Condensed Consolidated Interim Financial Statements of

West Kirkland Mining Inc.

(formerly Anthem Ventures Capital Corp.)
(An exploration stage company)

For the Six Months Ended June 30, 2011 and 2010

(Expressed in Canadian dollars)

(Unaudited)

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West Kirkland Mining Inc.
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Condensed Consolidated Interim Statement of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

		Unaudited June 30, 2011		Unaudited December 31, 2010 (Note 15)
Assets				
Current assets:				
Cash	**$**	**4,159,658**	$	6,977,283
Accounts receivable and prepaid expenses		**321,359**		179,733
		4,481,017		7,157,016
Reclamation bond (Note 4)		**91,782**		16,776
Property and equipment (Note 5)		**166,196**		112,095
Mineral properties (Note 6)		**5,278,186**		2,917,948
	$	**10,017,181**	$	10,203,835
Liabilities and Shareholders' Equity				
Current liabilities:				
Trade payables and other	**$**	**715,840**	$	352,704
		715,840		352,704
Shareholders' equity:				
Share capital (Note 7(b))		**11,093,229**		10,807,339
Warrant reserve (Note 7(c))		**-**		9,617
Share based payment reserve (Note 7(d))		**395,780**		395,118
Foreign currency translation reserve		**(126,142)**		(44,847)
Deficit		**(2,061,526)**		(1,316,096)
		9,301,341		9,851,131
	$	**10,017,181**	$	10,203,835

Continuing operations (Note 1)
Commitments and contingencies (Note 12)
Subsequent events (Note 14)

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

Approved on behalf of the Board on August 23, 2011

/s/ "R. Michael Jones" — Director

/s/ "Eric Carlson" — Director

West Kirkland Mining Inc.
(formerly Anthem Ventures Capital Corp.)
(an exploration stage company)

Condensed Consolidated Interim Statement Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended June 30, 2011	Three months ended June 30, 2010 (Note 15)	Six months ended June 30, 2011	Six months ended June 30, 2010 (Note 15)
Revenues				
Interest income	**$ 11,113**	$ -	$ 23,607	$ -
Expenses				
Salaries and benefits	**87,169**	14,302	197,843	14,302
Professional fees	**74,219**	71,493	113,170	106,687
Shareholder relations	**46,249**	35,532	104,550	36,809
Management and consulting fees	**42,488**	72,824	84,288	72,824
Office and general expense	**39,451**	18,113	82,042	18,312
Travel	**25,331**	7,388	61,954	7,388
Rent	**22,681**	22,017	45,537	36,695
Filing and transfer agent fees	**10,170**	10,277	24,975	10,277
Administration fees	**10,500**	12,250	21,000	12,250
Depreciation expense	**11,787**	-	17,985	-
Stock compensation expense	**961**	196,037	12,168	196,037
Property investigation costs	**3,763**	700	6,826	700
	374,769	460,933	772,338	512,281
Net loss for the period	**$ (363,656)**	$ (460,933)	$ (748,731)	$ (512,281)
Foreign currency translation reserve adjustment	**(24,589)**	-	(81,295)	-
Comprehensive loss for the period	**$ (388,245)**	$ (460,933)	$ (830,026)	$ (512,281)
Basic and diluted loss per common share (Note 7(e))	**(0.02)**	(0.04)	(0.03)	(0.06)
Weighted average number of common shares outstanding:				
Basic and diluted	**25,860,044**	10,521,901	25,742,338	8,169,023

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

West Kirkland Mining Inc.

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Condensed Consolidated Interim Statement of Changes in Shareholders' Equity

(Expressed in Canadian dollars)
(Unaudited)

	Share Capital		Reserves				
	Number	**Amount**	**Warrants**	**Share Based Payment Reserve**	**Foreign Currency Translation**	**Deficit**	**Total**
		$	$	$	$	$	$
Opening balance		-	-	-	-	-	-
Issued on inception	2,000,000	2,000	-	-	-	-	2,000
Private placement	1,110,000	55,500	-	-	-	-	55,500
Net loss for the period	-	-	-	-	-	(530)	(530)
Balance, December 31, 2009	3,110,000	57,500	-	-	-	(530)	56,970
Issued for cash	2,680,000	1,217,500	-	-	-	-	1,217,500
Share issue costs		(40,600)	-	-	-	-	(40,600)
Balance, May 27, 2010	5,790,000	1,234,400	-	-	-	(530)	1,233,870
Reverse takeover transaction (Note 3)							
Exchanged for West Kirkland shares	(5,790,000)	-	-	-	-	-	-
Issued pursuant to acquisition	5,790,000	29,906	-	-	-	-	29,906
West Kirkland shares recognized	3,710,000	-	-	-	-	-	-
Revaluation of stock options (Note 3)	-	(75,330)	-	75,330	-	-	-
Private placements	12,100,000	6,071,698	-	-	-	-	6,071,698
Issued as agent's commission	304,500	152,250	-	-	-	-	152,250
Share issue costs	-	(460,675)	14,957	-	-	-	(445,718)
Mineral properties – option payments (Note 6)	350,000	175,000	-	-	-	-	175,000
Stock-based compensation	-	-	-	196,037	-	-	196,037
Other comprehensive loss	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	-	(512,281)	(512,281)
Balance at June 30, 2010[1]	22,254,500	7,127,249	14,957	271,367	-	(512,811)	6,900,762
Private placements	2,956,233	3,587,479	3,302	-	-	-	3,590,781
Share issue costs	-	(225,463)	-	-	-	-	(225,463)
Issued upon exercise of warrants	412,575	318,074	(8,642)	-	-	-	309,432
Stock-based compensation	-	-	-	123,751	-	-	123,751
Other comprehensive loss	-	-	-	-	(44,847)	-	(44,847)
Net loss for the period	-	-	-	-	-	(803,285)	(803,285)
Balance at December 31, 2010	25,623,308	10,807,339	9,617	395,118	(44,847)	(1,316,096)	9,851,131
	-	-	-	-	-	-	-
Issued upon exercise of warrants	301,425	232,385	(6,316)	-	-	-	226,069
Expired warrants	-	-	(3,301)	-	-	3,301	-
Issued upon the exercise of options	70,000	53,505	-	(11,506)	-	-	41,999
Stock-based compensation	-	-	-	12,168	-	-	12,168
Other comprehensive loss	-	-	-	-	(81,295)	-	(81,295)
Net loss	-	-	-	-	-	(748,731)	(748,731)
Balance at June 30, 2011	**25,994,733**	**11,093,229**	**-**	**395,780**	**(126,142)**	**(2,061,526)**	**9,301,341**

[1]Equity at June 30, 2010 unchanged from Canadian GAAP

West Kirkland Mining Inc.

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Condensed Consolidated Interim Statements of Cashflow

(Expressed in Canadian dollars)
(Unaudited)

	Six months ended June 30, 2011	Six months ended June 30, 2010
Cash flows provided by (used in):		
Operating activities		
Net loss for period	**$ (748,731)**	$ (512,281)
Items not involving cash:		
Stock compensation expense	**12,168**	196,037
Depreciation	**17,985**	-
Changes in non-cash working capital:		
Accounts receivable and prepaids	**(141,626)**	(32,074)
Accounts payable and accrued liabilities	**(201,490)**	286,420
	(1,061,694)	(61,898)
Investing activities		
Mineral properties (Note 6)	**(1,783,038)**	(375,664)
Property and equipment	**(84,663)**	-
Reclamation bond	**(75,006)**	-
	(1,942,707)	(375,664)
Financing activities		
Issuance of share capital	**268,070**	6,988,338
	268,070	6,988,338
Net cash inflow (outflow)	**(2,736,331)**	6,550,776
Effect of exchange rate change on foreign subsidiary	**(81,295)**	-
Cash, beginning of period	**6,977,283**	31,009
Cash, end of period	**$ 4,159,658**	$ 6,581,785

Supplemental cash flow information (Note 13)

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

1. Continuing Operations

West Kirkland Mining Inc. (formerly Anthem Ventures Capital Corp.) ('West Kirkland' or the 'Company') was incorporated on April 3, 2007, under the Company Act of the Province of British Columbia, Canada. The Company was a capital pool corporation, and on May 28, 2010, completed its Qualifying Transaction as that term is defined in TSX Venture Exchange Policy 2.4. The Company acquired all of the issued and outstanding shares of WK Mining Corp. ('WK Mining') (Note 3) which has been accounted for as a reverse takeover that does not constitute a business combination. As a result, these unaudited interim condensed consolidated financial statements reflect the financial position, operating results and cash flows of the Company's legal subsidiary, WK Mining. The address of the Company's registered office is Suite 328 – 550 Burrard Street, Vancouver, BC, V6C-2B5

The Company is an exploration company working on mineral properties it has staked or acquired by way of option agreement, principally in Ontario and Nevada. The Company has not yet determined whether these mineral properties contain any economically recoverable ore reserves. The Company defers all acquisition, exploration and development costs related to the properties on which it is conducting exploration. The recoverability of these amounts is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of the interests, and future profitable production, or alternatively, upon the Company's ability to dispose of its interests on a profitable basis.

These financial statements have been prepared in accordance with International Financial Reporting Standards, ('IFRS') applicable to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses from inception and does not currently have any revenue generating operations. The Company's ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity to the public, will be sought to finance the operations of the Company. If the going concern assumption was not appropriate, the future financial statements would require revision and restatement on a liquidation basis.

2. Significant Accounting Policies

a) Statement of Compliance and Conversion to International Financial Reporting Standards

The Canadian Accounting Standards Board ('AcSB') confirmed in February 2008, that IFRS will replace Canadian Generally Accepted Accounting Principles ('GAAP') for publicly accountable enterprises for financial periods beginning on or after January 1, 2011.

These condensed consolidated financial statements, including comparatives have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ('IAS 34') using accounting policies consistent with International Financial Reporting Standards ('IFRS').

These are the Company's second set of condensed consolidated interim financial statements prepared using IFRS. The date of transition to IFRS was January 1, 2010. Previously the Company had prepared its consolidated annual financial statements and its condensed consolidated interim financial statements in accordance with Canadian GAAP. See Note 15 for a reconciliation of prior period GAAP financial information with current year IFRS compliant comparative figures, as well as a description of all elections taken at January 1, 2010 (the 'transition date').

b) Basis of Presentation

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis. In addition, these unaudited condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for the cash flow information.

These consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, ('IAS 34') and do not include all the information required for full annual audited financial statements. They should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2010 prepared in accordance with GAAP.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated statements, and have been applied consistently by the Company and its subsidiaries.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as at August 23, 2011, the date the Board of Directors approved these condensed consolidated interim financial statements for issue.

The standards that will be effective in the annual financial statements for the year ending December 31, 2011 are subject to change and may be affected by additional interpretation(s). Accordingly, the accounting policies for the annual period that are relevant to these condensed consolidated interim financial statements will be determined only when the first IFRS financial statements are prepared for the year ending December 31, 2011.

c) Principles of Consolidation

These financial statements include the accounts of the Company and its wholly-owned legal subsidiaries, WK Mining and WK Mining (USA) Ltd. All material intercompany transactions and balances are eliminated on consolidation.

On May 28, 2010, the Company acquired all the issued and outstanding shares of WK Mining. The transaction was recorded as a reverse takeover that does not constitute a business combination. As a result, these interim consolidated financial statements reflect the financial position, results of operations and cash flows of the legal subsidiary, WK Mining as at and for the period ended June 30, 2010. The operating results of the legal parent (formerly Anthem Ventures Capital Corp.) have been included in these consolidated financial statements commencing May 28, 2010. The number of common shares outstanding is those of the Company, the legal parent.

d) Foreign Currency

Items included in the condensed consolidated financial statements are measured in each entity's functional currency. Each entity's functional currency is determined by the primary environment the entity operates in. The functional currency of the Company and WK Mining is the Canadian Dollar. The functional currency of the Company's subsidiary, WK Mining (USA) Ltd., is the United States Dollar.

The presentation currency of the Company is the Canadian Dollar. For the purpose of presenting the period end financial statements, assets and liabilities of the Company's foreign subsidiary are expressed in Canadian dollars using the closing rates at the date of the financial positions being presented. Income and expense items are translated at the average exchange rates for the periods being presented. The exchange differences that arise on translation are recognized as a component of other comprehensive

income or loss and recorded in equity as 'foreign currency translation reserve.' Accumulated amounts in the foreign currency translation reserve will be recognized as profit or loss in the period when the foreign operation is disposed of.

Transactions in currencies which are not the entity's functional currency are translated to the functional currency at exchange rates at the date of transaction. At each financial position reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated.

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost and are depreciated annually on a declining balance basis at the following rates with one half of annual depreciation recorded in the year of acquisition:

Bridge	10%
Field Equipment	30%
Leasehold Improvements	20%
Vehicles	30%
Computer Software	100%

The depreciation, useful life and residual values are assessed annually.

f) Exploration and Evaluation Expenditures

Expenditures incurred prior to obtaining the legal right to explore are expensed as incurred.

Exploration and evaluation ('E&E') costs incurred after the legal right to explore is obtained, but before technical feasibility and commercial viability of the project have been demonstrated are capitalized as E&E assets. These include the costs of acquiring the licenses and directly attributable general and administrative costs. All applicable costs are capitalized as either tangible or intangible E&E assets depending on the nature of the assets acquired. The costs are accumulated in cost centers by exploration area.

g) Development and Production Costs

When technical feasibility and commercial viability of a property is established and the Company determines that it will proceed with development, all E&E costs attributable to that area are reclassified to construction in progress within property, plant and equipment or as intangible assets depending on the nature of the expenditure. If economically recoverable ore deposits are developed, the capitalized costs of the related property will be amortized using the unit-of-production method following the commencement of production.

h) Impairment of Non-financial Assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated in order to determine whether an impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

An asset or cash generating unit recoverable amount is the higher of fair value less costs to sell and value to use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized.

Industry specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure on further exploration and evaluation activities is neither budgeted or planned;
- Title to the asset is compromised;
- Adverse changes in variations in commodity prices and markets; and
- Variations in the exchange rate for the currency of operation

i) Financial Instruments

i) Financial Assets

The Company's financial assets are classified into one of the following categories, depending on the purpose for which the asset was acquired. The four categories are:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held to maturity investments
- Available for sale financial assets

<u>Financial Assets at Fair Value Through Profit or Loss ("FVTPL")</u>

This category comprises derivatives, assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term or assets designated as FVTPL upon initial recognition. These assets are carried on the statement of financial position at fair value, with the changes in fair value recognized in the statement of (loss) income for the period.

<u>Loans and Receivables</u>

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Loans and receivables are initially recognized at the transaction value and subsequently carried at amortized cost less impairment losses. Any impairment loss of receivables is based on a review of outstanding amounts at the period end. Bad debts are recognized in the period they are identified. Cash and accounts receivable are classified as loans and receivables.

<u>Held to Maturity Investments</u>

These assets are non-derivative financial assets with no fixed or determinable payments and fixed maturities that the Company's management has the intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest rate method. If there is objective

evidence that the investment is impaired, the financial asset is measured at the estimated present value of future cashflows discounted at the entity's original effective interest rate. Any changes to the carrying amount of the investment are recognized in the statement of (loss) income. The reclamation bonds are classified as held to maturity investments.

Available for Sale Financial Assets

Non-derivative financial assets not included in the above categories are stated at fair value and held as available for sale. Gains and losses arising from changes in fair value are recognized in equity in the investment revaluation reserve. No assets have been or are currently classified as available for sale.

ii) Financial Liabilities

The Company classifies its financial liabilities into one of two categories:

- Financial liabilities at fair value through profit or loss
- Other financial liabilities

Fair Value Through Profit or Loss

This category comprises derivatives, liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term and liabilities designated upon initial recognition as FVTPL. They are carried in the balance sheet at fair value with changes in fair value recognized in the statement of (loss) income.

Other Financial Liabilities

Borrowings and other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs, and are subsequently stated at amortized cost each period. The Company has classified accounts payable and accrued liabilities as other financial liabilities.

(iii) Classification of Financial Instruments

IFRS 7 establishes a fair value hierarchy that reflects significance of inputs in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. process) or indirectly (i.e. derived from process); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of the Company's cash approximates fair value and it is designated as level 1.

j) Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

k) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and highly liquid investments with an original maturity of three months or less.

l) Share-based Payments

The share option plan allows the Company's board of directors to grant options to Company employees and consultants to acquire shares of the Company. The fair value of options granted as measured by the Black-Scholes formula options pricing model, is recognized as a stock based compensation expense and recognized over the length of the vesting period of each tranche, while the corresponding amount is recognized in the share-based payments reserve. At each financial reporting date, the number of options recognized as an expense is adjusted to reflect the number of options actually expected to vest going forward. An individual is classified as an employee when they are an employee for legal purposes, or primarily performing services similar to the services that would be provided by a legal employee.

m) Revenue

Revenue will be recorded when the fair value of the consideration is received or receivable and will be recognized to the extent that it is probable that the economic benefits will flow to the Company and when the revenue can be reliably measured.

Interest income is recognized as it accrues using the effective interest rate method.

n) Loss Per Share

Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments such as options granted to employees.

o) Income Taxes

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are recorded using the statement of financial position liability method. Under the statement of financial position liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to unused tax losses and unused tax credits and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The following temporary differences are not provided for: initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable loss and is not a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits and temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Flow-through shares are a unique Canadian tax incentive which is the subject of specific guidance under GAAP however there is no equivalent IFRS guidance. Therefore, the Company has adopted a policy whereby the premium paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issue is credited to other liabilities and included in income at the time the qualifying expenditures are made. The recognition of a future income tax liability upon renunciation of the flow-through expenditures is recorded as an income tax expense in the period of renunciation.

p) Restoration, Rehabilitation and Environmental Obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when the environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operation license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation or environmental obligations as any disturbance to date is immaterial.

q) Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

Significant areas requiring the use of estimates and assumptions include the review of asset carrying values and estimated useful lives, valuation of share based payments, recoverability of future income tax assets and provisions for the reclamation of properties.

r) Significant Accounting Judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations (Note 2(q)), that have the most significant effect on the amounts recognized in the Company's condensed consolidated interim financial statements are related to the economic recoverability of the mineral properties, the determination of functional currency for the Company and its subsidiaries, the determination that the reverse acquisition of WK Mining (Note 3) represents an acquisition of an asset rather than a business combination and the assumption that the Company will continue as a going concern.

s) New Accounting Standards and Interpretations

The following are IFRS changes that have been issued by the International Accounting Standards Board, which may affect the Company, but are not yet effective.

IAS 27, Separate Financial Statements, replaced the existing IAS 27 "Consolidated and Separate Financial Statements". IAS 27 contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. IAS 27 requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9 Financial Statements. IAS 27 is effective for annual periods beginning on or after January 27, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IAS 27 on its financial results and financial position.

IAS 28, Investments in Associates and Joint Ventures, was amended in 2011 and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IAS 28 on its financial results and financial position.

IFRS 7, Financial Instruments: Disclosures, was amended in October 2010 to provide additional disclosure on the transfer of financial assets including the possible effects of any residual risks that the transferring entity retains. These amendments are effective as of July 1, 2011. The Company is assessing the effect of the changes to IFRS 7 on its financial statement disclosures.

IFRS 9, Financial Instruments, was issued in November 2009 and is the first step to replace current IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 used a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach is IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2013. The Company is assessing the effect of IFRS 9 on its financial results and financial position; however any changes are not expected to be material.

IFRS 10, Consolidated Financial Statements, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 supersedes IAS 27, Consolidated and Separate Financial Statements, and SIC-12, Consolidation – Special Purpose Entities, and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IFRS 10 on its financial results and financial position.

IFRS 11, Joint Arrangements, establishes principles for financial reporting by parties to a joint arrangement. IFRS 11 supersedes current IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities – Non-Monetary Contributions by Venturers, and is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. The Company is assessing the effect of the changes to IFRS 11 on its financial results and financial position.

IFRS 12, Disclosure of Interest in Other Entities, sets out the required disclosures for entities reporting under the two new standards IFRS 10 and IFRS 11. The new rules also replace the disclosure requirements currently found in IAS 28 Investments in associates. IFRS 12 requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. IFRS 12 is effective for periods beginning on or after January 1, 2013. The Company is currently evaluating the impact of these amendments to IFRS 12 on its consolidated financial statements.

IFRS 13, Fair Value Measurement, defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except for: share-based payment transactions within the scope of IFRS 2 Share-based Payment; leasing transactions within the scope of IAS 17 Leases; measurements that have some similarities to fair value but that are not fair value, such as net realizable value in IAS 2 Inventories or value in use in IAS 36 Impairments of Assets. This standard is effective for annual periods beginning on or after January 1, 2013, with early application permitted. The Company is currently evaluating the effect of the changes to IFRS 13 on its consolidated financial statements.

3. Acquisition of WK Mining Corp.

On May 28, 2010, the Company acquired all the issued and outstanding shares of WK Mining. As consideration the Company issued 5,790,000 common shares of the Company to the shareholders of WK Mining.

The transaction was recorded as a reverse takeover that does not constitute a business combination. As a result, these condensed consolidated interim financial statements reflect the financial position, operating results and cash flows of the legal subsidiary, WK Mining, as at and for the period ended June 30, 2010. The operating results of the Company have been included commencing May 28, 2010. The number of common shares outstanding are those of the Company, the legal parent.

Under reverse takeover accounting, the issuance of the 5,790,000 common shares is deemed to have been issued by WK Mining for the net assets of West Kirkland. The purchase cost and allocation of costs to the Company's assets and liabilities are as follows:

Net assets acquired at fair value:	
Cash	$ 391,768
Accounts receivable	102,119
Mineral interests	22,071
Accounts payable and accrued liabilities	(486,052)
	$ 29,906
Consideration:	
Share capital – issuance of 5,790,000 common shares	$ 29,906
	$ 29,906

Certain stock options granted by the Company on October 12, 2007, with an exercise price of $0.20 and expiry date of October 12, 2012, have been revalued as at May 28, 2010. The fair value of these stock options was estimated using the Black-Scholes pricing model with the following assumptions:

Expected life	2.38 years
Risk-free interest rate	1.99%
Expected volatility[1]	40%
Expected dividends	$Nil

[1]As there is no trading history for the Company, the expected volatility is based on historical volatility of a peer group of companies

The fair value of these options of $75,330 has been charged to share capital.

4. Reclamation Bond

The Company's US subsidiary, WK Mining (USA) Ltd., has a reclamation bond amounting to $16,744 (US$17,365) as required by the Bureau of Land Management (the "BLM") for disturbance of ground required to complete exploration work on the Goldstorm Project located in Northern Nevada. The funds are held in the State of Nevada's reclamation performance bond pool. The amount of the bond was calculated to reflect the estimated cost of the BLM reclaiming the disturbance in the event that the Company is unable to do the reclamation. To have the bond returned to the Company, the Company must reclaim the disturbed area to a state deemed acceptable by the BLM.

WK Mining (USA) has also posted a statewide bond of $29,088 (US$30,000) to the BLM in the state of Nevada for disturbance of ground required to complete exploration work on the Fronteer Project. This is a statewide bond and is applicable to work done on any property in Nevada. The funds are held in the State of Nevada's reclamation performance bond pool. The Company has transferred permits associated with the KB project from Fronteer to the Company's name. As part of this permit transfer process the Company posted $7,093 (US$7,315) from its statewide bond to the KB project. The Company has $23,397 (US$22,685) available in its statewide bond at this time.

WK Mining (USA) has also posted a statewide bond of $46,103 (US$47,800) to the BLM in the state of Utah for disturbance of ground required to complete exploration work on the TUG Project. This is a statewide bond and is applicable to work done on any property in Utah. The funds are held in the State of Utah's reclamation performance bond pool. They are held in an interest bearing account and will be returned with interest when the projects are successfully reclaimed.

5. Property and Equipment

The Company holds the following property, plant and equipment at June 30, 2011:

Cost	Computer Software	Bridge	Field Equipment	Leasehold Improvements	Vehicles	Total
Balance as at January 1, 2010	$ -	$ -	$ -	$ -	$ -	$ -
Additions	-	53,460	56,148	5,226	8,874	123,708
Balance as at December 31, 2010	-	53,460	56,148	5,226	8,874	123,708
Additions	83.311	-	-	-	-	83,311
Foreign exchange movement	-	-	(1,405)	-	-	(1,405)
Balance June 30, 2011	**83,311**	**53,460**	**54,743**	**5,226**	**8,874**	**205,614**
Accumulated Depreciation						
Balance as at January 1, 2010	-	-	-	-	-	-
Additions	-	1,337	8,421	523	1,331	11,612
Balance as at December 31, 2010	-	1,337	8,421	523	1,331	11,612
Additions	17,985	1,269	7,090	505	1,168	28,017
Foreign exchange movement	-	-	(212)	-	-	(212)
Balance at June 30, 2011	**$ 17,985**	**$ 2,606**	**$ 15,300**	**$ 1,028**	**$ 2,499**	**$ 39,417**
Net book value, June 30, 2011	**$ 77,113**	**$ 51,489**	**$ 43,174**	**$ 4,451**	**$ 6,959**	**$ 183,186**
Net book value, January 1, 2010	$ -	$ -	$ -	$ -	$ -	$ -
Net book value, December 31, 2010	$ -	$ 2,123	$ 47,727	$ 4,703	$ 7,543	$ 112,096

During the three months ended June 30, 2011 and 2010, the Company capitalized depreciation of $12,578 and $0 respectively to the mineral properties.

6. Mineral Properties

	Kirkland Lake	Goldstorm	Fronteer	Total
Acquisition costs of mineral rights				
Balance January 1, 2010	$ 18,230	$ 10,600	$ -	$ 28,830
Incurred during the year	535,932	248,158	52,255	836,345
Balance December 31, 2010	554,162	258,758	52,255	865,175
Deferred exploration costs				
Balance January 1, 2010	-	-	-	-
Administration	14,443	9,287	-	23,730
Consulting	97,944	95,270	-	193,214
Drilling	553,484	857,294	-	1,410,778
Equipment/fuel/parts	14,952	3,683	-	18,635
Field and camp	12,533	24,202	-	36,735
Freight/transportation	2,714	1,234	-	3,948
Geochemical and geophysical	46,682	167	-	46,849
Geological supplies	3,900	1,271	-	5,171
Gov't fees, licenses and maps	1,057	57,131	-	58,188
Salaries and wages	116,609	71,615	-	188,224
Travel and accommodation	20,366	11,068	-	31,434
Vehicle and fuel	24,678	11,189	-	35,867
Balance December 31, 2010	909,362	1,143,411	-	2,052,773
Total	$ 1,463,524	$ 1,402,169	$ 52,255	$ 2,917,948
Acquisition costs of mineral rights				
Balance January 1, 2011	$ 554,162	$ 258,758	$ 52,255	$ 865,175
Incurred during the year	115,250	9,645	24,901	149,796
Currency translation adjustment	-	(7,831)	(1,581)	(9,412)
Balance June 30, 2011	669,412	260,572	75,576	1,005,559
Deferred exploration costs				
Balance January 1, 2011	909,362	1,143,411	-	2,052,773
Administration	27,990	5,741	-	33,731
Consulting	11,381	21,357	133,763	166,501
Drilling	1,050,892	17,162	566,974	1,635,028
Equipment/fuel/parts	55	-	6,027	6,082
Field and camp	8,003	3,059	34,420	45,482
Freight/transportation	5,867	-	-	5,867
Geochemical and geophysical	10,310	-	-	10,310
Geological supplies	3,529	-	-	3,529
Gov't fees, licenses and maps	-	-	71,686	71,686
Salaries and wages	128,369	8,936	85,514	222,819
Travel and accommodation	676	-	13,653	14,329
Vehicle and fuel	20,194	4,335	14,570	39,099
Currency translation adjustment	-	(34,606)	-	(34,606)
Balance June 30, 2011	2,176,625	1,169,395	926,607	4,272,627
Total, June 30, 2011	$ 2,846,037	$ 1,429,967	$ 1,002,183	$ 5,278,186

(a) Kirkland Lake – Ontario, Canada

(i) Cairo Property

During 2009 and 2010, the Company incurred $3,937 to stake three claim blocks comprised of 34 units (approximately 5.4 km^2) in the Alma and Cairo Townships west of Kirkland Lake, Ontario, Canada. In 2010, the Company capitalized $11,828 in acquisition and exploration costs to the property.

(ii) Burteby Property

In December 2009, the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral rights covering 21 claim units (approximately 3.28 km^2) in the Burt and Eby Townships west of Kirkland Lake. To complete the option the Company is required to make payments totaling $150,000 over a 48 month period ($30,000 paid) and a complete $200,000 in expenditures over 36 months ($134,165 completed to June 30, 2011). The vendors retain a 1.5% net smelter return royalty on the property, of which the Company may purchase two thirds (1.0%) for $750,000. The Company capitalized $12,154 in exploration costs to the property during the period.

(iii) Cunningham

On September 3, 2010, the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral claims and mineral rights to patent parcels and licenses of occupation totaling approximately 10 km^2 in the Holmes and Flavelle Townships west of Kirkland Lake. To complete the option the Company must pay $320,000 in cash ($40,000 paid) and make $600,000 in expenditures over 60 months. All necessary property expenditures have been completed at June 30, 2011, with $752,825 in total having been spent. West Kirkland may also acquire the surface rights to the patent parcels by making additional annual payments of $10,000. The vendor retains a 1% net smelter return royalty purchasable at any time up to commercial production for $1,000,000. The Company capitalized $552,777 in exploration costs to the property during the period.

(iv) Kenogami Property

In December 2009 the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral rights covering 28 claim units (approximately 4.19 km^2) near Kenogami Lake west of Kirkland Lake. To complete the option the Company is required to make payments totaling $100,000 over a 48 month period ($15,000 paid) and complete work commitments of $400,000 over 48 months ($217,677 completed to June 30, 2011). The vendor retains a 2.0% net smelter return royalty on the property with no fixed repurchase terms. The Company incurred additional acquisition costs of $2,350 in 2010. The Company capitalized $185,180 in exploration costs to the property during the period.

(v) Flavelle

On December 30, 2009 the Company entered into an option agreement whereby the Company may acquire a 70% interest in mineral rights covering approximately 92 units (approximately 15.11 km^2) near Larder Lake, west of Kirkland Lake. To complete the option the Company is required to make payments totaling $300,000, in cash or stock at the discretion of the Company, ($45,000 in cash paid) and a work commitment of $1,500,000 over 60 months ($98,635 completed to June 30, 2011). The Company capitalized $8,951 in exploration costs to the property during the period.

(vi) Holmes

On December 30, 2009, the Company entered into an option agreement whereby the Company may acquire a 100% interest in mineral rights covering approximately 131 units (approximately 19.95 km^2) near Larder Lake, west of Kirkland Lake. To complete the option the Company is required to make payments totaling $300,000, in cash or stock at the discretion of the Company, ($45,000 in cash paid) over a 60 month period. The Vendor retains a 2.0% net smelter return royalty on the property, of which the Company may purchase one half (1.0%) for $1,500,000. The Company paid a further $375 in acquisition costs in 2010. The Company capitalized $1,652 in exploration costs to the property during the period ($31,867 in total to June 30, 2011).

(vii) Island 27

On April 7, 2010, the Company entered into an option agreement, as later amended on March 31, 2011, whereby the Company may acquire a 70% interest in the Island 27 property covering 107 units (approximately 17.15 km^2) near Kenogami Lake, southwest of Kirkland Lake. The Company paid $100,000 upon signing and issued 200,000 common shares of the Company on May 31, 2010 at a deemed cost of $0.50 per common share. To complete the option the Company must issue a further 300,000 common shares of the Company and perform $3,000,000 in work over a period of 36 months, of which $750,000 must be completed by October 7, 2011 ($524,725 complete to June 30, 2011). The vendor retains a 2.0% net smelter return royalty on the property with no fixed purchase terms. The Company capitalized $109,118 in exploration costs to the property in the period.

(viii) Plumber

On April 7, 2010, the Company entered into an option agreement, as later amended on March 31, 2011, whereby the Company may acquire a 70% interest in the Plumber property covering 15 units (approximately 2.40 km^2) near Matachewan, southwest of Kirkland Lake. In consideration the Company paid $2,500 upon signing and issued 100,000 common shares of the Company on May 31, 2010 at a deemed cost of $0.50 per common share. To complete the option the Company must perform $2,000,000 in work over a period of 36 months, of which $300,000 must be complete by October 7, 2011 ($7,197 complete to June 30, 2011). The Company conducted no work on the property during the period.

(ix) Sutton

On November 16, 2010 the Company entered into an option agreement whereby the Company may acquire a 100% interest in the 2.03 km^2 Sutton property located in Holmes Township, west of Kirkland Lake. Optional consideration consists of $148,000 in cash payments ($8,000 paid) over 6 years, and a work program of $220,000 within 36 months. The vendor retains a 2% net smelter royalty of which the Company may purchase three quarters, or 1.5%, for $500,000 prior to the commencement of commercial production. The Company capitalized $17,165 in exploration costs to the property in the period.

(x) McLean

On November 16, 2010, the Company entered into an option agreement to acquire a 100% interest in the 0.57 km^2 McLean property located in Holmes Township, west of Kirkland Lake. To complete the option the Company must make cash payments totaling $55,000 ($5,000 paid) over five years. The Company may acquire the surface rights to the patent parcels by making additional annual payments of $1,000 ($1,000 paid), and reimbursing applicable taxes on the property. The vendor retains a 1% net smelter royalty, which the Company may purchase at any time prior to commercial production for $250,000. In the period ended June 30, 2011, $207,221 was capitalized to the property.

(xi) O'Brien

On November 19, 2010, the Company entered into an option agreement to acquire 100% in the 0.30 km^2 O'Brien property located in the Eby Township, west of Kirkland Lake. To complete the option the Company must make cash payments totaling $50,000 ($5,000 paid) over five years. The Company may acquire the surface rights to the patent parcels by making an additional annual payment of $1,000 ($1,000 paid), and reimbursing applicable taxes on the property. The vendor retains a 1% net smelter royalty, which the Company may purchase at any time prior to commercial production for $250,000.

(xii) Goldbanks

On December 17, 2010, the Company entered into an option agreement with Queenston Mining Inc. to acquire a 60% interest in the 239 hectare Goldbanks property located west of Kirkland Lake. To complete the option the Company must make cash payments totaling $400,000 ($200,000 paid) and incur $200,000 in exploration expenditures within 24 months. The Goldbanks portion of the property is subject to a variable net smelter royalty of up to 2.5%; the Obradovich portion of the property is subject to a 2% NSR, one half (1%) of which can be purchased for $1,000,000. In the period ended June 30 2011, $172,074 in exploration costs were capitalized to the property.

(xiii) Alma Property

In January 2011, the Company staked the 11.03 km^2 Alma property at a cost of $8,715. The property is located within the Alma and Holmes Townships, west of Kirkland Lake and covers 83 claim units. Minimal exploration costs have been capitalized to the property.

(xiv) Hill Property

On April 26, 2011 the Company signed an option agreement on the Hill Property to acquire a 100% interest in the 0.52 km^2 Hill Property located in Holmes township west of Kirkland Lake, Ontario. To complete the option the Company must pay cash payments of $50,000 ($5,000 paid) over three years The Company may acquire the surface rights to the patent parcel by making an additional annual payment of $1,000 ($1,000) paid, and reimbursing applicable taxes on the property.

(b) Nevada, United States

(i) Goldstorm

In December 2009 the Company entered into an option agreement with Mexivada Mining Corp. whereby the Company may acquire up to a 75% interest in the Goldstorm property covering approximately 4,080 acres of mineral rights near Elko, Nevada, USA. To earn an initial 56% under the option, the Company must make payments totaling US$350,000 in cash (US$270,000 paid to June 30, 2011) and issue 450,000 common shares of the Company (50,000 issued to June 30, 2011) and complete a work commitment of US$2,900,000 (US$1,169,395 complete to June 30, 2011) over 48 months. The Company may earn an additional 19% interest in the property by spending a US$2,250,000 in additional work and issuing a further 250,000 shares of the Company to the Vendors within the subsequent 24 months.

In early May, 2010, title due diligence determined that an 800 acre section of the Goldstorm property is subject to an exception whereby an undivided one-half interest of all oil, gas and minerals in or under the surface of said leased land was reserved by a Nevada corporation. Under a May 18, 2010 amendment to the original agreement, the Company retained its option to acquire up to a 75% interest in the Goldstorm property on the original terms outlined above, subject to the acquisition of an interest

in the 800 acre section being handled pursuant to the amendment. Upon the Company's payment of US$75,000 to Mexivada prior to December 31, 2010, as required by the original agreement, the Company earned a 50% interest in the 800 acre section of leased lands according to the amendment. Mexivada is required to use all of its best efforts to extinguish the reservation over the 800 acre section, or otherwise acquire the reservation in order to satisfy the Company's right to acquire up to a 75% interest in the entire Goldstorm property.

On March 29, 2010 an additional 79 mining claims were staked by Mexivada within an area of interest and were added to the option agreement. Also on March 29, 2010 an additional eight claims were staked outside an area of interest and are now held 100% by West Kirkland. The complete Goldstorm property consists of 235 mineral claims and leased lands totaling 5,789.31 acres, (23.42 km^2). In the period ended June 30, 2011, the Company incurred $9,645 (US$10,000) in acquisition costs and capitalized $60,589 (US$62,819) in exploration costs to the property.

(ii) Fronteer

On December 14, 2010, the Company entered into an agreement with Fronteer Gold Inc. ("Fronteer") to option 11 properties which total approximately 234 km^2 in north eastern Nevada and Utah. West Kirkland has the option to earn a 51% interest on all of the properties by spending US$15,400,000 over four years. The Company also has the option of earning an additional nine percent by spending an additional US$4,000,000 over two years or completing a pre-feasibility study on any designated property. In addition, under the terms of the agreement, a private placement with Fronteer for 800,000 common shares of the Company at $1.25 per share was completed for gross proceeds of $1,000,000. The funds will be used for exploration activities on properties. The Company incurred acquisition costs of $52,255 (US$52,539) in 2010. In the period ended June 30, 2011, the Company incurred $24,901 (US$25,818) in acquisition costs and $926,606 (US$960,711) in exploration costs were capitalized to the property.

(iii) Rubicon

On June 27, 2011, the Company entered into an agreement with Rubicon Minerals Corporation to option 909 km^2 in north eastern Nevada. West Kirkland has the option to earn a 51% interest in properties that Rubicon owns 100% or 75% of the mineral interest and 60% of Rubicon's mineral interest where Rubicon's mineral interest is less than 75% by spending $15,000,000 over four years with a firm first year expenditure commitment of $2,000,000. The Company also has the option of earning an additional 9% interest on the properties that are 100% owned by Rubicon by spending an additional $4,000,000, or completing a pre-feasibility study on any property. No expenditures have been made on the property at June 30, 2011.

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value

(b) Issued and Outstanding

Issued common shares are as follows:

	Number of shares[1]		Amount[1]
Balance, opening	-	$	-
Issued upon incorporation – November 9, 2009	2,000,000		2,000
Issued in private placement	1,110,000		55,500
Balance, December 31, 2009 and January 1, 2010	3,110,000		57,500
Issued in private placements	2,680,000		1,217,500
Share issue costs	-		(40,600)
Balance, May 27, 2010	5,790,000		1,234,400
Reverse takeover transaction (Note 3)			
Exchanged for West Kirkland shares	(5,790,000)		-
Issued pursuant to acquisition	5,790,000		29,906
West Kirkland shares recognized[2]	3,710,000		-
Revaluation of stock options	-		(75,330)
Issued in private placements	15,056,233		9,659,177
Issued as agent's commission	304,500		152,250
Issued for mineral rights	350,000		175,000
Share issue costs	-		(686,138)
Issued upon exercise of warrants	412,575		318,074
Balance, December 31, 2010	**25,623,308**		**10,807,339**
Issued upon exercise of warrants	301,425		232,385
Issued upon exercise of options	70,000		53,505
Balance, June 30, 2011	**25,944,733**	**$**	**11,093,229**

[1]Under reverse takeover accounting the number of shares issued and outstanding is that of West Kirkland. However, the share capital amount is that of the legal subsidiary WK Mining plus the share capital transactions of the Company from the acquisition date of May 28, 2010 onwards.

[2]As at January 1, 2010 West Kirkland had 3,600,000 common shares issued and outstanding with a share capital amount of $397,082. On May 26, 2010, 110,000 stock options were exercised for $0.20 per common share, for gross proceeds of $22,000 and a fair value of $659. As at May 27, 2010, there were 3,710,000 common shares issued and outstanding with a corresponding share capital amount of $419,741. Under reverse takeover accounting, the number of shares of West Kirkland is recognized as part of the issued and outstanding common shares of WK Mining with a corresponding share capital amount of $Nil.

During the period ended June 30, 2011, 301,425 warrants were exercised at a price of $0.75 for one common share for gross proceeds of $226,069. Fair value of the warrants was $6,316.

Also during the period, 70,000 options were exercised at a price of $0.60 for one common share for gross proceeds of $42,000. Fair value of the options was $11,505.

On December 14, 2010 under the terms of the options agreement with Fronteer (Note 6(b)); the Company completed a private placement with Fronteer of 800,000 common shares at a price of $1.25 per share for aggregate gross proceeds of $1,000,000. Share issue costs consisting of legal and filing fees totaled $9,154.

In November 2010, 412,575 warrants were exercised at a price of $0.75 for one common share for gross proceeds of $309,431. Fair value of the warrants was $8,643.

On November 2, 2010 the Company completed a brokered flow-through financing for aggregate gross proceeds of $2,587,480. The offering consisted of 1,875,000 flow-through common shares at a price of $1.20 per share and the agent was granted a 15% overallotment option, which was exercised for an additional 281,233 flow-through common shares. The agent was paid a 6% cash commission of $135,000 and additional share issue costs of $80,183 were incurred for filing fees, legal and other expenses. The gross proceeds of the flow-through financing must be used to incur Canadian exploration expenditures as defined by the Income Tax Act (Canada) by December 31, 2011. At June 30, 2011, the Company has spent $1,646,683 of the proceeds and plans to spend the rest by the end of December 31, 2011.

On June 17, 2010, the Company completed a private placement of 100,000 units, consisting of one common share and one common share purchase warrant, at a price of $0.75 per unit for aggregate gross proceeds to the Company of $75,000. The gross proceeds were allocated to the underlying common shares and warrants on a relative fair value basis. The fair value allocated to the common shares was $71,698 and the fair value allocated to the warrants was $3,302. Share issue costs totaled $2,051.

On May 31, 2010, the Company issued 350,000 common shares pursuant to mineral property option agreements (Note 6(a), (g), (h)) at a deemed value of $0.50 per common share, the price per share used on the May 28th 2010 offering.

On May 28, 2010, the Company completed a brokered private placement of 12,000,000 common shares at a price of $0.50 per common shares for aggregate gross proceeds to the Company of $6,000,000. The Company paid a commission of $204,750 in cash, issued 304,500 common shares at a deemed value of $0.50 per share ($152,250) and issued 714,000 broker's warrants with a fair value of $124,944 (Note 7(c)). In addition, share issue costs for legal and other totaled $87,792.

On May 28, 2010, the Company acquired all the issued and outstanding shares of WK Mining. The Company also re-valued certain existing stock options (Note 3).

In connection with the completion of the acquisition of WK Mining on May 28, 2010, a total of 6,120,000 of the Company's shares held by directors and other related parties of the Company were placed in escrow. Under the terms of the escrow agreement 10% or 612,000 shares were released on the completion of the acquisition, and of the remaining 5,508,000 escrowed shares, 918,000 shares will be released semi-annually commencing November 28, 2010 and ending May 28, 2013.

On March 4, 2010, WK Mining closed a private placement of 2,190,000 common shares at a price of $0.50 per common share for aggregated gross proceeds of $ $1,095,000. Share issue costs of $40,600 were paid for finder's fees and legal costs.

On January 19, 2010, WK Mining completed a private placement of 490,000 common shares at a price of $0.25 per common share for aggregate gross proceeds of $122,500.

(c) Warrant Reserve

	Number		Amount
Balance, January 1, 2010	-	$	-
Broker's warrants	714,000		14,957
Private placement warrants	100,000		3,302
Warrants exercised	(412,575)		(8,642)
Balance, December 31, 2010	401,425		9,617
Warrants exercised	(301,425)		(6,316)
Warrants expired	(100,000)		(3,301)
Balance, June 30, 2011	**-**	**$**	**-**

During the period ended June 30, 2011, 301,425 warrants were exercised at $0.75 per warrant for one common share. The fair value of the warrants exercised was $6,316.

During the period 100,000 warrants expired on June 17, 2011. The fair value of the warrants of $3,301 was transferred to deficit.

During the year ended December 31, 2010, 412,575 warrants were exercised at $0.75 per warrant for one common share. The fair value of the warrants exercised was $8,642.

The Company issued 100,000 warrants in connection with the private placement completed June 17, 2010. Each warrant is exercisable at $1.25 per warrant for one common share of the Company and expired June 17, 2011.

The Company issued 714,000 broker's warrants in connection with the brokered private placement completed May 28, 2010. Each warrant is exercisable at $0.75 per warrant for one common share of the Company and were to May 28, 2011.

The fair values of the warrants issued were estimated using the Black-Scholes pricing model with the following weighted average assumptions:

Expected life	1 year
Risk-free interest rate	1.57%
Expected volatility[1]	40%
Expected dividends	-
Weighted average fair value of warrant granted	$0.02

[1]As there is no trading history for the Company, expected volatility is based on historical volatility of a peer group of companies.

(d) Share Based Payment Reserve

Balance, January 1, 2010	$	-
Stock compensation expense (Note 3)		75,330
Stock compensation expense [1]		319,788
Balance, December 31, 2010		395,118
Stock compensation expense		12,168
Stock options exercised		(11,506)
Balance, June 30, 2011	**$**	**395,780**

[1] $16,729 capitalized to mineral properties

The Company established a stock option plan (the "Plan") on May 1, 2007, whereby options can be granted to directors, officers, employees and consultants at the discretion of the Board of Directors. The number of options that can be granted is limited to 10% of the total shares issued and outstanding.

During the current period on April 26 and May 19, 20,000 and 50,000 stock options were exercised at $0.60 per share for total proceeds of $12,000 and $30,000 respectively. Fair value of $3,287 and $8,219 were attributed to the respective exercises.

On December 7, 2010 the Company cancelled 22,500 outstanding stock options.

On September 30, 2010, the Company granted 75,000 stock options to an employee. Each stock option is exercisable at a price of $1.15 per share, vests over a period of 12 months and will expire on September 30, 2015.

Also, on September 30, 2010, the Company granted 200,000 stock options to a director and employee of the Company. Each stock option is exercisable for $1.15 per share for a period of five years and vests immediately.

On August 9, 2010, the Company granted 50,000 stock options to an employee of the Company. Each stock option is exercisable for $0.75 per share for a period of five years and vests immediately.

On July 12, 2010, the Company granted 200,000 stock options to a third party investor relations contractor. Each stock option is exercisable at a price of $0.78 per share, vests over a period of 12 months and will expire on July 12, 2012.

On June 1, 2010, the Company granted 100,000 stock options to an officer of the Company. Each stock option is exercisable for $0.90 per share for a period of five years and vests immediately.

On May 28, 2010, the Company granted 980,000 stock options to officers, directors and employees of the Company. Each stock option is exercisable for $0.60 per share for a period of five years and vests immediately.

On May 28, 2010, in connection with the acquisition of WK Mining, certain stock options issued by the Company in October 2007, were re-valued as at May 28, 2010.

The fair value of the options granted was estimated using the Black-Scholes model with the following weighted average assumptions:

Expected life	4.33
Risk-free interest rate	2.35%
Expected volatility[1]	40%
Expected dividends	-

[1]As there is no trading history for the Company, expected volatility is based on historical volatility of a peer group companies.

As at June 30, 2011, the weighted average fair value per option outstanding was $0.22.

	June 30, 2011	
	Number	**Weighted average exercise price**
Balance, January 1, 2010	-	-
Options re-valued (Note 3)	240,000	$0.20
Granted	1,605,000	$0.74
Cancelled	(22,500)	$0.60
Balance, December 31, 2010	1,822,500	$0.67
Exercised	(70,000)	$0.60
Balance June 30, 2011	**1,752,500**	**$0.68**

The weighted average remaining contractual life of the options outstanding at June 30, 2011, is 3.24 years.

(e) Per Share Amounts

The weighted average number of common shares outstanding is calculated based upon the following:

- The number of shares outstanding for the period from the beginning of the fiscal year to the date of the reverse takeover (Note 3) is deemed to be the number of shares issued by the Company to the shareholders of WK Mining; and

- For the period from the date of the reverse takeover to the end of the period, the number of shares outstanding would be the actual number of shares of the Company outstanding during this period.

For the six months ended June 30, 2011 and 2010, the weighted average number of common shares outstanding was 25,742,338 and 8,169,023 respectively. Exercise of all stock options and stock purchase warrants referred to in Note 7(d) and 7(c) are anti-dilutive for all periods presented.

8. Capital Risk Management

The Company's objectives in managing its liquidity and capital are to safeguard the Company's ability to continue as a going concern and to provide financial capacity to meet its strategic objectives. The capital structure of the Company consists of equity attributable to common shareholders, comprising of issued share capital, reserves and accumulated deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt and acquire or dispose of mineral rights.

As at June 30, 2011 the Company does not have any long-term debt and is not subject to any externally imposed capital requirements.

The Company expects its current capital resources will be sufficient to carry out its exploration and development plans and operations through its current operating period.

9. Financial Risk Management

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks.

(a) Fair Value

As at June 30, 2011 the Company's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. The fair values of accounts receivable and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these instruments.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short-term interest rate through the interest earned on cash balances; however, management does not believe this exposure is significant.

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The Company is exposed to credit risk through its cash which is held in large Canadian financial institutions and accounts receivable. The Company believes this credit risk is insignificant.

(d) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company operates in Canada and the United States and is therefore exposed to foreign currency risk arising from transactions denominated in U.S. dollars. Certain of the Company's accounts payable and accrued liabilities are denominated in U.S. dollars. A 1% change in the exchange rate between the Canadian and United States dollar would have an effect on the loss before income taxes for the six months ended June 30, 2011 of approximately $1,480 (June 30, 2010 – $Nil). The Company monitors its net exposure to foreign currency fluctuations and adjusts its cash held in U.S. dollars accordingly. The following table lists the Canadian dollar equivalent of financial instruments denominated in U.S. dollars as of June 30, 2011 at the period end exchange rate of CAD$1.00 equal to US$0.96 (June 30, 2010 – CAD$1.00 equal to US$1.06):

	June 30, 2011	June 30, 2010
Cash	$ 400,548	$ -
Accounts receivable and prepaids	26,030	-
Reclamation bond	91,782	-
Accounts payable and accrued liabilities	370,332	-

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating period.

10. Segmented Information

The Company operates in one segment, being the exploration of mineral properties with two geographic locations: Ontario, Canada and Eastern Nevada / Western Utah, USA. The Company's cumulative mineral properties expenditures in Ontario, Canada totaled $2,846,038 and in Nevada, USA totaled $2,432,148. The Company's executive and head office is located in Vancouver, British Columbia, Canada.

11. Related Party Transactions

The Company had the following transactions with directors, officers and companies related by virtue of directors in common:

	Three months ended June 30, 2011	Three months ended June 30, 2010	Six months ended June 30, 2011	Six months ended June 30, 2011
Administration fees	$ 10,500	$ 12,250	$ 21,000	$ 12,250
Management and consulting fees	25,450	13,342	61,660	13,342
Professional fees (accounting)	15,000	17,500	30,000	17,500
Rent	21,820	22,017	43,641	36,695
Total Related Party Transactions	$ 72,770	$ 65,109	$ 156,301	$ 79,787

Included in accounts payable and accrued liabilities at June 30, 2011 is $10,865 (2010 - $32,772) payable to related parties.

For the period ended June 30, 2011, the Company paid or accrued $21,000 (2010 - $12,250) for day-to-day administration, reception and secretarial services; $30,000 (2010 - $17,500) for accounting services; and $6,576 (2010 - $9,257) in consulting fees for geographical information systems and mapping to Platinum Group Metals Ltd., a company related by virtue of common directors and officers. All of these amounts were charged at fair market rates.

For the period ended June 30, 2011 the Company accrued $52,750 (2010 - $Nil) in directors' fees which is included in management and consulting fees.

For the period ended June 30, 2011, the Company paid or accrued $43,641 (2010 - $36,695) for rent to Anthem Properties Group Ltd. and Anthem Works Ltd. respectively, companies related by virtue of a common director. The rental rate was negotiated on an arm's length basis and is set at a fair market rate.

For the period ended June 30, 2011, the Company paid or accrued $2,334 (2010 - $4,085) for management and consulting fees to a director and officer of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the parties.

12. Commitments and Contingencies

The Company has no identified commitments and contingencies other than those required to satisfy existing option agreements to acquire mineral rights as described in Note 6.

13. Supplemental Cash Flow Information

	Three months ended June 30, 2011	**Three months ended June 30, 2010**
Non-cash investing activities		
Depreciation capitalized to mineral properties	$ 12,578	$ -

14. Subsequent Events

On July 19, 2011 the Company announced results from its initial drillhole on the TUG property. Hole WT11-001 cut 15.08 meters of 3.08 g/t gold and 94.75 g/t silver.

On August 16, 2011 the Company announced results of drillhole WT11-002. This hole cut 7.88 g/t gold and 69.19 g/t silver within a broader interval of 47.70 meters that graded 1.04 g/t gold and 24.65 g/t silver.

15. Transition to IFRS

As stated in Note 2, these are the Company's first condensed consolidated interim financial statements for the period covered by the first annual consolidated financial statements prepared in accordance with IFRS.

The Company has also applied the accounting polices set out in Note 2 to the period ended June 30, 2010, and in the preparation of the opening IFRS balance sheet at January 1, 2010, (the Company's date of transition). A detailed explanation of how the transition from Canadian GAAP to IFRS has affected the Company's financial position is set out in this note.

IFRS 1 *First-time Adoption of International Financial Reporting Standards* (IFRS 1) generally requires all IFRS accounting standards and interpretations to be applied retrospectively, with all adjustments to the assets and liabilities prior to the transition date being applied to retained earnings unless certain exemptions are applied from IFRS 1. The Company has applied one exemption to its opening statement of financial position at January 1, 2010, and made the following adjustments to transactions that have occurred in 2010:

a) Share-based Payment Transactions

Under IFRS 1, the Company has elected to not apply IFRS 2 *Share Based Payment* to equity instruments that were granted after November 7, 2002, that completely vested before January 1, 2010. However IFRS 2 must be applied to all share based payments granted in 2010.

b) Cumulative Translation Differences

The Company has determined that the functional currency of West Kirkland Mining and WK Mining Corp. is the Canadian dollar, while the functional currency of WK Mining (USA) Ltd. is the United States dollar. These condensed consolidated interim financial statements have been translated to the Canadian dollar in accordance with IAS 21, *The effects of Changes in Foreign Exchange Rates*. This standard requires that assets and liabilities be translated using the exchange rate at period end, and income, expenses and cash flow items are translated using the rate that approximates the exchange rates at the dates of the transactions, (i.e. the average rate for the period). On translation of a foreign operation in accordance with IAS 21, certain exchange differences are recognized as a separate component of equity. IAS 21 also requires an entity to disclose the net exchange differences classified as a separate component of equity as well as a reconciliation of the opening and closing balances. Under Canadian GAAP, the Company had previously considered WK Mining (USA) Ltd. to be an integrated foreign subsidiary which was operationally interdependent with the parent company and as a result the temporal method of translation was applied.

c) Flow-through Shares

Flow-through shares are a unique Canadian tax incentive which is the subject of specific guidance under Canadian GAAP, however there is no equivalent IFRS guidance. Therefore, the Company has adopted a policy where the premium paid for flow-through shares in excess of the market value of the shares when the shares are issued is credited to other liabilities, and included in income at the time the qualifying expenditures are made.

However, in the Company's case in the time between when the flow-through shares were subscribed for and when they were issued the premium paid for the flow-through feature was eliminated by a rise in the market value of the shares. As the premium is recognized when the shares are issued, no premium was recognized.

d) Reclassification Within the Equity Section

For comparatives, as at December 31, 2010, $406,423 "contributed surplus" account was reclassified into "Share based payment reserve" as certain terminologies are different under IFRS.

e) Exploration and Evaluation Expenditures

Under Canadian GAAP, the Company's policy was to capitalize all costs relating to the acquisition of, exploration for and development of mineral claims. Under IFRS the Company has elected to adopt a policy to capitalize all expenditures as exploration and evaluation expenditures after the legal right to explore a property has been obtained, but before technical feasibility and commercial viability of the property has been established. The impact of this change was insignificant.

	note	As at January 1, 2010			As at June 30, 2010			As at December 31, 2010		
		GAAP	Effect of Transition to IFRS	**IFRS**	GAAP	Effect of Transition to IFRS	**IFRS**	GAAP	Effect of Transition to IFRS	**IFRS**
ASSETS										
Current assets										
Cash		$ 31,009	$ -	$ 31,009	$ 6,581,785	$ -	$ 6,581,785	$ 6,977,283	$ -	$ 6,977,283
Accounts receivable and prepaid expenses		188	-	188	32,262	-	32,262	179,733	-	179,733
		31,197	-	31,197	6,614,047	-	6,614,047	7,157,016	-	7,157,016
Non-current assets										
Reclamation bond		-	-	-	-	-	-	16,776	-	16,776
Property, plant and equipment	b	-	-	-	-	-	-	112,850	(755)	112,095
Mineral properties	b	28,830	-	28,830	579,494	-	579,494	2,951,950	(34,002)	2,917,948
		28,830	-	28,830	579,494	-	579,494	3,081,576	(34,757)	3,046,819
TOTAL ASSETS		60,027	-	60,027	7,193,541	-	7,193,541	10,238,592	(34,757)	10,203,835
LIABILITIES										
Current liabilities										
Accounts payable and accrued liabilities		2,500	-	2,500	289,477	-	289,477	352,704	-	352,704
Due to shareholders		557	-	557	-	-	-	-	-	-
		3,057	-	3,057	289,477	-	289,477	352,704	-	352,704
EQUITY										
Share capital	a	57,500	-	57,500	7,127,249	-	7,127,249	10,807,339	-	10,807,339
Contributed Surplus	d	-	-	-	271,367	(271,367)	-	406,423	(406,423)	-
Reserves										
Share based payment reserve	d	-	-	-	-	271,367	271,367	-	395,118	395,118
Warrant reserve	a	-	-	-	18,259	-	18,259	9,617	-	9,617
Foreign currency translation	b	-	-	-	-	-	-	-	(44,847)	(44,847)
Deficit		(530)	-	(530)	(512,811)	-	(512,811)	(1,337,491)	21,395	(1,316,096)
		56,970	-	56,970	6,904,064	-	6,904,064	9,885,888	(34,757)	9,851,131
TOTAL EQUITY AND LIABILITIES		$ 60,027	$ -	$ 60,027	$ 7,193,541	$ -	$ 7,193,541	$ 10,238,592	$ (34,757)	$ 10,203,835

	note	Six months ended June 30, 2010			Three months ended June 30, 2010			Year ended December 31, 2010		
		GAAP	Effect of Transition to IFRS	IFRS	GAAP	Effect of Transition to IFRS	IFRS	GAAP	Effect of Transition to IFRS	IFRS
Revenue										
Interest income		$ -	$ -	$ -	$ -	$ -	$ -	$ 22,182	$ -	$ 22,182
					-	-	-	22,182	-	22,182
Expenses										
Professional Fees		106,687	-	106,687	71,493	-	71,493	245,790	-	245,790
Management and consulting fees		72,824	-	72,824	72,824	-	72,824	203,738	-	203,738
Salaries and benefits		14,302	-	14,302	14,302	-	14,302	191,652	-	191,652
Stock-based compensation	a	196,037	-	196,037	196,037	-	196,037	314,364	(11,305)	303,059
Shareholder relations		36,809	-	36,809	35,532	-	35,532	104,431	-	104,431
Filing and transfer agent fees		10,277	-	10,277	10,277	-	10,277	16,361	-	16,361
Administration fees		12,250	-	12,250	12,250	-	12,250	39,250	-	39,250
Rent		36,695	-	36,695	22,017	-	22,017	85,035	-	85,035
Property investigation costs		700	-	700	700	-	700	17,438	-	17,438
Travel		7,388	-	7,388	7,388	-	7,388	35,766	-	35,766
Office and general expense		18,312	-	18,312	18,113	-	18,113	95,228	-	95,228
Foreign exchange loss	b	-	-	-	-	-	-	10,090	(10,090)	-
								1,359,143	(21,395)	1,337,748
Net Loss		(512,281)	-	(512,281)	(460,933)	-	(460,933)	(1,336,961)	21,395	(1,315,566)
Foreign currency translation differences in foreign operations	b	-	-	-	-	-	-	-	(44,847)	(44,847)
Total comprehensive loss		$ (512,281)	$ -	$ (512,281)	$ (460,933)	$ -	$ (460,933)	$ (1,336,961)	$ (23,452)	$ (1,360,413)

	note	Six months ended June 30, 2010			Year ended December 31, 2010		
		GAAP	Effect of Transition to IFRS	IFRS	GAAP	Effect of Transition to IFRS	IFRS
Operating activities							
Net loss		$ (512,281)	$ -	$ (512,281)	$ (1,336,961)	$ 21,395	$ (1,315,566)
Items not affecting cash							
Stock-option compensation	a	196,307	-	196,307	314,364	(11,305)	303,059
Change in non-cash working capital components							
Accounts receivable and prepaid expenses		(32,047)	-	(32,047)	(179,545)	-	(179,545)
Accounts payable and accrued liabilities		286,420	-	286,420	198,919	-	198,919
		(61,898)	-	(61,898)	(1,003,223)	10,090	(993,133)
Financing activities							
Issuance of share, net of share issue costs		6,988,338	-	6,988,338	10,659,786	-	10,659,786
		6,988,338	-	6,988,338	10,659,786	-	10,659,786
Investing activities							
Reclamation bond		-	-	-	(16,776)	-	(16,776)
Property, plant and equipment	b	-	-	-	(124,596)	755	(123,841)
Mineral properties	b	(375,664)	-	(375,664)	(2,568,917)	(10,845)	(2,579,762)
		(375,664)	-	(375,664)	(2,710,289)	(10,090)	(2,720,379)
Increase in cash during the period		6,550,776	-	6,550,776	6,946,274	-	6,946,274
Cash and equivalents, beginning of period		31,009	-	31,009	31,009	-	31,009
Cash and equivalents, end of period		$ 6,581,785	$ -	$ 6,581,785	$ 6,977,283	$ -	$ 6,977,283