WINDARRA
MINERALS

Annual Report
For the Fiscal Year Ended September 30, 2010

MESSAGE TO SHAREHOLDERS

Windarra has a long history of successful exploration in the Mishibishu greenstone belt near Wawa, Ontario. The Company was involved in the discovery of the Magnacon Mine and has a net smelter return royalty on other claims in the immediate vicinity where Wesdome Gold Mines is operating. Wesdome and its predecessor have been producing gold for 20 yrs and single-handedly brought successful commercial production to the Mishibishu Gold Camp. In Wesdome's 3rd quarter statement to shareholders it states that Mishi Project (which is contiguous to our Mishi Leases) continues to demonstrate potential that exceeds expectations. We expect Wesdome to put the Mishi Pit back into production by the 4th Quarter, 2011.

In the last few years, the mineral exploration industry has seen significant growth, primarily as a result of increased demand led by China and India. Prices for both base and precious metals increased steadily, resulting in multi-year highs for a number of resource commodities. With improving metal prices and increasing demand, a need for the development of exploration projects has arisen. Companies such as Windarra Minerals remain key participants in identifying properties of merit, such as the Company's Pukaskwa and Mishi Leases, to explore and develop. The Company will seek to counter risks to the fullest extent possible by selecting exploration areas that are politically stable and have recognized geological potential to host economic deposits.

With a strong equities market, and the price of gold currently at 25 year highs, I look forward to a successful season of exploration in 2011.

On behalf of the Board of Directors

"John Pallot"

President

January 13, 2011

January 13, 2011

This Management Discussion and Analysis (MD&A) is provided for the purpose of reviewing the fourth quarter of fiscal 2010, as well as the fiscal year, and comparing results to the previous period. The MD&A should be read in conjunction with the Company's audited financial statements and corresponding notes for the fiscal years ending September 30, 2010 and 2009. The financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and all monetary amounts are expressed in Canadian dollars.

COMPANY OVERVIEW AND OVERALL PERFORMANCE

Financial

The Company raised $165,450 through the sale of 1,103,000 flow-through units of its securities at a price of $0.15 per unit. Each unit consists of one flow-through common share and one common share purchase warrant entitling the holder to subscribe for one additional common share at a price of $0.20 for a period of two years from closing.

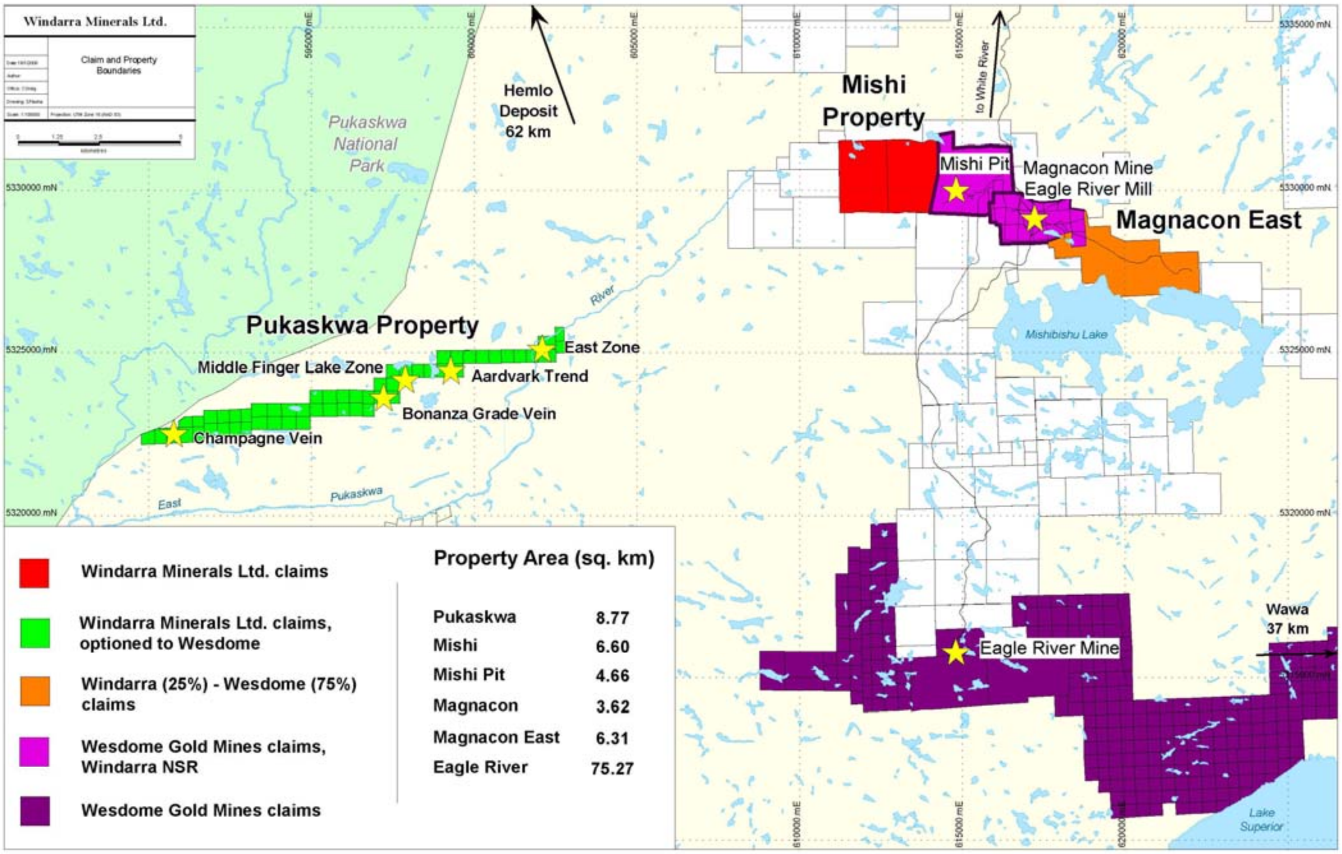
The Company also closed a brokered private placement subsequent to the fiscal year end for total gross proceeds of $908,900, through the issuance of 3,044,500 flow-through shares at a price of $0.20 and 2 million non-flow-through shares at a price of $0.15.

Flow-through funds raised are being used for continued exploration on the Company's Mishi gold prospect properties.

The Company's loss before other items for the year ended September 30, 2010 was $250,795 (2009 – $205,361). This increase is due to moderate increases in management fees, property investigation costs and public relations fees which is a reflection of increased activity during the current fiscal year.

RESULTS OF OPERATIONS

During the year ended September 30, 2010, the Company incurred $32,611 (2009 - $9,150) in expenditures on its Mishi property and $Nil (2009 – $8,338) in expenditures on its Pukaskwa claims.



Pukaskwa Claims, Ontario

The Pukaskwa property is located 50 kilometres west of Wawa, Ontario, less than 20 km northwest of Wesdome Gold Mines Ltd.'s ("Wesdome") Eagle River Mine, which has produced over 700,000 ounces of gold since 1995. The property also lies less than 20 km west-southwest of two highly prospective properties in which Windarra holds an interest. These are the Mishi leases (100% owned, see below) and the Magnacon East joint venture property (25% Windarra, 75% Wesdome), which lie on either side of Wesdome's Mishi-Magnacon complex. The Pukaskwa property consists of 55 contiguous unpatented mining claims which follow the east-northeast to west-southwest trending Mishibishu deformation zone for more than 12 kilometres. The deformation zone hosts many vein gold occurrences and showings, including the Mishi and Magnacon deposits, and it transects much of the length of the Mishibishu greenstone belt, an east-west trending belt of greenschist to amphibolite grade Archean volcanic and associated sedimentary rocks that are considered to be the western equivalent of the prolific Abitibi greenstone belt, west of the Kapuskasing structural zone.

Gold was identified within quartz veins that are hosted by Archean age rocks at the Pukaskwa property during exploration in the wake of the discovery of the Hemlo gold deposits in the early 1980's. The mines at Hemlo have produced over 20 million ounces of gold from a single deposit since discovery, and Hemlo is located only 80 kilometers north of the Pukaskwa property. Following significant exploration efforts in the 1980's and 1990's, when a host of gold occurrences were discovered, including the Champagne Vein and West Aardvark, little work was undertaken on the Pukaskwa property. In the fall of 2004, however, a new gold occurrence 0.5 kilometre southwest of the West Aardvark occurrence and 5 kilometres east of the Champagne vein was discovered. The new discovery, now known as the Bonanza-Grade zone, yielded values far in excess of previous discoveries on the property, and the new discovery renewed interest in the property.

Subsequent to the discovery of the Bonanza-Grade zone, Windarra's work, including a small drill program in 2007, led to a decision by Wesdome to option the Pukaskwa property in 2009. Wesdome undertook a 26 hole, 4100 meter drill program on the property in the winter of 2009/2010. The purpose of the drilling was to examine the size potential and continuity of the Middle Finger Lake Zone (MFLZ) and the Bonanza Showing. A total of 20 holes on 3 sections spaced 50m apart traced the MFLZ down-dip and down-plunge at 25m intervals to a depth of 250m. Although mineralization typical of the zone nearer to surface was intersected, the grades and widths proved sub-economic. Drilling results did not demonstrate reasonable continuity of the strong grades and widths identified by previous shallow drilling above depths of 50m. In addition, a total of 6 holes tested the Bonanza Showing down-dip and down-plunge of the high grade surface showing. The holes followed the projection of zone at 25m centres to a depth of 175m. The narrow quartz vein carrying coarse free gold at surface was not encountered in the drill holes. This year, Wesdome has been compiling historic work on the Champagne Vein, but has not announced any further exploration plans at this time, and no final decision on the Pukaskwa option has yet been taken. Wesdome can earn a 60% interest in the property by incurring mineral exploration expenditures of $3.0 million prior to June 30, 2014.

Mishi Leases and Mishi Open Pit

The Company owns a 100% interest in the two mining leases known as the Mishi Leases, as well as a royalty in respect to ore mined and milled from a third crown mining lease. Like the Pukaskwa property, the leases are located in the Sault Ste. Marie Mining Division, and in this case they are contiguous to the west with the lease on which Wesdome Gold Mines' Mishi Open Pit is located. Windarra has a royalty interest in ore mined from the Mishi Pit which provides for payment of $1.00/tonne for ore from open pit mining and $2.00/tonne for ore from underground mining; this is for ore mined in excess of 700,000 tonnes and is payable to the Company by Wesdome.

The Mishi deposit, which lies less than one km east of the boundary with the Mishi Leases, and only two kilometres west of Wesdome's Eagle River/Magnacon mill, has produced over 15,000 ounces of gold from over 135,000 tonnes of milled open pit ore at a recovered grade of 3.57 g/t Au. Because Wesdome's Mishi deposit lies only a short distance east of Windarra's Mishi Leases, and because the geology and mineralization bear strong similarities to that of the Mishi deposit, the "deposit model" employed by Windarra in exploring the leases is quite naturally based on the characteristics of Wesdome's Mishi deposit.

Wesdome recently announced a significant upgrade in the estimated resources for the Mishi deposit. This NI43-101 compliant estimate details Measured and Indicated Resources which total 5.7 million tonnes at 2.4 g/t Au, for a total of 438,000 ounces that are contained in eight easterly-plunging ore lenses (at a 1.0 g/t Au cut-off). Ninety percent of the resources are shallow and therefore open-pittable, with planned open pits reaching depths of 110 metres. Additional Inferred Resources total 1.2 million tonnes at 3.6 g/t Au for another 140,000 contained ounces, and according to Wesdome there is good potential to delineate further resources with additional drilling, as the deposit remains open both to depth and along strike.

Like the Mishi deposit, the Mishi Leases lie astride a flexure in the regional “Mishibishu deformation zone,” which parallels a contact between mafic volcanic and sedimentary rocks. At the Mishi deposit, mineralization occurs mainly as disseminated pyrite in sericitic alteration zones, sometimes accompanied by smokey quartz veinlets. Mineralization of a similar style on the Mishi Leases has yielded significant results in a number of areas, both in diamond drillholes and in trenches, and would be best characterized geophysically by IP chargeability highs. As a consequence, the goal during the upcoming drill program is to test a number of the geophysical anomalies identified in the deeper-looking IP survey which was undertaken on the Mishi Leases this past fall, in particular where such anomalies are associated with soil geochemical anomalies or encouraging results from previous exploration efforts. Specific drill targets, which are currently being worked up, will be selected on this basis. Drilling is scheduled to begin near the end of January, or early in February, 2011.

Magnacon Properties

The Magnacon Properties consist of 19 freehold patented claims and 7 leasehold patented claims at the Magnacon Property plus one leasehold claim (replacing 40 former mining claims) at the contiguous Magnacon East Property. In 2003, the claims were converted to 20-year leases. Windarra owned a 25% interest and Wesdome owned a 75% interest and was the operator of the exploration programs on the properties. During 2009, the Company sold the interest in the Magnacon Claims, retaining a 1% NSR royalty. The Company retains a 25% interest in the Magnacon East Property.

Little Deer Lake Claims, Saskatchewan

During the year ended September 30, 2008, the Company purchased a 20% interest in certain mineral claims in the La Ronge Mining Division, Saskatchewan from its former subsidiary Westward Explorations Ltd. as part of the sale of the Westward shares. These claims are carried in the accounts at a nominal value of $1.

The Company is engaged in the acquisition of mineral properties and there is no assurance that an economic mineral deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The Company will seek to counter these risks to the extent possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits.

Investment in Partnership

In 2003 the Company along with two other parties, formed a general partnership for the purpose of acquiring an interest in an Alberta Limited Partnership. In July 2010, the Company sold its interest in the partnership for proceeds of $249,096.

SELECTED ANNUAL INFORMATION

This discussion should be read in conjunction with the Company's annual audited financial statements dated September 30, 2010.

		Year ended September 30 2010		Year ended September 30 2009		Year ended September 30 2008
Income (loss) from continuing operations before income taxes	$	7,873	$	444,407	$	(227,095)
Per share	$	0.00	$	0.01	$	(0.01)
Income for the year	$	7,873	$	444,407	$	857,131
Basic and diluted earnings per share	$	0.00	$	0.01	$	0.03
Total Assets	$	1,714,605	$	1,533,656	$	1,100,905
Mineral properties and deferred exploration costs	$	941,363	$	908,752	$	916,265

September 30, 2010 compared to September 30, 2009

The Company's income for the year ended September 30, 2010 is not comparable to the previous fiscal year. Administrative expenses have stayed relatively stable, however, other items have included significant items in both years. During the year ended September 30, 2010, other items totalled $258,668 which included a gain on disposal of investment in partnership of $249,096. During the year ended September 30, 2009, other items totalled $649,768 which included a gain on disposal of the Magnacon property of $703,559.

During the year ended September 30, 2010, the Company's total assets increased by $180,949 as compared to September 30, 2009. Cash increased by $145,297 mainly as a result of the sale of the investment in partnership. The Company had working capital of $721,535 at September 30, 2010 as compared to working capital of $577,502 at September 30, 2009.

September 30, 2009 compared to September 30, 2008

The Company's income for the year ended September 30, 2009 is not comparable to the previous fiscal year. During the year ended September 30, 2008, the Company included a loss from Westward operations prior to disposition of $117,179 and a gain on sale of discontinued operations in the amount of $1,178,405. The expenses for the year ended September 30, 2009 were $90,808 lower than the previous year as the Company had no stock-based compensation expense in the current year (2008 – $113,000). Income from other items increased by $580,694 mainly due to a gain on sale of mineral properties in the amount of $703,559.

During the year ended September 30, 2009, the Company's total assets increased by $432,751 as compared to September 30, 2008. Cash increased by $585,654 mainly as a result of the sale of the Magnacon property which had been written down to $1. The Company also sold its investment in the common shares of Westward which had been written down to $1 for $88,834. The Company had working capital of $577,502 at September 30, 2009 as compared to a working capital deficiency of $17,933 at September 30, 2008.

SUMMARY OF QUARTERLY RESULTS

QUARTER ENDING	Sept. 30 2010	June 30 2010	Mar.31 2010	Dec.31 2009	Sept.30 2009	June 30 2009	Mar.31 2009	Dec. 31 2008
	$	$	$	$	$	$	$	$
Income (loss) before income taxes	175,876	(49,596)	(73,220)	(45,187)	(66,988)	668,959	(69,635)	(87,929)
Per share	0.01	(0.00)	(0.00)	(0.01)	(0.00)	0.00	(0.00)	(0.00)
Income (loss) for the quarter	175,876	(49,596)	(73,220)	(45,187)	(66,988)	668,959	(69,635)	(87,829)
Basic and diluted earnings (loss) per share	0.01	(0.00)	(0.00)	(0.00)	(0.00)	0.02	(0.00)	(0.00)

The Company showed income for the fourth quarter 2010 of $175,876 compared to a loss of $66,988 for the fourth quarter 2009. The main difference is the gain on disposal of the investment in partnership of $249,096 in the fourth quarter 2010. Administrative expenses remained relatively stable.

LIQUIDITY AND CAPITAL RESOURCES

The Company had working capital of $721,535 at September 30, 2010 as compared to a working capital of $577,502 at September 30, 2009. The Company's working capital situation has improved with the sale of the investment in partnership. Management is of the opinion that the Company has sufficient cash to sustain its current level of activity for the foreseeable future. However, if it decides to undertake new exploration projects, additional funds will have to be raised.

TRANSACTIONS WITH RELATED PARTIES

The Company entered into the following transactions with related parties during the year ended September 30, 2010:

a) paid or accrued corporate and administration fees of $32,250 to Susan Tessman, Corporate Secretary of the Company;

b) paid or accrued management fees of $69,000 to John Pallot, President of the Company;

c) paid or accrued geological consulting fees of $12,525, $5,581 of which is included in mineral property and exploration costs to Charles Greig, a director of the Company;

Included in accounts payable at September 30, 2010 is $9,999 owing to officers and directors of the Company.

These transactions were in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

CHANGE IN ACCOUNTING POLICIES

International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board ("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. The transition date for the Company will be October 1, 2011 and may require the restatement for comparative purposes of amounts reported for the year ended September 30, 2011. In order to assess the impact of the transition to IFRS on the Company's financial statements, the Company has the following plan:

Training - The CFO and the Company's financial consultant have attended several IFRS seminars given by the Institute of Chartered Accountants of B.C. and the Company's auditors. The objective of the training was to become aware of the timing of IFRS, comparing Canadian GAAP to IFRS and IFRS as it applies specifically to the mining industry. The CFO expects to continue with training during fiscal 2011.

Accounting policies – A review of the IFRS conversion process has been performed which highlighted key differences between GAAP and IFRS. A further detailed review will be concluded in the fourth quarter of fiscal 2011 to conclude its actions and to assist in the conversion process and the preparation of IFRS financial statements. The following is a list of IFRS standards that may have a potential impact on the financial statements of the Company and are considered most relevant to the Company's conversion process.

First Time Adoption (IFRS 1) – First-time adoption provides guidance to entities adopting IFRS for the first time. The key principle of IFRS 1 is full retrospective application of all IFRS in force at the closing balance sheet date in an entity's first IFRS financial statements. However, there are a number of exemptions that reduce the burden of retrospective application that will have to be reviewed by the Company.

Exploration for and Evaluation of Mineral Resources (IFRS 6, IAS 16, IAS 38) - IFRS allows the costs of exploration for and evaluation (E&E) of mineral resources to either be expensed as incurred or capitalized, in accordance with the entity's selected accounting policy. At the moment, the Company's policy is to capitalize the exploration expenses, unless the Company has not obtained the legal rights of the property or has already written off the property. IFRS requires that E&E costs be classified as either tangible or intangible assets, a segregation not being done under Canadian GAAP.

Impairment of Assets (IAS 36, IFRIC 10) - Like IFRS, Canadian GAAP requires an impairment testing when there is an indicator of impairment, except that under IFRS, the Company must assess if there is an indicator each reporting date. Unlike IFRS, the estimates of future cash flows used in assessing whether an impairment loss exists are not discounted under Canada GAAP. This might trigger more impairment testing under IFRS. Unlike IFRS, Canadian GAAP always recognizes impairment losses in the statement of earnings because the revaluations of long-lived assets are not permitted.

Share-based Compensation (IFRS 2) – Share based compensation is not expected to significantly impact the Company's financial statements. For stock options that vest over time, the Company recognizes stock–based compensation using the Black-Scholes valuation model and employing the graded vesting method.

Information systems – The accounting processes of the Company are simple as it is in the exploration stage and no major challenges are expected at this point to operate the accounting system under IFRS. Some spreadsheets will be adopted to support the changes made in accounting policies.

Conclusion - Based on the Company's review and management's assessment of IFRS, the Company does not anticipate the conversion to IFRS will have a significant impact on the Company's reported financial amounts and/or its business processes; however, the financial statement disclosure will be greatly expanded. The Company also expects to meet all reporting deadlines in its conversion to IFRS and will report any difficulties in meeting these deadlines.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, investments, investment in partnership, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Fair Values

The fair value of cash is determined using level one of the fair value hierarchy. The fair values of receivables and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments. Using level one of the fair value hierarchy, investments are adjusted to quoted market value at each reporting period.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) *Financial Instrument Risk Exposure*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's receivables consist primarily of sales tax receivables due from federal government agencies.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

I*nterest Rate Risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

MANAGEMENT'S REPORT OVER INTERNAL CONTROL OVER FINANCIAL REPORTING

In connection with Exemption Orders issued in November 2007 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined in NI 52-109.

OUTSTANDING SHARE DATA

As at September 30, 2010, the Company had 31,802,909 common shares outstanding. Subsequent to the fiscal year end the Company issued 3,044,500 flow-through shares at a price of $0.20 and 2 million non-flow-through shares at a price of $0.15 as part of a private placement.

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

Date of Grant	Amount	Exercise Price	Expiry Date	Type
Nov. 2, 2007	950,000	$0.15	Nov. 2, 2010	Director
Nov. 13, 2007	25,000	$0.15	Nov.13, 2010	Consultant
May 22, 2008	500,000	$0.17	May 22, 2011	Director
May 18, 2010	300,000	$0.15	May 18, 2013	Consultant
TOTAL	**1,775,000**			

During the fiscal year, 300,000 options exercisable at $0.15 per share for a period of three years were issued to a consultant. These options vested 60,000 on issuance, with the remainder vesting 60,000 every six months during the term of the consulting agreement. Subsequent to the fiscal year end, 975,000 options exercisable at $0.15 expired, and 1,475,000 options exercisable at $0.18 for a period of five years were granted to various directors, officers and consultants.

In September 2010, the Company issued 1,103,000 warrants pursuant to a private placement, exercisable at $0.20 for a period of two years.

ADDITIONAL INFORMATION

Additional information on Windarra Minerals Ltd. can be found by visiting the Company's website at www.windarra.com and by viewing regulatory filings on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE:

Fourth Quarter Statement of Operations

	Three Months Ended September 30 2010	2009
EXPENSES		
Amortization	$ 84	$ 119
Corporate and administration fees	7,875	7,575
Management and financial consulting fees	19,185	21,468
Office and miscellaneous	3,086	3,103
Property investigation costs	6,944	-
Professional fees	33,705	26,983
Public relations	3,899	2,494
Regulatory fees and transfer agent fees	1,254	1,194
Rent	7,020	6,499
Loss before other items	(83,052)	(69,435)
OTHER ITEMS		
Interest income	10,295	392
Gain on disposal of investment in partnership	249,096	-
Unrealized loss on investments	(463)	-
Reversal of previously recognized unrealized gain on investments	-	2,055
	258,928	2,447
Income (loss) and comprehensive income (loss) for the period	$ 175,876	$ (66,988)

SCHEDULE OF SHARE CAPITAL

As at the date of this Management Discussion & Analysis

Common Shares outstanding	36,847,409
Options outstanding	2,275,000
Warrants	1,103,000
Fully diluted share capital	40,225,409

AUDITORS' REPORT

To the Shareholders of
Windarra Minerals Ltd.

We have audited the balance sheets of Windarra Minerals Ltd. as at September 30, 2010 and 2009 and the statements of operations 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.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

January 13, 2011

	2010	2009
ASSETS		
Current		
Cash	$ 751,831	$ 606,534
Receivables	8,389	3,002
Prepaid expenses	2,194	1,800
	762,414	611,336
Equipment (Note 3)	775	1,108
Mineral properties and deferred exploration costs (Note 4)	941,363	908,752
Investment in partnership (Note 5)	-	100
Investments (Note 6)	10,053	12,360
	$ 1,714,605	$ 1,533,656
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 40,879	$ 33,834
Shareholders' Equity		
Capital stock (Note 7)	23,234,457	23,073,226
Contributed surplus (Note 7)	199,223	194,423
Deficit	(21,759,954)	(21,767,827)
	1,673,726	1,499,822
	$ 1,714,605	$ 1,533,656

Nature of operations and going concern (Note 1)
Subsequent event (Note 14)

On behalf of the Board:

"John Pallot" Director   *"Gary McDonald"* Director

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

	2010	2009
EXPENSES		
Amortization	$ 333	$ 475
Corporate and administration fees	32,250	30,776
Management and financial fees	79,025	69,860
Office and miscellaneous	12,494	10,993
Property investigation costs	13,929	-
Professional fees	46,414	41,220
Public relations	20,887	10,092
Regulatory fees and transfer agent fees	17,850	18,857
Rent	26,864	23,088
Travel and related costs	749	-
Loss before other items	(250,795)	(205,361)
OTHER ITEMS		
Interest income	11,879	414
Gain on sale of mineral property (Note 4)	-	703,559
Gain on disposal of investment in partnership (Note 5)	249,096	-
Unrealized loss on investments	(2,307)	(774)
Reversal of previously recognized unrealized gain on investments	-	(142,264)
Realized gain on sale of investments (Note 6)	-	88,833
	258,668	649,768
Net income and comprehensive income for the year	7,873	444,407
Deficit, beginning of year	(21,767,827)	(22,212,234)
Deficit, end of year	$ (21,759,954)	$ (21,767,827)
Basic and diluted earnings per common share	$ 0.00	$ 0.01
Weighted average number of common shares outstanding during the year	30,727,106	30,699,909

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

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	$ 7,873	$ 444,407
Items not affecting cash:		
Amortization	333	475
Fair value of property investigation cost warrants	4,800	-
Gain on sale of mineral property	-	(703,559)
Gain on disposal of investment in partnership	(249,096)	-
Unrealized loss on investments	2,307	774
Reversal of previously recognized unrealized gain on investments	-	142,264
Gain on sale of investments	-	(88,833)
Changes in non-cash working capital items:		
Decrease (increase) in receivables	(5,387)	1,875
Increase in prepaid expenses and deposits	(394)	-
Increase (decrease) in accounts payable and accrued liabilities	(2,843)	(11,656)
Net cash used in operating activities	(242,407)	(214,253)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of mineral properties, net of costs	-	703,561
Mineral properties and deferred exploration costs	(22,623)	(17,488)
Mineral properties and deferred exploration recoveries	-	25,000
Proceeds from sale of investments	-	88,834
Proceeds on disposal of investment in partnership	249,096	-
Net cash provided by investing activities	226,473	799,907
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued for cash	165,450	-
Share issue costs	(4,219)	-
Net cash provided by financing activities	161,231	-
Change in cash during the year	145,297	585,654
Cash, beginning of year	606,534	20,880
Cash, end of year	$ 751,831	$ 606,534

Supplemental disclosure with respect to cash flows (Note 11)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company is incorporated under the laws of British Columbia and its principal business activities include the acquisition and exploration of mineral properties.

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

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These financial statements do not reflect adjustments that would be necessary if the going concern assumptions were not appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates.

Key areas where management has made complex or subjective judgements include: carrying value of mineral properties and deferred exploration costs, stock-based compensation and future income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments

Financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measures in the balance sheet either at fair value except for loans and receivables, held-to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired.

The Company has classified its cash and investments as held-for-trading. Receivables are classified as loans and receivables. Investment in partnership is classified as held-to-maturity. Accounts payable and accrued liabilities are classified as other liabilities.

Equipment

Equipment, consisting of computer equipment, is recorded at cost less accumulated amortization. Amortization is being provided for using the declining balance method at the rate of 30% per annum.

Mineral properties and deferred exploration costs

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the proven and probable reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property. Properties which have reached the production stage will have a gain or loss calculated based on the portion of that property sold.

2. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

Mineral properties and deferred exploration costs (cont'd)

The recorded cost of mineral exploration interests is based on cash paid, the assigned value of share considerations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependant on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

Asset retirement obligations

The Company's asset retirement obligation policy requires recognition of a legal liability for obligations relating to retirement of equipment and mineral properties, and arising from the acquisition, construction, development or normal operation of those assets. Such asset retirement cost must be recognized at fair value in the period in which it is incurred, added to the carrying value of the asset, and amortized into income on a systematic basis over its useful life.

Investment in partnership

The Company's investment in a partnership is accounted for by the cost basis of accounting.

Future income taxes

Future income taxes are recorded using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Flow-through common shares

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. Capital stock is reduced and future income tax liability increased by the estimated tax benefits transferred to shareholders. Upon renunciation of flow-through expenditures, a portion of the future income tax assets that were not recognized in previous years due to the recording of a valuation allowance are recognized as a recovery of income taxes on the statement of operations.

Stock-based compensation

The Company uses the fair value method of accounting for all stock-based compensation and estimates the fair value using the Black-Scholes option pricing model. Any consideration paid by the option holders to purchase shares is credited to capital stock.

Earnings per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year.
Earnings per share is calculated using the weighted-average number of common shares outstanding during the year.

Recently Adopted Accounting Policies

Effective October 1, 2009, the Company adopted new accounting policy of the Canadian Institute of Chartered Accountants ("CICA"):

Financial instruments – disclosures

CICA Handbook Section 3862, "Financial instruments – disclosures" was amended to require disclosure about the inputs used in making fair value measurements, including their classification within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

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

Level 3 – Inputs that are not based on observable market data.

See Note 12 for relevant disclosures.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Recent Accounting Pronouncements

International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board ("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. The transition date for the Company will be October 1, 2011 and will require the restatement for comparative purposes of amounts reported for the year ended September 30, 2011. The impact of the transition to IFRS on the Company's consolidated financial statements is under evaluation.

Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-Controlling Interests" which replace CICA Handbook Sections 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 IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections will be applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning on October 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

3. EQUIPMENT

	2010			2009		
	Cost	**Accumulated Amortization**	**Net Book Value**	**Cost**	**Accumulated Amortization**	**Net Book Value**
Computer equipment	$ 7,388	$ 6,613	$ 775	$ 7,388	$ 6,280	$ 1,108

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

	2010			
	Pukaskwa Claims, Ontario	Mishi Property, Ontario	Other Properties	Total
Balance, beginning of year	$ 851,600	$ 57,150	$ 2	$ 908,752
Additions during the year:				
Equipment rental	-	4,751	-	4,751
Geology	-	5,581	-	5,581
Lease rentals	-	2,279	-	2,279
Line cutting	-	20,000	-	20,000
	-	32,611	-	32,611
Balance, end of year	$ 851,600	$ 89,761	$ 2	$ 941,363

	2009			
	Pukaskwa Claims, Ontario	Mishi Property, Ontario	Other Properties	Total
Balance, beginning of year	$ 868,262	$ 48,000	$ 3	$ 916,265
Additions during the year:				
Geology	5,820	8,828	-	14,648
Lease rentals	2,518	322	-	2,840
	8,338	9,150	-	17,488
Option agreement earn-in	(25,000)	-	-	(25,000)
Sale of mineral property interests	-	-	(1)	(1)
Balance, end of year	$ 851,600	$ 57,150	$ 2	$ 908,752

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (cont'd)

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 are in good standing.

Magnacon Claims, Ontario

During the year ended September 30, 2009, the Company sold its interest in the Magnacon claims in Ontario for proceeds of $750,000 in cash and retained a 1% net smelter returns royalty (“NSR”) for a gain of $703,559. Upon production, the Company will also be entitled to have the purchaser mill up to a maximum of 50,000 metric tonnes of ore per year from the claims at a cost equal to the production cost of such milling plus $2.00 per tonne of ore milled.

Magnacon East Block Claims, Ontario

The Company holds a 25% interest in certain claims in the Sault Ste. Marie Mining Division, Ontario. The Company previously wrote down related mineral property and deferred exploration costs to a nominal value of $1. The Company has not been required to contribute to field geology and surface drilling costs incurred during the years ended September 30, 2010 and 2009.

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (cont'd)

Pukaskwa Claims, Ontario

During the year ended September 30, 2009, the Company granted an option to earn-in up to a 60% undivided working interest in its Pukaskwa Claims. In return, the optionee made an initial cash payment of $25,000 and has agreed to expend an aggregate of $3,000,000 in exploration and development expenses on the claims over a five year period ending June 30, 2014. Once the optionee has earned the 60% interest, the optionee and the Company will be deemed to have formed a joint venture.

Little Deer Lake Claims, Saskatchewan

During the year ended September 30, 2008, the Company purchased a 20% interest in certain mineral claims in the La Ronge Mining Division, Saskatchewan from Westward Explorations Ltd. (“Westward”), a former subsidiary which has a common officer and director. These claims are carried in the accounts at a nominal value of $1.

Tulks South, Newfoundland

During the year ended September 30, 2002, the Company, pursuant to an assignment agreement, was granted a 2%NSR on the share of production of Messina Minerals Inc. (“Messina”), a company related by way of common directors, from the Tulks South massive sulphide property in Newfoundland. Messina has the right to buy back the Company’s royalty at any time prior to commercial production for $2,000,000.

Mishi Property, Ontario

During the year ended September 30, 2008, the Company acquired a 100% interest in certain mining leases and a royalty interest in the Sault Ste. Marie Division in Ontario. The royalty interest provides for payment of $1.00 per tonne for ore from open pit mining and $2.00 per tonne for underground mining in excess of 700,000 tonnes mined. The Company issued 400,000 common shares valued at $48,000 in consideration for this acquisition.

5. INVESTMENT IN PARTNERSHIP

During the year ended September 30, 2010, the Company disposed of its investment in 1999 Investment Co. Limited Partnership, an Alberta limited partnership, for proceeds of $249,096.

No cash distributions were received by the Company from the partnership in the year ended September 30, 2010 nor the year ended September 30, 2009.

6. INVESTMENTS

Investments consist of shares in publicly traded companies valued at the market price as published in the TSX Venture Exchange daily market summary.

		2010		2009
Fair value	$	10,053	$	12,360
Cost	$	25,105	$	25,105

Included in investments at September 30, 2010 and September 30, 2009, are 105,042 common shares of Messina with a market value of $8,403 (2009 - $10,504). During the year ended September 30, 2009, the Company disposed of 474,215 common shares in Westward resulting in a gain of $88,833.

7. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Amount	Contributed Surplus
		$	$
Authorized			
Unlimited common shares without par value			
Issued			
Balance at September 30, 2008 and 2009	30,699,909	23,073,226	194,423
Issued for cash	1,103,000	165,450	-
Share issue costs	-	(4,219)	-
Fair value of options granted	-	-	4,800
Balance at September 30, 2010	31,802,909	23,234,457	199,223

During the year ended September 30, 2010, the Company issued 1,103,000 units at a price of $0.15 per unit for total proceeds of $165,450 pursuant to a private placement. Each unit consisted of one flow-through common share and one share purchase warrant exercisable into one common share at a price of $0.20 for a period of two years.

Warrants

	Number of Options	Weighted Average Exercise Price
Balance, September 30, 2008	2,825,000	$ 0.25
Expired	(2,825,000)	$ 0.25
Balance, September 30, 2009	-	
Issued	1,103,000	$ 0.20
Balance, September 30, 2010	1,103,000	$ 0.20

At September 30, 2010, the Company had 1,103,000 (2009 – Nil) common share purchase warrants outstanding, exercisable into one common share at a price of $0.20 until September 21, 2012.

7. CAPITAL STOCK AND CONTRIBUTED SURPLUS (continued)

Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Stock options expire 90 days subsequent to termination.

During the year ended September 30, 2010, the Company issued 300,000 (2009 – Nil) stock options to a consultant with a fair value of $0.08 per option. Subsequent to the year ended September 30, 2010, 975,000 stock options at an exercise price of $0.15 expired.

Following is a summary of stock options outstanding at September 30, 2010:

Number of Shares		Exercise Price	Expiry Date
950,000	$	0.15	November 2, 2010
25,000	$	0.15	November 13, 2010
500,000	$	0.17	May 22, 2011
300,000	$	0.15	May 18, 2013
1,775,000			

7. CAPITAL STOCK AND CONTRIBUTED SURPLUS (cont'd)

Stock options (cont'd)

Stock option transactions for the year are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, September 30, 2008 and 2009	1,475,000	$ 0.16
Options issued	300,000	$ 0.15
Balance, September 30, 2010	1,775,000	$ 0.16
Number of options currently exercisable	1,535,000	$ 0.16

Stock-based compensation

During the year ended September 30, 2010, the Company issued 300,000 stock options with a fair value of $0.08 per option for a total value of $24,000 to a consultant, $4,800 of which was expensed as property investigation costs during the year. The options are exercisable at a price of $0.15 per share for a period of three years with 60,000 options vested on issuance, and 60,000 vesting each six months thereafter during the term of the agreement. The agreement may be terminated by either party on one month's notice.

The fair value of stock options issued was estimated on the grant date using the Black-Sholes option-pricing model. For the year ended September 30, 2010, the weighted average assumptions used in the calculation of fair value are as follows:

Risk-free interest rate	2.15%
Expected life of options	3 years
Annualized volatility	110%
Dividend rate	0.00%

No stock options were granted during the year ended September 30, 2009.

8. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the year ended September 30, 2010:

a) paid or accrued corporate and administration fees of $32,250 to an officer of the Company (2009 - $30,776);

b) paid or accrued management fees of $69,000 to an officer and director of the Company (2009 - $58,000);

c) paid or accrued geological consulting fees of $12,525 (2009 - $14,614) to a director of the Company, $5,581 (2009 - $14,614) of which is included in mineral property and exploration costs;

d) sold nil (2009 – 474,215) common shares of Westward, for total proceeds of $nil (2009 – $88,834), resulting in a gain of $nil (2009 - $88,833).

Included in accounts payable at September 30, 2010 is $9,999 (2009 - $2,145) owing to officers and directors of the Company.

As at September 30, 2010, the Company held 105,042 (2009 - 105,042) shares of Messina with a market value of $8,403 (2009 - $10,504).

These transactions were in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

9. SEGMENTED INFORMATION

The Company primarily operates in Canada in one industry segment being the acquisition and exploration of mineral properties.

10. INCOME TAXES

		2010		2009
Income for the year before taxes	$	7,873	$	444,407
Expected income tax expense (recovery)	$	2,000	$	134,000
Other		(385,000)		(571,000)
Partnership income subject to tax		383,000		500,000
Unrecognized (recognized) benefits of non-capital losses		-		(63,000)
Total income tax recovery	$	-	$	-

		2010		2009
Future income tax assets:				
Capital loss carryforward	$	1,790,000	$	518,000
Financing costs		1,000		1,000
Capital assets		1,000		7,000
Investments		7,000		7,000
Investment in partnership		-		1,139,000
Resource expenditures		2,302,000		2,111,000
		4,101,000		3,783,000
Net future income tax assets before valuation allowance		(4,101,000)		(3,783,000)
Net future income tax assets	$	-	$	-

Partnership income accounted for on a cost basis is $Nil (2009 - $Nil) whereas allocated partnership income for income tax purposes is $1,327,823 (2009 - $1,660,711).

10. INCOME TAXES (cont'd)

Subject to certain restrictions, the Company also has resource deductions available to reduce taxable income in future years. The Company also has capital losses totalling $14,319,000 which can be carried forward indefinitely.

Future tax benefits which may arise as a result of these capital losses and resource expenditures have been offset by a valuation allowance and have not been recognized in these financial statements.

During the year ended September 30, 2010, the Company agreed to renounce deductions for Canadian exploration expenditures to be incurred on its resource properties in connection with the flow-through shares issued in September 2010 in the amount of $165,450.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the year ended September 30, 2010, the Company had the following significant non-cash transactions:

a) incurred accounts payable for deferred exploration costs of $9,988; and,
b) issued 300,000 stock options with a fair value of $24,000, $4,800 of which has been included in property investigation costs.

The Company had no significant non-cash transactions during the year ended September 30, 2009.

The Company did not pay any cash for interest expense or income taxes for the year ended September 30, 2010 nor for the year ended September 30, 2009.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, receivables, investments, investment in partnership, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Fair Values

The fair value of cash is determined using level one of the fair value hierarchy. The fair values of receivables and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments. Using level one of the fair value hierarchy, investments are adjusted to quoted market value at each reporting period.

(a) *Financial Risk Management*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

Fair Values (cont'd)

(b) *Financial Instrument Risk Exposure*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's receivables consist primarily of sales tax receivables due from federal government agencies.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

13. CAPITAL MANAGEMENT

The Company defines its capital that it manages as cash, term deposits and equity, consisting of issued common shares, stock options and warrants. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. The Company does not have any externally imposed capital requirements.

14. SUBSEQUENT EVENTS

Subsequent to the year ended September 30, 2010:

a) the Company closed a brokered private placement consisting of 3,044,500 flow-through shares at a price of $0.20 per share and 2,000,000 non-flow-through shares at a price of $0.15 per share for total net proceeds of $818,400; and
b) 975,000 stock options expired and the Company issued 1,475,000 options to directors, officers and consultants exercisable at $0.18 for a period of five years.

CORPORATE DATA
JANUARY 2011

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CAPITALIZATION

Authorized:	Unlimited
Issued:	36,847,409
Options:	2,275,000
Warrants	1,103,000

LISTINGS

TSX Venture Exchange
Trading Symbol: WRA
Cusip No.: 973151 10 3