TINTINA RESOURCES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED

MARCH 31, 2013

(UNAUDITED – PREPARED BY MANAGEMENT)

TINTINA RESOURCES INC.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying interim condensed consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

May 13, 2013

TINTINA RESOURCES INC.

INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2013 AND SEPTEMBER 30, 2012

(Unaudited - Expressed in Canadian Dollars)

	March 31, 2013	September 30, 2012
ASSETS		
Current		
Cash and cash equivalents	$ 9,353,369	$ 14,969,000
Amounts receivable	137,432	149,852
Amounts due from related parties (Note 8)	26,642	-
Prepaid expenses and other assets	173,238	160,305
	9,690,681	15,279,157
Non-current		
Property, plant and equipment (Note 4)	30,634	32,444
Resource properties (Note 5)	720,365	1,779,402
	750,999	1,811,846
Total assets	$ 10,441,680	$ 17,091,003
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 311,008	$ 762,601
Provision for asset retirement obligation	10,160	9,832
	321,168	772,433
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	58,124,240	58,124,240
Share-based payment reserve	6,862,903	5,911,397
Foreign currency reserve	(692,654)	(780,355)
Accumulated deficit	(54,173,977)	(46,936,712)
	10,120,512	16,318,570
Total equity and liabilities	$ 10,441,680	$ 17,091,003

COMMITMENTS (Note 10)

SUBSEQUENT EVENTS (Note 12)

Approved by the Board on May 13, 2013

"Gerald Booth"	*"Steven Khan"*
Director	Director

TINTINA RESOURCES INC.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2013 AND 2012

(Unaudited - Expressed in Canadian Dollars)

	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012	Six Months Ended March 31, 2013	Six Months Ended March 31, 2012
EXPENSES				
Advertising, promotion and investor relations	$ 99,502	$ 143,084	$ 240,849	$ 258,108
Director and management fees	141,262	108,333	221,262	177,083
Depreciation	3,450	3,613	6,587	7,730
Salary and wages	146,761	269,100	300,080	447,430
Exploration and evaluation costs (Note 5)	1,285,967	2,899,041	4,095,243	4,466,692
Foreign exchange loss	409	7,506	2,913	13,908
Loss on disposal of assets	-	15,107	-	15,107
Office, administration and miscellaneous	168,078	17,282	260,742	150,193
Professional fees	79,940	94,694	140,500	126,725
Share-based payments (Note 7)	293,651	445,087	951,506	867,253
Loss from operations	(2,219,020)	(4,002,847)	(6,219,682)	(6,530,229)
OTHER ITEMS				
Interest income	26,323	73,484	62,871	148,625
Other income (Note 8)	2,461	32,359	22,461	54,732
Write-off of mineral property (Note 5)	(1,102,915)	(1,061,527)	(1,102,915)	(1,061,527)
Loss for the period	(3,293,151)	(4,958,531)	(7,237,265)	(7,388,399)
Other comprehensive income				
Currency translation adjustment	47,287	(73,361)	87,701	(886,802)
COMPREHENSIVE LOSS FOR THE PERIOD	$ (3,245,864)	$ (5,031,892)	$ (7,149,564)	$ (8,275,201)
BASIC AND DILUTED LOSS PER SHARE	$ (0.02)	$ (0.03)	$ (0.05)	$ (0.05)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	142,139,580	142,139,580	142,139,580	142,139,580

TINTINA RESOURCES INC.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED MARCH 31, 2013 AND 2012

(Unaudited - Expressed in Canadian Dollars)

	Common Shares					
	Number of Shares	Amount	Share-based Payments Reserve	Foreign Currency Reserve	Accumulated Deficit	Total
Balance at October 1, 2011	142,139,580	$ 58,124,240	$ 4,709,102	$ 220,647	$ (31,851,465)	$ 31,202,524
Loss for the period	-	-	-	-	(7,388,399)	(7,388,399)
Other comprehensive income (loss)	-	-	-	(886,802)	-	(886,802)
Share-based payments	-	-	867,255	-	-	867,255
Balance at March 31, 2012	142,139,580	$ 58,124,240	$ 5,576,357	$ (666,155)	$ (39,239,864)	$ 23,794,578
Balance at October 1, 2012	142,139,580	$ 58,124,240	$ 5,911,397	$ (780,355)	$ (46,936,712)	$ 16,318,570
Loss for the period	-	-	-	-	(7,237,265)	(7,237,265)
Other comprehensive income (loss)	-	-	-	87,701	-	87,701
Share-based payments	-	-	951,506	-	-	951,506
Balance at March 31, 2013	142,139,580	$ 58,124,240	$ 6,862,903	$ (692,654)	$ (54,173,977)	$ 10,120,512

TINTINA RESOURCES INC.

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED MARCH 31, 2013 AND 2012

(Unaudited - Expressed in Canadian Dollars)

		Six months ended March 31, 2013		2012
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Loss for the period	$	(7,237,265)	$	(7,388,399)
Items not involving cash				
Depreciation		6,587		7,730
Disposal of fixed assets		-		15,107
Write-off of mineral properties		1,102,915		1,061,527
Interest income		(62,871)		-
Unrealized foreign exchange loss (gain)		24,822		-
Share-based payments		951,506		867,253
		(5,214,306)		(5,436,782)
Working capital adjustments:				
Amounts receivable		(56,532)		(37,462)
Due from related parties		(26,642)		(37,600)
Interest earned but not received		100,042		-
Prepaid expenses and other assets		(12,933)		23,748
Accounts payable and accrued liabilities		(451,593)		(1,336,366)
Asset retirement obligation		328		(507)
Interest received		31,781		-
Cash provided by(used in) operating activities		(5,629,855)		(6,824,969)
INVESTING ACTIVITIES				
Short-term investments		-		7,000,000
Purchase of equipment, net		(4,777)		(16,195)
Resource properties		(13,474)		320,538
Cash provided by(used in) investing activities		(18,251)		7,304,343
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE PERIOD		(5,648,106)		479,374
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		32,475		(886,802)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		14,969,000		9,606,132
CASH AND CASH EQUIVALENTS, END OF PERIOD	$	9,353,369	$	9,198,704

1. NATURE OF OPERATIONS

Tintina Resources Inc. (the "Company") was incorporated (TSX.V TAU.V) on July 30, 1998 under the laws of British Columbia and is a mining exploration and development company. The address of the Company's corporate office and its principal place of business is Suite 2560-200 Granville Street, Vancouver, British Columbia, V6C 1S4, Canada.

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related exploration and evaluation costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim condensed consolidated financial statements are unaudited and have been prepared in accordance with IAS 34 'Interim Financial Reporting' ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies applied by the Company in these interim condensed consolidated financial statements are the same as those applied to the consolidated financial statements as at and for the year ended September 30, 2012.

3. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard is effective for annual periods beginning on or after January 1, 2015. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The Company will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces the portion of IAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 *Consolidation – Special Purpose Entities*.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27.

This standard becomes effective for annual periods beginning on or after January 1, 2013.

(Unaudited - Expressed in Canadian Dollars)

3. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED (continued)

IFRS 12 Disclosure of Involvement with Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard becomes effective for annual periods beginning on or after January 1, 2013.

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements.

IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Company is currently assessing the impact that this standard will have on the financial position and performance. This standard becomes effective for annual periods beginning on or after January 1, 2013.

Amendments to other standards

In addition, there have been other amendments to existing standards, including IAS 27 – *Separate Financial Statements* and IAS 28 – *Investments in Associates and Joint Ventures*. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to IFRS 13.

The Company is currently assessing the impact of all of the above mentioned new standards.

4. PROPERTY, PLANT AND EQUIPMENT

Cost	Computer Equipment	Computer Software	Office Equipment	Furniture and Fixtures	Total
As at October 1, 2011	$ 72,229	$ 65,934	$ 4,542	$ 3,401	$ 146,106
Additions	6,786	10,840	-	-	17,626
Disposals	(6,257)	(4,425)	(2,826)	(1,599)	(15,107)
As at September 30, 2012	72,758	72,349	1,716	1,802	148,625
Additions	4,777	-	-	-	4,777
As at March 31, 2013	$ 77,535	$ 72,349	$ 1,716	$ 1,802	$ 153,402

(Unaudited - Expressed in Canadian Dollars)

4. PROPERTY, PLANT AND EQUIPMENT (continued)

Accumulated Depreciation	Computer Equipment	Computer Software	Office Equipment	Furniture and Fixtures	Total
As at October 1, 2011	$ 53,640	$ 44,339	$ 1,625	$ 1,737	$ 101,341
Depreciation	5,936	8,748	91	65	14,840
As at September 30, 2012	59,576	53,087	1,716	1,802	116,181
Depreciation	3,042	3,545	-	-	6,587
As at March 31, 2013	$ 62,618	$ 56,632	$ 1,716	$ 1,802	$ 122,768

Net book value	Computer Equipment	Computer Software	Office Equipment	Furniture and Fixtures	Total
As at September 30, 2012	$ 13,182	$ 19,262	$ -	$ -	$ 32,444
As at March 31, 2013	$ 14,917	$ 15,717	$ -	$ -	$ 30,634

5. RESOURCE PROPERTIES

Expenditures as at March 31, 2013 and September 30, 2012:

Resource properties	October 1, 2012	Acquisition costs for the six month period	Currency translation	Property Write-down	March 31, 2013
Black Butte Copper	$ 663,732	$ 11,787	$ 44,846	$ -	$ 720,365
Baird	386,323	843	10,015	(397,181)	-
Kugruk	729,347	844	(24,457)	(705,734)	-
Total	$ 1,779,402	$ 13,474	$ 30,404	$ (1,102,915)	$ 720,365

Resource properties	October 1, 2011	Acquisition costs for the year	Currency translation	Property Write-down	September 30, 2012
Black Butte Copper	$ 507,711	$ 195,702	$ (39,681)	$ -	$ 663,732
Baird	336,519	78,202	(28,398)	-	386,323
Kugruk	759,074	85,067	(114,794)	-	729,347
Colorado Creek	1,254,518	1,428	(194,172)	(1,061,774)	-
Total	$ 2,857,822	$ 360,399	$ (377,045)	$ (1,061,774)	$ 1,779,402

(Unaudited - Expressed in Canadian Dollars)

5. RESOURCE PROPERTIES (continued)

	Exploration and evaluation costs for the six months ended			
Exploration and evaluation costs		March 31, 2013		March 31, 2012
Black Butte Copper	$	3,962,133	$	4,126,342
Baird		126,800		237,041
Kugruk		4,161		74,019
Colorado Creek		-		10,691
Other		2,149		18,599
Total	$	4,095,243	$	4,466,692
Cumulative costs at beginning of year		23,386,795		12,707,547
Cumulative costs at period end	$	27,482,038	$	17,174,239

Black Butte Copper

i) Black Butte Copper 2010 Leases

On May 2, 2010, the Company, through its wholly-owned subsidiary TAEI, entered into mining lease agreements and a surface use agreement (collectively, the “Black Butte Agreements”) with the owners of the Black Butte copper-cobalt-silver property in central Montana, United States. The Black Butte property consists of approximately 7,684 acres of fee-simple lands and 4,541 acres in 239 Federal unpatented lode mining claims in central Montana.

The Black Butte Agreements provide the Company, through its subsidiary, with exclusive use and occupancy of any part of the property that is necessary for exploration and mining activities for an initial term of 30 years, which can be extended by Tintina for additional periods of 10 years by giving prior notice within the time specified in the agreements. The Black Butte Agreements provide for surface lease payments and, prior to commercial production, advance minimum royalty payments to be paid to the lessors, in cash, and a net smelter returns (“NSR”) royalty of 5% after commencement of commercial production, if any. The Company has the right to buy down this royalty to 2% at any time after completion of a feasibility study by making payments to the lessors totalling US$10,000,000.

The following is a schedule of payments translated from U.S. dollars to Canadian dollars as at March 31, 2013:

Payments

$	140,863	May 2, 2010, execution of agreement (Anniversary Date)
	140,863	On May 2, 2011
	140,863	On May 2, 2012
	230,949	On May 2, 2013
	321,012	On May 2, 2014
	436,476	On May 2, 2015
	10,911,900	$436,476 annually on the Anniversary Date to May 2, 2040
$	12,322,926	Total lease payments excluding buy down of NSR royalty of 5%

(Unaudited - Expressed in Canadian Dollars)

5. RESOURCE PROPERTIES (continued)

Black Butte Copper (continued)

ii) Black Butte Copper 2011 Leases

During the year ended September 30, 2011, the Company, through its subsidiary, staked additional claims on federal lands and entered into mining lease agreements.

The additional mining lease agreements were entered under similar terms as the Black Butte Agreements as described above. The Company was granted the sole and exclusive use and occupancy of any part of the property that is necessary for exploration and mining activities for an initial term of 30 years, which can be extended by the Company for additional periods of 10 years by giving prior notice within the time specified in the agreements. The additional Black Butte Agreements provide for surface lease payments and, prior to commercial production, advance minimum royalty payments to be paid to the lessors, in cash, and a NSR royalty of 5% after commencement of commercial production, if any. The Company has the right to buy down this royalty to 2% at any time after completion of a feasibility study by making payments to the lessors totalling US$5,000,000.

The following is a schedule of payments translated from U.S. dollars to Canadian dollars as at March 31, 2013:

Payments

$	5,080	June 10, 2011, execution of agreement (Anniversary Date)
	15,240	On December 10, 2011, six months following the Agreement date
	40,640	On June 10, 2012 and on June 10, 2013 ($20,320 each year)
	76,200	On June 10, 2014, on June 10, 2015, and on June 10, 2016 ($25,400 each year)
	91,440	On June 10, 2017, on June 10, 2018, and on June 10, 2019 ($30,480 each year)
	106,680	On June 10, 2020, on June 10, 2021, and on June 10, 2022 ($35,560 each year)
	121,920	On June 10, 2023, on June 10, 2024, and on June 10, 2025 ($40,640 each year)
	812,800	$50,800 annually on the 15th Anniversary Date to June 10, 2041
$	1,270,000	Total lease payments excluding buy down of NSR royalty of 5%

Agreements with Affiliates of Rio Tinto and NovaGold

The Company entered into an agreement dated August 27, 2008 with affiliates of NovaGold Resources Inc. ("NovaGold") to purchase a 100% interest in mineral claims comprising over 390,000 acres in Alaska. On March 6, 2009, the Company completed and closed the acquisition.

The agreement with NovaGold entitling the Company to acquire an interest in five mineral properties in Alaska, United States as outlined below, was amended on November 27, 2008 to change the closing date from November 30, 2008 to December 31, 2008 and to allow for separate closings for the five mineral properties in Alaska. The five Alaska mineral properties comprise of Colorado Creek, Kugruk, Tintina, Baird, and Omilak. Tintina and Omilak were dropped in fiscal year 2009 and fiscal year 2010, respectively. Colorado Creek was dropped in fiscal year 2012.

5. RESOURCE PROPERTIES (continued)

Following is a description of the Alaska properties:

a) Baird

The Company owns the mineral property rights on the Baird property, which comprises of 58,640 acres in 371 Alaska state mining claims. 311 of the 371 claims are 100% owned by the Company through its wholly-owned subsidiary TAEI. The remaining 60 claims are subject to an amended earn-in agreement that was signed on October 21, 2011.

The amended agreement with a non-related party enables the Company to acquire up to an initial 60% undivided interest in those mining claims. In order to maintain the option in good standing and earn an initial 60% interest, minimum US$500,000 of exploration and evaluation costs must be incurred every 12 month period commencing January 1, 2012 until US$4,000,000 of exploration and evaluation costs have been expended on or prior to December 31, 2015. In addition, the Company will have completed on those mining claims not less than 2,000 metres of drilling on or prior to December 31, 2015.

When the Company has incurred up to a total of US$4,000,000, the non-related party will decide either to participate in a joint venture with the Company, to hold the remaining 40% interest in the mining claims, or to receive 2% NSR. If the non-related party elects to receive 2% NSR, the Company will immediately be deemed to have earned a 100% interest in the 60 claims. The Company may purchase one half of the 2% NSR for US$3,000,000, adjusted for changes in the consumer price index.

On March 31, 2013, the Company wrote off $397,181 of its mineral property interest in Baird as the Company focuses its efforts on the Black Butte Copper project.

b) Kugruk

The Kugruk property (comprised of 84,320 acres in 536 Alaska state mining claims) is located 115 km south of Kotzebue in the low tundra of the northern Seward Peninsula and 20 km from northern margin of the Seward Peninsula at Kotzebue Sound. Tintina leases four 160-acre claims from a non-related party and owns the remaining claims through one of its subsidiaries, Tintina Alaska Mining Inc.

On March 31, 2013, the Company wrote off $705,734 of its mineral property interest in Kugruk as the property was sold subsequent to period end. Refer to Note 12.

6. SHARE CAPITAL

a) Authorized: The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and outstanding 142,139,580 (September 30, 2012 – 142,139,580) common shares
See Condensed Consolidated Statements of Changes in Equity for details.

Warrants

As at March 31, 2013, the Company had 12,500,000 warrants outstanding (September 30, 2012 – 12,500,000). Warrants outstanding at March 31, 2013 will expire on February 2, 2014.

(Unaudited - Expressed in Canadian Dollars)

7. STOCK OPTION PLAN AND SHARE-BASED PAYMENTS

The Company adopted a rolling stock option plan (the “Plan”) to grant options to directors, senior officers, employees, independent contractors and consultants of the Company. The Plan reserves for issuance up to 10% of the issued and outstanding share capital of the Company from time to time, and provides that it is solely within the discretion of the Board or, if the Board so elects, by a committee consisting of not less than two of its members appointed by the Board, to determine who should receive options and in what amounts. Options granted under the Plan are for a term not to exceed 10 years from the date of their grant and are exercisable at a price not less than the discounted market price (which is the market price less a discount of 25% for a closing price of up to $0.50, a discount of 20% for a closing price of $0.51 to $2.00, and a discount of 15% for a closing price above $2.00, subject to a minimum of $0.10).

The Company uses the Black Scholes option valuation model to value stock options. The Black Scholes model estimates the fair value of stock options that have no vesting restrictions and are fully transferable.

On October 23, 2012, the Company granted to directors, officers, employees and consultants a total of 4,779,264 stock options under the Company's Stock Option Plan. The options are exercisable at a price of $0.30 per share for a period of 5 years, and vest 1/3 on grant, 1/3 after one year and the remaining 1/3 after two years.

On November 14, 2012, the Company granted to directors and officers a total of 676,736 stock options under the Company's Stock Option Plan. The options are exercisable at a price of $0.30 per share for a period of 5 years, and vest 1/3 on grant, 1/3 after one year and the remaining 1/3 after two years.

Stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance, October 1, 2011	8,089,878	$0.68
Granted	1,815,000	$0.50
Forfeited	(316,668)	$0.86
Cancelled	(1,011,917)	$0.67
Balance, September 30, 2012	8,576,293	$0.64
Granted	5,456,000	$0.30
Forfeited	(383,336)	$0.37
Cancelled	(54,999)	$0.74
Balance, March 31, 2013	13,593,958	$0.51

(Unaudited - Expressed in Canadian Dollars)

7. STOCK OPTION PLAN AND SHARE-BASED PAYMENTS (continued)

The following table summarizes stock options outstanding and exercisable at March 31, 2013:

	Options Outstanding			Options Exercisable	
Exercise Price $	Number of Options	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price $	Number Exercisable	Weighted Average Exercise Price $
0.30	5,189,332	4.57	0.30	1,818,655	0.30
0.49	1,700,817	0.94	0.49	1,700,817	0.49
0.50	3,404,999	2.94	0.50	2,901,660	0.50
0.55	100,000	2.23	0.55	100,000	0.55
0.61	350,000	2.64	0.61	300,000	0.61
0.65	66,666	3.17	0.65	66,666	0.65
0.90	2,429,999	2.87	0.90	2,429,999	0.90
0.99	302,145	1.29	0.99	302,145	0.99
1.04	50,000	2.90	1.04	50,000	1.04
	13,593,958	3.25	0.51	9,669,942	0.58

Stock options outstanding at March 31, 2013 will expire between March 9, 2014 and November 14, 2017. No stock options were granted during the three months ended March 31, 2013.

8. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company entered into the following transactions with related parties:

		Six months ended March 31,		
		2013		**2012**
Payments to related party:				
Service agreement fees (a)		4,363		10,199
	$	4,363	$	10,199
Services provided to related parties:				
Rental income (b)	$	7,500	$	12,000
Administration and finance income (b)		19,142		42,732
	$	26,642	$	54,732

(Unaudited - Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

a) Service fees were incurred and paid to NovaGold under an arms-length market-based service agreement for exploration services, human resource and land management services. NovaGold is a related party, having a director and a major shareholder in common with the Company. As at March 31, 2013, outstanding balance was $nil (September 30, 2012 - $nil).

b) Rental fees, geological services fees, and administration and finance fees were charged to related parties as follows:

i) AsiaBaseMetals Inc. is a related party having two directors and a major shareholder in common with the Company. The Company earned $7,500 and $13,035 of rental income and administrative and finance income respectively during the six months ended March 31, 2013. As at March 31, 2013, rent and administrative fees of $20,535 (September 30, 2012 - $nil) were due from AsiaBaseMetals Inc. for office space and services rendered.

ii) Administration and finance income of $4,753 was earned from Mantra Capital Inc., a related party having two directors in common with the Company. As at March 31, 2013, outstanding balance was $4,753 (September 30, 2012 - $nil).

iii) Administration and finance income was earned and receivable from a company owned by the Chief Executive Officer (“CEO”) and Director for administration and financial services. As at March 31, 2013, outstanding balance was $1,354 (September 30, 2012 - $nil). Subsequent to period end, the CEO and Director tendered his resignation. Refer to Note 12.

Key management personnel compensation:

The remuneration of directors and other members of key management is as follows:

	Six months ended March 31, 2013	Six months ended March 31, 2012
Short-term benefits	$ 544,863	$ 563,687
Share-based payments	774,030	479,440
Total remuneration	$ 1,318,893	$ 1,043,127

9. SEGMENT INFORMATION

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of resource properties. The resource properties are located in the States of Alaska and Montana in the United States.

As at March 31, 2013

	Canada	United States	Total
Other Assets	7,963,510	1,757,805	9,721,315
Resource properties	-	720,365	720,365
Total Assets	$ 7,963,510	$ 2,478,170	$ 10,441,680
Total Liabilities	$ 208,915	$ 112,253	$ 321,168

(Unaudited - Expressed in Canadian Dollars)

9. SEGMENT INFORMATION (continued)

As at September 30, 2012

		Canada		**United States**		**Total**
Other Assets		13,357,416		1,954,185		15,311,601
Resource properties		-		1,779,402		1,779,402
Total Assets	$	13,357,416	$	3,733,587	$	17,091,003
Total Liabilities	$	215,672	$	556,761	$	772,433

		Canada		**United States**		**Total**
Loss for the six months ended March 31, 2013	$	(1,170,482)	$	(6,066,783)	$	(7,237,265)
Loss for the six months ended March 31, 2012	$	(1,861,690)	$	(5,526,709)	$	(7,388,399)

10. COMMITMENTS

a) In June 2012, the Company entered into a sublease lease agreement for office premises at a rate of $147,358 per annum for a three year term expiring on August 30, 2015. As at March 31, 2013, future payments committed are $356,115.

b) The Company has commitments to incur exploration and evaluation costs as disclosed in Note 5.

11. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform to the current year's presentation. Such reclassification is for presentation purposes only and had no effect on previously reported results.

12. SUBSEQUENT EVENTS

On April 22, 2013, the founding Director of the Company tendered his resignation as Chief Executive Officer and Director of the Company. A board member of the Company is acting as interim Chief Executive Officer effective April 24, 2013

On May 1, 2013, the Company sold its interest in the mineral claims of the Kugruk property to an unrelated third party. The Company retains a royalty interest in the mineral claims in the form of a 1.5% NSR on any proceeds derived from mining and sale of minerals. Further, the Company retains a first right of refusal for a period limited to 10 years, in the event the mineral claims were elected to be transferred to another third party or allowed to lapse.