<u>GOGOLD RESOURCES INC.</u>

<u>Years ended September 30, 2010 and 2009</u>

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AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the balance sheets of Gogold Resources Inc. as at September 30, 2010 and 2009 and the statements of operations, comprehensive loss and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Halifax, Canada

November 29, 2010

GOGOLD RESOURCES INC.

BALANCE SHEET

AS AT SEPTEMBER 30

	2010	2009
ASSETS		
Current assets:		
Cash	**$ 668,320**	$ 444,401
Short-term deposits	**275,550**	-
HST recoverable	**19,895**	-
Prepaid expenses	**15,663**	-
Deposits	**11,264**	-
	990,692	444,401
Property and equipment	**7,437**	-
Deferred share issuance costs	**-**	28,318
Resource properties and related deferred costs (Note 6)	**233,585**	-
	$ 1,231,714	$ 472,719
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 45,486**	$ 9,709
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	**1,378,287**	500,000
Contributed surplus (Note 8)	**166,430**	-
Deficit	**(358,489)**	(36,990)
	1,186,228	463,010
	$ 1,231,714	$ 472,719

Going concern (Note 1)

ON BEHALF OF THE BOARD OF DIRECTORS

"Terry Coughlan"
Director

"Daniel Whittaker"
Director

See accompanying notes

GOGOLD RESOURCES INC.

STATEMENT OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT

YEAR ENDED SEPTEMBER 30

	2010	2009
Expenses		
Professional fees	$ 107,599	$ 6,924
General and administrative	45,856	1,130
Stock based compensation (Note 7(e))	139,380	-
Regulatory, transfer agent and filing	21,610	-
Insurance	7,054	-
	321,499	8,054
Net loss for the year, being comprehensive loss	(321,499)	(8,054)
Deficit, beginning of year	(36,990)	(28,936)
Deficit, end of year	$ (358,489)	$ (36,990)
Loss per share basic and fully diluted (Note 7(f))	$ (0.024)	$ (0.004)
Weighted average number of common shares outstanding (Note 7(f))	13,552,054	2,086,644

See accompanying notes

GOGOLD RESOURCES INC.

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30

	2010	2009
Cash provided by (used in) the following activities		
Operating Activities:		
Net loss for the year	$ (321,499)	$ (8,054)
Items not involving cash		
Stock based compensation	139,380	-
Net change in non-cash working capital	(11,045)	(1,478)
Net cash used in operating activities	(193,164)	(9,532)
Investing Activities:		
Purchase of property and equipment	(7,437)	-
Increase in short-term deposits	(275,550)	-
Resource property expenditures	(166,085)	-
Net cash used in investing activities	(449,072)	
Financing Activities:		
Issuance of common shares (net of cash share issue costs)	866,155	(28,318)
Receipt of share subscription receivable	-	440,000
Net cash provided by financing activities	866,155	411,682
Net change in cash and cash equivalents for the year	223,919	402,150
Cash and cash equivalents, beginning of the year	444,401	42,251
Cash and cash equivalents, end of the year	$ 668,320	$ 444,401
Non-cash financing and investing activities:		
Issuance of common shares on payment of property purchase agreements	$ 67,500	$ -
Issuance of stock options as compensation pursuant to issuances of common shares	27,050	-

See accompanying notes

1. GOING CONCERN

The Corporation is incorporated under the laws of Canada and is currently in the development stage and investigating prospective acquisitions and is devoting all of its present efforts to exploring its mineral properties and expanding its business. Accordingly, no revenue has been derived during the year ended September 30, 2010.

The Corporation's financial statements as at September 30, 2010 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. As at September 30, 2010, the Corporation had working capital of $945,206 and incurred net losses for the years ended September 30, 2010 and 2009 of $321,499 and $8,054, respectively. As a result, there is significant doubt regarding the appropriateness of the going concern assumption.

Management cannot provide assurance that the Corporation will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. Management intends to raise additional funding in the form of equity from the sale of common stock. However, if the Corporation is unable to raise additional capital in the future, management expects that the Corporation will need to pursue remedial measures. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Corporation be unable to continue as a going concern.

On December 10, 2010, the Corporation announced that it had closed a non-brokered private placement financing for gross proceeds of $6,000,000 through the sale of 24,000,000 common shares at a price of $0.25 per common share (the “Private Placement Financing”) (see Note 12).

2. CHANGES IN ACCOUNTING POLICIES

Effective January 1, 2009, the Corporation adopted the following new accounting standards issued by the Accounting Standards Board: (i) Section 3862, Financial Instruments – Disclosures; (ii) Emerging Issues Committee (EIC) Abstract EIC-173, Credit Risk and the Fair Value of Financial Assets and Liabilities; and (iii) EIC Abstract EIC-174, Mining Exploration Costs.

Section 3862, Financial Instruments Disclosures, describes the required disclosures related to the significance of financial instruments on the Corporation’s financial position and performance and the nature and extent of risks arising for financial instruments to which the entity is exposed and how the entity manages those risks. In May 2009 the CICA amended Section 3862 to include additional disclosure requirements about the fair value measurement for financial instruments and liquidity risk disclosures.

EIC 173, Credit Risk and the Fair Value of Financial Assets and Liabilities provides further information on the determination of the fair value of financial assets and financial liabilities under Section 3855, Financial Instruments – Recognition and Measurement and states the Corporation’s own credit and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of EIC 173 by the Corporation did not have an impact on its financial statements.

EIC 174, Mining Exploration Costs gives guidance on the capitalization of exploration costs related to mining properties and the timing of the assessment of impairment tests and conditions indicating possible impairments. The adoption of EIC 174 by the Corporation did not have an impact on its financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) and, in management’s opinion, within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Resource properties and related deferred costs:

As a development stage enterprise, the Corporation defers all expenditures related to its resource properties until such time as the properties are put into commercial production, sold or abandoned. Under this method, all amounts shown as resource properties represent costs incurred to date less amounts amortized, received from exploration partners and/or written off, and do not necessarily represent present or future values.

If a property is put into commercial production, the expenditures will be depleted following the units of production method. The Corporation does not accrue the estimated future costs of maintaining in good standing its resource properties.

Resource properties are reviewed for impairment, on a property-by-property basis, whenever events or changes in circumstances indicate that the carrying amount of a resource property may not be recoverable. If the Corporation has sufficient information about a resource property to estimate future cash flows expected to be generated by the resource property then recoverability is measured by a comparison of the carrying amount to the estimated cash flows. If the Corporation does not have sufficient information about the resource property to estimate future cash flows expected to be generated by the resource property, then the carrying amount is compared to the estimated fair value. If the carrying amount exceeds the estimated future cash flows or estimated fair value, the resource property will be written down to its estimated fair value. The ultimate recoverability of the amounts capitalized for the resource properties is dependent upon the delineation of economically recoverable ore reserves, the Corporation's ability to obtain the necessary financing to complete their development and realize profitable production or proceeds from the disposition thereof.

Management's estimates of recoverability of the Corporation's investment in projects have been based on current conditions. However, it is reasonably possible that changes could occur in the near term which could adversely affect management's estimates and may result in future write downs of capitalized property carrying values.

(b) Use of estimates:

The preparation of financial statements 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 amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(c) Short-term deposits:

Short-term deposits consist of guaranteed investment certificates which are convertible into cash without penalty with remaining maturities of one year.

(d) Future income taxes:

The Corporation follows the asset and liability method of accounting for income taxes. Under this method, the Corporation records future income taxes for the effect of any difference between the accounting and income tax basis of an asset or liability, using the enacted or substantively enacted income tax rates. Accumulated future income tax balances are adjusted to reflect changes in income tax rates that are substantively enacted, with the adjustment being recognized in earnings in the period that the change occurs. Future tax assets are recognized to the extent that they are more likely than not to be realized.

(e) Stock-based compensation:

The Corporation has a stock-based compensation plan, which is described in note 7. Awards of options under this plan are expensed based on the estimated fair value of the options at the grant date, with a corresponding credit to contributed surplus in shareholders' equity. If the options are subject to a vesting period, the estimated fair value is recognized over this period on a straight-line basis. Consideration paid by employees on the exercise of stock options is credited to share capital together with the amounts originally recorded in contributed surplus related to the exercised options.

(f) Loss per share:

The calculation of basic loss per common share is based on net loss divided by the weighted average number of common shares outstanding. The Corporation follows the treasury stock method of calculating diluted per share amounts.

(g) Property and equipment:

Property and equipment are recorded at cost. The Corporation provides for amortization using the declining balance method at 30% designed to amortize the cost over their estimated useful lives.

(h) Flow-through shares:

The Corporation has financed portions of its exploration activities through the issuance of flow-through shares. The income tax attributes of the related exploration expenditures are renounced to investors in accordance with income tax legislation. When the resource expenditure deductions are renounced, capital stock is reduced and the future tax liability increased by the estimated tax benefit transferred to investors.

(i) Future accounting policies:

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over a five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Accordingly, the Corporation will be required to adopt IFRS on October 1, 2011. The transition will require the restatement for comparative purposes of amounts reported by the Corporation for the year ended September 30, 2011. The Corporation will implement these standards in the first quarter of fiscal year 2012.

Business combinations:

In January 2009, the CICA issued the new handbook Section 1582, "Business Combinations" effective for fiscal years beginning on or after January 1, 2011. Earlier adoption of Section 1582 is permitted. This pronouncement further aligns Canadian GAAP with US GAAP and IFRS and changes the accounting for business combinations in a number of areas. It establishes principles and requirements governing how an acquiring corporation recognizes and measures in its financial statements identifiable assets acquired, liabilities assumed, any non controlling interest in the acquiree, and goodwill acquired. The section also establishes disclosure requirements that will enable users of the acquiring corporation's financial statements to evaluate the nature and financial effects of its business combinations. Although the Corporation is considering the impact of adopting this

pronouncement on the financial statements, it will be limited to any future acquisitions beginning in fiscal 2011.

Consolidated financial statements and non-controlling interests:

In January 2009, the CICA issued the new handbook Section 1601, "Consolidated Financial Statements", and Section 1602, "Non controlling Interests", effective for fiscal years beginning on or after January 1, 2011. Earlier adoption of these recommendations is permitted. These pronouncements further align Canadian GAAP with IFRS. Sections 1601 and 1602 change the accounting and reporting for ownership interest in subsidiaries held by parties other than the parent. Non controlling interests are to be presented in the consolidated statement of financial position within equity but separate from the parent's equity. The amount of consolidated net income attributable to the parent and to the non controlling interest is to be clearly identified and presented on the face of the consolidated statement of income. In addition, these pronouncements establish standards for a change in a parent's ownership interest in a subsidiary and the valuation of retained non controlling equity investments when a subsidiary is deconsolidated. They also establish reporting requirements for providing sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non controlling owners. The Corporation is currently considering the impact of adopting these pronouncements on its consolidated financial statements in fiscal 2011 in connection with the conversion to IFRS.

4. FINANCIAL INSTRUMENTS

The Corporation recognizes financial instruments based on their classification. Depending on the financial instruments' classification, changes in subsequent measurements are recognized in net income or comprehensive income (loss). If a financial instrument is measured at fair value, changes in its fair value shall usually be recognized in the period in which the change occurs, with some exceptions, such as for cash flow hedges and available-for-sale investments. For investments designated as being available-for-sale, changes in the fair value shall be recorded directly in shareholders' equity in a separate account called "Accumulated Other Comprehensive Income (Loss)" until the asset is disposed of or is impaired. At that time, the gains and losses are transferred to the Statement of Operations and Deficit.

The Corporation has implemented the following classifications:

- Cash, short-term deposits and deposits are classified as "Financial Assets Held for Trading". These financial assets are marked-to-market through net income at each period end.

- Accounts receivable are classified as "Loans and Receivables". After their initial fair value measurement, they are measured at amortized cost using the effective interest method.

- Accounts payable and accrued liabilities are classified as "Other Financial Liabilities". After their initial fair value measurement, they are measured at amortized cost using the effective interest method.

Fair value

The fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair value.

The carrying values of cash, short-term deposits, accounts receivable, deposits, and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Liquidity risk
The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. Short-term deposits are held in interest bearing instruments that can be converted to cash without penalty at any time and are recorded at fair value.

Foreign currency rate risk

The Corporation's transactions occur in Canadian dollars and accordingly, there was no foreign currency risk as at September 30, 2010.

Concentration of credit risk

Management does not believe it is exposed to any significant concentration of credit risk. All short-term deposits and deposits are with Canadian Schedule A banks or government authorities.

Interest rate risk

The Corporation has cash, short-term deposits and no interest-bearing debt. The Corporation's short term deposits are held primarily in guaranteed investment certificates, the rates of which are fixed for periods ranging up to one year. A one-percent change in the interest rate for these instruments would affect the Corporation by an annualized amount of interest equal to approximately $2,755.

5. CAPITAL MANAGEMENT

The Corporation's capital consists of share capital and contributed surplus. The Corporation's objective when managing capital is to maintain adequate levels of funding to support the acquisition and exploration of resource properties and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing. Future financings are dependent on market conditions and there can be no assurance the Corporation will be able to raise funds in the future.

The Corporation invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid, high-grade financial instruments.

There were no changes to the Corporation's approach to capital management during the year. The Corporation is not subject to externally imposed capital requirements.

6. RESOURCE PROPERTIES AND RELATED DEFERRED COSTS

On July 26, 2010, the Corporation closed the arm's length acquisition of the Rambler property located in Newfoundland and Labrador in consideration for the issuance of 250,000 common shares of the Corporation and by paying $130,000. The vendor will retain a net smelter royalty ("NSR") of 2% and the Corporation may purchase one half of the NSR for $1,000,000 at any time (the "Qualifying Transaction").

The following table details the acquisition costs and exploration expenditures made to September 30, 2010 on the Rambler property:

	Amount ($)
Property acquisition costs:	
Balance September 30, 2008 and 2009	-
Cash payment	130,000
Common shares issued (250,000 at $0.27 each)	67,500
Additional staking of claims	2,460
Balance September 30, 2010	199,960
Deferred property exploration costs:	
Balance September 30, 2008 and 2009	-
Geological, consulting and techincal	33,625
Balance September 30, 2010	33,625
Total	233,585

7. SHARE CAPITAL

(a) Authorized

An unlimited number of common shares, without nominal or par value.

(b) Issued

The following table summarizes the changes in issued common shares of the Corporation:

	Number	Amount ($)
Balance September 30, 2008 and 2009	10,000,000	500,000
Shares issued for cash (i)	5,000,000	500,000
Shares issued for cash (ii)	1,666,665	500,000
Shares issued for property (Note 6)	250,000	67,500
Less: Share issue costs	-	(189,213)
Balance September 30, 2010	16,916,665	1,378,287

(i) On February 8, 2010, the Corporation completed its Initial Public Offering of 5,000,000 common shares at a price of $0.10 per share for gross proceeds of $500,000. The Corporation incurred share issue costs of $133,996 in connection with the Offering, including a commission fee paid to the Agent of $40,000, professional and miscellaneous costs of $72,596 and $21,400 which represents the value of stock options granted to the Agent in connection with the Offering (see note 7(d)).

(ii) On July 26, 2010, as part of the completion of the Qualifying Transaction, the Corporation completed a private placement (the "Private Placement") of 1,666,665 flow through shares priced at $0.30 each for gross proceeds of $500,000. Directors and officers of the Corporation subscribed for a total of $100,000 of the Private Placement. The Corporation incurred share issue costs of $55,217 in connection with the Private Placement, including a $20,000 due diligence fee paid to the Finder, professional and miscellaneous costs of $29,567 and $5,650 which represents the value of the stock options granted to the Finder in connection with the Private Placement (see Note 7(d)).

(c) Escrowed shares

Under the requirements of the TSX Venture Exchange ("TSXV"), 9,000,000 of the issued and outstanding shares are held in escrow (2009 – nil). Of the currently escrowed shares, 1,500,000 will be released on each of the 6, 12, 18, 24, 30 and 36 month anniversaries of July 29, 2010.

(d) Agent's and Finder’s stock options

Pursuant to the completion of the Offering, the Corporation's Agent was granted non-transferable options to purchase 400,000 common shares at a price of $0.10 per common share. The options will expire on February 12, 2012. The fair value of the options was determined to be $21,400 ($0.054 per option) using the Black Scholes model and was included in share issue costs and contributed surplus (Note 8).

Pursuant to the completion of the Private Placement, the Corporation paid a finders fee of 41,666 stock options exercisable at $0.30 for two years from the date of closing. The fair value of the options was determined to be $5,650 ($0.1356 per option) using the Black Scholes model and was included in share issue costs and contributed surplus (Note 8).

The following assumptions were used in the Black Scholes model for the Agent's and Finder’s options:

	Options granted to Agent	Options granted to Finder
Risk-free rate	1.90%	1.53%
Expected volatility of the Corporation's share price	100%	100%
Expected dividend yield	0.00%	0.00%
Expected life of each option	2.0 years	2.0 years

The following table summarizes information about the Agent’s and Finder’s stock options outstanding and exercisable at September 30, 2010:

Exercise price per share ($)	Number of outstanding and exercisable options	Expiry date	Number of exercisable options
0.10	400,000	February 12, 2012	400,000
0.30	41,666	July 26, 2012	41,666
0.12	441,666		441,666

(e) Incentive stock options

The Corporation has a common share purchase option plan (the "Plan") for directors, officers, and other eligible persons. Options granted under the Plan have up to a ten-year term. Options are granted at a price no lower than the market price of the common shares less any discounts allowed by the TSXV at the time of the grant.

On February 12, 2010, the Corporation reserved options to acquire 50,000 common shares of the Corporation at a price of $0.10 per share for a registered charitable organization. The options will expire February 12, 2020 and vest immediately upon grant.

On February 12, 2010, the Corporation granted additional options to acquire 1,450,000 common shares of the Corporation at a price of $0.10 per share to directors, officers and advisors. The options expire February 12, 2015

and vested immediately. The fair value of the options granted to the officers, directors and advisors was $109,620 ($0.076 per option) and is included in stock based compensation expense and contributed surplus (Note 8).

On July 26, 2010, the Corporation granted options to acquire 150,000 common shares of the Corporation at a price of $0.30 per share to a director. The options expire July 26, 2015 and vest immediately. The fair value of the options granted was $29,760 ($0.1978 per option) and is included in stock based compensation expense and contributed surplus (Note 8).

The compensation charge for the options granted was determined based on the fair value of the options at the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	Options granted to directors, officers and advisors February 12, 2010	Options granted to a director July 26, 2010
Risk-free rate	2.24%	2.29%
Expected volatility of the Corporation's share price	100%	100%
Expected dividend yield	0.00%	0.00%
Expected life of each option	5.0 years	5.0 years

The following table summarizes information about the stock options outstanding and exercisable at September 30, 2010:

Exercise price per share ($)	Number of outstanding and exercisable options	Expiry date	Number of exercisable options
0.10	1,450,000	February 12, 2015	1,450,000
0.30	150,000	July 26, 2015	150,000
	1,600,000		1,600,000

(f) Earnings per share

Basic earnings per share is calculated based on the weighted average number of shares outstanding during the year of 13,552,054 (2009 - 2,086,644). Diluted earnings per share is based on the assumption that stock options have been exercised on the later of the beginning of the year and the date granted. As of September 30, 2010, 2,041,666 stock options (2009 – Nil) were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive.

8. CONTRIBUTED SURPLUS

The following table summarizes the changes in contributed surplus:

	Amount ($)
Balance September 30, 2008 and 2009	-
Estimated fair value of incentive options granted	139,380
Estimated fair value of Agent's option issued	21,400
Estimated fair value of Finder's options issued	5,650
Balance September 30, 2010	166,430

9. INCOME TAXES

The Corporation's effective income tax rate differs from the amount that would be computed from applying the federal and provincial statutory rate of 34.25% (2009 – 35.1%) to the pre-tax net loss for the year. The reasons for the difference are as follows:

	2010 Amount ($)	2009 Amount ($)
Income tax recovery based on statutory rates	110,114	2,829
Share issue costs	4,986	3,200
Non-deductible stock based compensation	(47,738)	-
Unrecorded tax benefit of losses	(78,878)	(5,800)
Deferred costs	11,516	-
Difference in tax rates	-	229
	-	-

Future Income Tax Assets

The Corporation's future income tax assets, computed by applying a future federal and provincial statutory rate of 31% are as follows:

	2010 Amount ($)	2009 Amount ($)
Non-capital losses carry-forward	80,170	8,777
Share issue costs	48,448	11,469
Deferred costs	(10,423)	-
Valuation allowance	(118,195)	(20,246)
	-	-

At September 30, 2010, the Corporation had non-capital loss carry-forwards of $258,613 which will expire between 2028 and 2030.

During the year the Corporation completed a Private Placement of flow through shares for total proceeds of $500,000 (Note 7(b(ii))).Upon renunciation of the related exploration expenses to the flow through shareholders the Corporation will record a future tax liability equal to approximately 31% of the actual exploration expenses renounced and an equivalent reduction in share capital.

10. RELATED PARTY TRANSACTIONS

Legal services were provided by an officer of the Corporation at a cost of $94,817 (2009 - $8,172).

Included in general and administrative and prepaid expense are insurance premiums amounting to $22,588 (2009 - $Nil) paid to a company owned by a director of the Corporation.

The transactions were in the normal course of operations and were measured at the exchange amounts, which are the amounts agreed to by the related parties.

11. COMMITMENTS

Upon closing of the Qualifying Transaction, proceeds from the flow through financing of $500,000 was included in cash. In order to renunciate the exploration expenses to shareholders who purchased the flow-through shares, the Corporation must expend by December 31, 2011 the $500,000 on eligible exploration expenditures as provided in the Income Tax Act.

The Corporation has a commitment in respect of its operating lease on its premises in Halifax which expires August 31, 2013. The Corporation has a one time option to terminate the lease effective August 31, 2012 by giving notice nine months in advance. The commitment requires total payments, including estimated common expenses, as follows:

	Amount ($)
Year ending September 30, 2011	20,635
Year ending September 30, 2012	20,988
Year ending September 30, 2013	19,565
Total	61,188

12. SUBSEQUENT EVENTS

On December 10, 2010, the Corporation announced that it had closed a non-brokered private placement financing for gross proceeds of $6,000,000 comprised of the sale of 24,000,000 common shares at a price of $0.25 per common share (the “Private Placement Financing”). In connection with the Private Placement Financing a finder’s fee in the form of an option to purchase 1,000,000 common shares of the Corporation at $0.25 per common share for two years from the date of closing was paid.