,602
Contributed surplus (Note 5)		663,204		607,963
Deficit		(6,824,202)		(6,192,328)
		3,407,771		3,171,237
	$	3,788,709	$	3,363,074

Nature and continuance of operations (Note 1)

On behalf of the Board:

"D. Grenville Thomas" Director *"Kenneth A. Armstrong"* Director

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

NORTH ARROW MINERALS INC.
INTERIM CONSOLIDATED STATEMENT OF OPERATIONS AND DEFICIT
(Unaudited – Prepared by Management)

	For the Three Months Ending		For the Six Months Ending	
	October 31, 2010	October 31, 2009	**October 31, 2010**	October 31, 2009
EXPENSES				
Advertising, promotion and travel	**$ 42,880**	$ 51,697	**$ 78,477**	$ 78,297
Amortization	**170**	242	**340**	485
Office, miscellaneous and rent	**20,440**	24,541	**42,527**	43,055
Professional fees	**26,472**	55,932	**47,714**	81,346
Regulatory and filing fees	**3,626**	6,677	**8,001**	8,700
Salaries and benefits	**33,902**	44,195	**83,019**	84,047
Stock-based compensation (Note 5)	**40,770**	34,365	**81,541**	53,929
Loss before other items	**(168,260)**	(217,649)	**(341,619)**	(349,859)
OTHER ITEMS				
Foreign exchange loss	**(638)**	-	**(2,608)**	-
Write-off of mineral properties (Note 4)	**(284,844)**	(17,797)	**(290,405)**	(17,797)
Interest income	**1,962**	6	**2,758**	6
	(283,520)	(17,791)	**(290,255)**	(17,791)
Loss for the period	**(451,780)**	(235,440)	**(631,874)**	(367,650)
Deficit, beginning of period	**(6,372,422)**	(3,569,431)	**(6,192,328)**	(3,437,221)
Deficit, end of period	**$ (6,824,202)**	$(3,804,871)	**$ (6,824,202)**	$ (3,804,871)
Basic and diluted loss per share	**$ (0.01)**	$ (0.01)	**$ (0.01)**	$ (0.01)
Weighted average number of common shares outstanding	**47,775,588**	35,188,637	**46,144,754**	32,351,088

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)

	For the Three Months Ending		For the Six Months Ending	
	October 31, 2010	October 31, 2009	**October 31, 2010**	October 31, 2009
Loss for the period	**$ (451,780)**	$ (235,440)	**$ (631,874)**	$ (367,650)
Other comprehensive loss	-	-	-	-
Comprehensive loss for the period	**$ (451,780)**	$ (235,440)	**$ (631,874)**	$ (367,650)

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

NORTH ARROW MINERALS INC.
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited – Prepared by Management)

	For the Three Months Ending		For the Six Months Ending	
	October 31, 2010	October 31, 2009	**October 31, 2010**	October 31, 2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	**$ (451,780)**	$ (235,440)	**$ (631,874)**	$ (367,650)
Items not involving cash:				
Amortization	**170**	242	**340**	485
Stock-based compensation	**40,770**	34,365	**81,541**	53,929
Write-off of mineral properties	**284,844**	17,797	**290,405**	17,797
Changes in non-cash working capital items:				
Decrease (increase) in receivables	**(12,560)**	1,766	**(14,638)**	(1,717)
Increase in prepaid expenses	**(319)**	(19,401)	**(7,150)**	(39,959)
Increase in accounts payable and accrued liabilities	**4,340**	5,202	**15,574**	11,485
Increase (decrease) in due to related parties	**(6,471)**	(1,346)	**(29,882)**	26,455
Net cash (used in) provided by operating activities	**(141,006)**	(196,815)	**(295,684)**	(299,175)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of capital stock	**596,400**	485,430	**712,500**	985,430
Proceeds from the exercise of warrants	**-**	-	**108,150**	358,688
Share issue costs	**(42,133)**	(22,298)	**(43,783)**	(31,147)
Net cash provided by financing activities	**554,267**	463,132	**776,867**	1,312,971
CASH FLOWS FROM INVESTING ACTIVITIES				
Expenditures on mineral properties, net	**(135,775)**	(702,697)	**(442,714)**	(910,131)
Net cash used in investing activities	**(135,775)**	(702,697)	**(442,714)**	(910,131)
Change in cash during the period	**277,486**	(436,380)	**38,469**	103,665
Cash, beginning of period	**887,107**	740,531	**1,126,124**	200,486
Cash, end of period	**$ 1,164,593**	$ 304,151	**$ 1,164,593**	$ 304,151
Cash paid during the period for interest	**$ -**	$ -	**$ -**	$ -
Cash paid during the period for income taxes	**$ -**	$ -	**$ -**	$ -

Supplemental disclosure with respect to cash flows (Note 8)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

North Arrow Minerals Inc. (the "Company") was incorporated on February 27, 2007 and is in the business of mineral property exploration. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the financing necessary to complete the development of its mineral properties and upon future profitable production.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has a history of losses and no current source of revenue. Continued operations of the Company are dependent on the Company's ability to complete equity financings or generate profitable operations in the future. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

	October 31, 2010	April 30, 2010
Deficit	**$ (6,824,202)**	$ (6,192,328)
Working capital	**$ 865,947**	$ 961,322

2. SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim financial statements have been prepared by the Company in accordance with Canadian GAAP for interim financial information using the same accounting policies and methods of application as the audited financial statements of the Company for the year ended April 30, 2010. These unaudited interim financial statements do not include all of the information and note disclosures required by Canadian GAAP for annual financial statements of the Company and should therefore be read in conjunction with the audited financial statements of the Company as at April 30, 2010. The accounting policies followed by the Company in preparing these interim consolidated financial statements are consistent with the accounting policies used by the Company, as set out in the consolidated audited financial statements for the year ended April 30, 2010.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements.

Recent Accounting Pronouncements

Business combinations

In January 2009, the CICA issued the new handbook Section 1582 - *Business Combinations* ("Section 1582"), 1601 – *Consolidated Financial Statements* ("Section 1601") and 1602 – *Non-controlling Interests* ("Section 1602") which replaces CICA Handbook Section 1581 – *Business Combinations* and 1600 – *Consolidated Financial Statements.* Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards ("IFRS"). Section 1582 is applicable for the Company's business combinations with acquisition dates on or after February 1, 2011. Early adoption of this 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 its fiscal year beginning February 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D…)

Recent Accounting Pronouncements (cont'd…)

International financial reporting standards

The Canadian Accounting Standards Board has confirmed that IFRS will replace Canadian standards and interpretations on January 1, 2011. The process of changing from current Canadian GAAP to IFRS will be a significant undertaking that may materially affect reported financial position and results of operations, and also affect certain business functions. The Company will be required to prepare fully IFRS compliant financial statements for the year ended April 30, 2012, with the first interim financial statements prepared under IFRS for the three-month period ended July 31, 2011.

The Company's conversion plan consists of four phases: scoping and planning, detailed assessment, implementation and post implementation. The Company has completed the scoping and planning stage and is now in the detailed assessment stage. The Company has not commenced the implementation and the post implementation stages. While the Company has begun the detailed assessment process, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time. IFRS education and reports to the Audit Committee commenced in calendar 2009 and continues to be ongoing.

3. EQUIPMENT

	As at October 31, 2010			As at April 30, 2010		
	Cost	Accumulated Amortization	**Net Book Value**	Cost	Accumulated Amortization	Net Book Value
Computer equipment	$ 6,474	$ 4,550	**$ 1,924**	$ 6,474	$ 4,210	$ 2,264
	$ 6,474	$ 4,550	**$ 1,924**	$ 6,474	$ 4,210	$ 2,264

4. MINERAL PROPERTIES

	April 30, 2010	Expended During The Period	Write-off of Costs and Recoveries	**October 31, 2010**
Gold and Base Metal Properties, NWT, Yukon and Nunavut				
Exploration costs	$ 31,523	$ 31,005	$ (4,162)	**$ 58,366**
Acquisition costs	352,982	54,622	(276,311)	**131,293**
Geological and assays	1,449	5,358	(245)	**6,562**
Office and salaries	20,948	12,883	(9,687)	**24,144**
	406,902	103,868	(290,405)	**220,365**
Lithium Properties, NWT and Nunavut				
Exploration costs	702,769	9,750	-	**712,519**
Acquisition costs	71,888	-	-	**71,888**
Geological and assays	18,909	327	-	**19,236**
Office and salaries	62,402	4,065	-	**66,467**
	855,968	14,142	-	**870,110**
Lithium Properties, USA				
Exploration costs	336,900	145,388	-	**482,288**
Acquisition costs	212,505	12,084	-	**224,589**
Geological and assays	13,015	12,321	-	**25,336**
Office and salaries	94,223	28,869	-	**123,092**
	656,643	198,662	-	**855,305**
Diamond Properties, NWT and Nunavut				
Exploration costs	39,238	235,442	-	**274,680**
Acquisition costs	14,326	36,422	-	**50,748**
Geological and assays	146,928	-	-	**146,928**
Office and salaries	87,646	34,118	-	**121,764**
	288,138	305,982	-	**594,120**
TOTAL	$ 2,207,651	$ 622,654	$ (290,405)	**$ 2,539,900**

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

Gold and Base Metal Properties, Northwest Territories and Nunavut

In addition to the properties described below, the Company maintains interests in various other gold and base metal properties in the Northwest Territories and Nunavut.

Canoe Lake Property, Nunavut

The Company maintains, or maintains the right to earn, a 100% interest in certain mineral claims and mining leases known as the "Canoe Lake Property" in the High Lake Greenstone Belt, Nunavut. In order to earn a 100% interest in two mining leases, the Company must complete a $490,000 cash payment to Canadian Natural Resources Ltd. ("CNR") before December 31, 2010. The agreement with CNR also provides for a 2.5% gross overriding royalty ("GOR") on diamond production and a 2.5% net smelter return royalty ("NSR") on metallic mineral production from the leases. The Company retains the option to purchase half of these royalties from CNR for $1,500,000.

4. MINERAL PROPERTIES (CONT'D…)

Gold and Base Metal Properties, Northwest Territories and Nunavut (cont'd…)

Canoe Lake Property, Nunavut (cont'd…)

Separate from the agreement with CNR, the Company maintains a 100% interest in a number of contiguous mineral claims. The 'BK claims' are subject to a 1% NSR on non-diamond mineral production and a 1% GOR on diamond production to a third party royalty holder (the 'BK royalty holder'). The 'Canoe claims' are subject to a 1% NSR on non-diamond mineral production and a 1% GOR on diamond production to a different third party royalty holder (the 'Canoe royalty holder'), as well as various royalties, payable to the BK royalty holder, ranging from 0.5% to 1.0%. The Company may purchase 100% of the royalties payable to the Canoe royalty holder for $1,000,000.

The property is currently under option to Minerals and Metals Group ("MMG"), a subsidiary of the China Minmetals Non-Ferrous Metals Company Limited. Under the terms of the original and several revised agreements, MMG may earn up to a 70% interest in the Canoe Lake Project by making a cash payment to the Company of $55,600 (received) and spending $3,000,000 on project exploration by December 1, 2010.

In December 2010, MMG informed the Company that it was not going to exercise its option on the Canoe Lake Project. Subsequently, the Company informed CNR that the option to purchase the Canoe Lake Canada Mining leases for $490,000 would not be exercised. As a result, the Company wrote-off $276,993 on capitalized mineral property costs for the Canoe Lake property.

Hay Duck Property, NWT

On May 29, 2008, the Company and Strongbow Exploration Inc. ("Strongbow") entered into an option agreement whereby the Company may earn a 100% interest in the Hay Duck property by reimbursing certain expenditures incurred to-date by Strongbow and assuming the annual option payments due under the original, underlying option agreement. The third party agreement, dated May 2007 and amended in January 2010, required three future annual cash option payments totalling $450,000. These future option payments will be payable by the Company annually, following receipt of a land use permit which allows the Company to drill at the Hay Duck property. As partial compensation for amending the agreement, the Company issued 50,000 common shares to the property vendor in February 2010. At the date of issuance, the common shares had a fair value of $9,750, which has been applied against the payment due January 1, 2010. The remainder of the January 2010 payment will be paid by the Company upon receipt of a land use permit for the Hay Duck property. The third party option holder will retain a 2.5% NSR of which 1% can be purchased at anytime for $500,000. An additional 1% of the royalty can be purchased at any time for $2,000,000. Upon the Company incurring $5,000,000 in exploration on the property, Strongbow may elect to back-in to 40% of the Company's interest in the property by funding the next $5,000,000 in exploration expenditures. In certain circumstances, Strongbow has the option to elect to acquire a 1% NSR in place of exercising the back-in right. The Company may purchase one-half (0.5%) of the NSR at any time for $500,000.

Yukon Gold Property

On July 30, 2010, the Company and Cathro Resources Corp. ("Cathro") (50%) and Cazador Resources Ltd. ("Cazador") (50%), both private companies and collectively, the "Vendors", entered into an agreement whereby the Company may earn a 100% interest in certain mineral claims situated in north-central Yukon Territory. Under the terms of the agreement, the Company can earn a 100% interest in the property by funding a minimum $35,000 initial exploration program and by making cumulative payments totaling $150,000 and by issuing cumulative share payments totaling 750,000 shares over a period of four years. Upon completion of the option, the Vendors will retain a 2.0% net smelter return royalty of which 1% can be purchased at any time for $1,000,000. Advance royalty payments of $25,000 per year will be payable upon exercise of the option until such time as the regular royalty payments begin or the property is returned in good standing. Advance royalty payments can be credited against future royalty payments. The Company issued 25,000 shares to Cathro and 25,000 shares to Cazador during the six months ended October 31, 2010 at a total estimated fair value of $10,000.

Other Properties

Mineral property write-offs of $13,412 during the six months ended October 31, 2010 (October 31, 2009 - $17,797) relate to various other properties in NWT and Nunavut, where no exploration programs of significance are planned for the foreseeable future.

4. MINERAL PROPERTIES (CONT'D…)

Lithium Properties, Northwest Territories and Nunavut

Phoenix Lithium Project, NWT

At various times between June 2008 and July 2009, the Company acquired, by staking, eleven claims in the Aylmer Lake area of the Northwest Territories. The claims form one contiguous block and the Company maintains a 100% interest in all the acquired claims.

The Company, along with the Attorney General of Canada, have been named as respondents in an application to the Federal Court of Canada filed by certain First Nations. The First Nations seek, among other things, the cancellation of a land use permit. In November 2010, a judgment finding in favour of the First Nations was announced. However, the Company can carry out additional consultation and reapply for a land-use permit.

Torp Lake Project, Nunavut

In March 2009, the Company acquired, by staking, two claims in the Torp Lake area of Nunavut.

Lithium Properties, USA

Lithium Projects, North Carolina, USA

Between July and September 2009, the Company entered into seven option agreements with landowners in North Carolina. Under the terms of these option agreements, the Company must make cash payments upon execution (US $84,706 paid) and various annual option payments ranging from US $9,024 to US $84,706 (US $84,706 paid in 2010) between 2010 and 2018.

Lithium Projects, Generative

In July 2009, the Company and Strongbow entered into a generative exploration agreement, which establishes an area of interest ("AOI") for the acquisition of lithium exploration properties, mineral rights or other interests (collectively, the "Rights"). Upon notice from Strongbow, the Company may exercise a back-in right to acquire an undivided 40% interest in the AOI and any Rights acquired by Strongbow within the AOI, after Strongbow incurs $2 million in acquisition and exploration expenditures. If the Company elects to exercise the back-in right, it must spend $2 million within thirty-six months from the date of notice, including minimum expenditures of $500,000 within each twelve-month period.

Diamond Properties, Northwest Territories and Nunavut

The Company has varying interests in a number of diamond properties, including the Lac de Gras and Hammer properties.

Lac de Gras, NWT

In February 2010, the Company entered into an agreement with a third party option holder to jointly explore its Lac de Gras diamond property. Under the terms of the agreement, the third party option holder can earn a 50% interest in the Lac de Gras diamond property by paying the full legal survey costs required to convert selected existing mineral claims to mining leases, paying the first year's rental fees for the mining leases (completed), and conducting a review of existing geophysical magnetic data (completed). The Company will be responsible for funding the first $1,000,800 in exploration expenditures on the property, subsequent to which exploration of the Lac de Gras property will be carried out based upon a 50/50 joint venture.

Hammer, Nunavut

In October 2008, the Company and Stornoway Diamond Corporation ("Stornoway") revised a pre-existing agreement on the Bear property, Nunavut, to include an area of interest, known as the "Hammer AOI", into the agreement. As a result of this revision, the Company holds a 25% interest in the property and Stornoway holds a 75% interest. The portion of the property comprising the original Bear Property is subject to an underlying 2% NSR and 2% GOR.

5. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares		Amount		Contributed Surplus
Authorized					
Unlimited common shares without par value					
Issued					
As at April 30, 2010	44,045,545	$	8,755,602	$	607,963
Exercise of warrants	604,500		134,449		(26,300)
Private Placement	3,958,333		712,500		-
Shares issued for property	50,000		10,000		
Share issue costs	-		(43,782)		-
Stock-based compensation	-		-		81,541
As at October 31, 2010	48,658,378	$	9,568,769	$	663,204

Share issuances

In August 2010, the Company completed a non-brokered private placement of 3,958,333 flow-through units (the "FT Units") at a price of $0.18 per FT unit, for total gross proceeds of $712,500. Each FT unit consisted of one flow-through common share of the Company and one-half of one non-flow-through common share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company until August 20, 2011 at a price of $0.25 per share. As part of this private placement, the Company paid finder's fees of $38,220.

In June 2010, the Company received gross proceeds of $108,150 from the exercise of 604,500 warrants at prices between $0.15 and $0.20 per warrant.

Stock options and warrants

The Company's stock option plan (the "Plan") was approved by shareholders at the September 2010 annual meeting. The Plan gives the directors the authority to grant options to directors, officers, employees and consultants. The maximum number of shares to be issued under the Plan is 10% of the issued and outstanding common shares at the time of the grant. The exercise price of each option granted shall not be less than the market price at the date of grant less a discount up to 25% in accordance with the policies of the TSX Venture Exchange ("TSXV"). Options granted can have a term up to 5 years with vesting provisions determined by the directors in accordance with TSXV policies for Tier 2 Issuers, with a typical vesting period of 25% upon grant and 25% every six months thereafter.

As at October 31, 2010, the following stock options and warrants were outstanding:

	Number of Shares		Exercise Price	Number of Shares Vested	Expiry Date
Options	78,000	$	0.25	78,000	March 16, 2011
	54,000		0.25	54,000	September 15, 2011
	148,000		0.25	148,000	March 29, 2012
	1,125,000		0.40	1,125,000	August 7, 2012
	1,410,000		0.20	1,057,500	June 4, 2014
	200,000		0.30	150,000	September 2, 2014
	150,000		0.19	75,000	March 26, 2015
	150,000		0.25	75,000	March 26, 2015
Warrants	1,045,750	$	0.32	1,045,750	February 21, 2011
	57,500		0.32	57,500	February 26, 2011
	4,000,000		0.10	4,000,000	February 26, 2011
	1,390,000		0.30	1,390,000	March 26, 2011
	2,740,500		0.30	2,740,500	April 20, 2011
	1,979,167		0.25	1,979,167	August 20, 2011

5. CAPITAL STOCK AND CONTRIBUTED SURPLUS (CONT'D…)

Stock options and warrants (cont'd…)

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, April 30, 2010	3,324,500	$ 0.28
Expired	(9,500)	0.25
Balance, October 31, 2010	3,315,000	$ 0.28
Number of options currently exercisable	2,762,500	$ 0.29

A summary of the Company's warrant activity is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, April 30, 2010	14,497,750	$ 0.21
Granted	1,979,167	0.25
Exercised	(604,500)	0.18
Expired	(4,659,500)	0.20
Balance, October 31, 2010	11,212,917	$ 0.22

Stock-based compensation

During the six months ended October 31, 2010, the Company granted Nil options (October 31, 2009 – 1,610,000 options). The estimated fair value of the options granted is $Nil (October 31, 2009 - $221,251). Stock-based compensation of $81,541 (October 31, 2009 - $53,929) has been recognized during the six months ended October 31, 2010, which represent options granted in an earlier period but vested during the six months ended October 31, 2010.

The following weighted average assumptions were used for the Black Scholes valuation of stock options granted:

	Year Ended April 30, 2010
Risk-free interest rate	1.58~2.57%
Expected life of options	1.5~5 years
Annualized volatility	100%
Dividend rate	0.00%

6. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in these consolidated financial statements are as follows:

a) During the period ended October 31, 2010, the Company paid or accrued $74,703 (October 31, 2009 - $73,548) for shared technical services and rent to Strongbow. As at October 31, 2010, Strongbow owned approximately 9.90% (April 30, 2010 – 10.94%) of the Company's issued and outstanding shares.

b) During the period ended October 31, 2010, the Company paid or accrued $14,084 (October 31, 2009 - $16,952) for administrative and accounting services to Stornoway.

c) During the period ended October 31, 2010, the Company paid $Nil (October 31, 2009 - $5,200) for technical services to a private company controlled by a director.

Amounts due to related parties are as follows:

	October 31, 2010	April 30, 2010
Strongbow, a company with two common directors and a common officer	**$ 30,176**	$ 28,364
Stornoway, a company with a common officer	**2,958**	7,301
Directors	**22,738**	40,945
	$ 55,872	$ 76,610

7. INCOME TAXES

As at October 31, 2010, the Company has approximately $1,192,000 in non-capital losses available for deduction against future year's taxable income. These losses will expire up to 2030.

Subject to certain restrictions, the Company has approximately $5,276,000 of mineral property expenditures available to reduce taxable income of future years.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash transactions for the period ended October 31, 2010 were:

a) The Company incurring mineral property expenditures of $262,495 that are included in accounts payable and accrued liabilities at October 31, 2010.

b) The Company incurring mineral property expenditures of $21,824 that are included in due to related parties at October 31, 2010.

c) The Company has included in receivables, deferred mineral property costs of $33,469 at October 31, 2010.

The significant non-cash transactions for the period ended October 31, 2009 were:

a) The Company incurring mineral property expenditures of $55,847 that are included in accounts payable and accrued liabilities at October 31, 2009.

b) The Company incurring mineral property expenditures of $37,192 that are included in due to related parties at October 31, 2009.

c) The Company has included in receivables, deferred mineral property costs of $459 at October 31, 2009.

d) The Company issuing 50,000 common shares valued at $7,500 for payment pursuant to an amended property option agreement.

e) The Company issuing 300,000 finder's warrants with a value of $30,940, and issuing 240,000 finder's common shares with a value of $30,000 to the finders as a financing fee for a non-brokered private placement.

9. SEGMENTED INFORMATION

The Company operates in one business segment being the exploration of mineral properties in Canada and the United States as follows:

	October 31, 2010			April 30, 2010		
	Canada	**United States**	**Total**	Canada	United States	Total
Mineral Properties	**$ 1,684,599**	**$ 855,301**	**$ 2,539,900**	$ 1,551,008	$ 656,643	$ 2,207,651
Equipment	**1,924**	**-**	**1,924**	2,264	-	2,264
	$ 1,686,523	**$ 855,301**	**$ 2,541,824**	$ 1,553,272	$ 656,643	$ 2,209,915