Global Hunter Corp.

Condensed Consolidated Interim Financial Statements
For the Nine Months Ended November 30, 2011

(Unaudited – Presented in Canadian dollars)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Global Hunter Corp.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars - unaudited)

	Notes	November 30, 2011	February 28, 2011	March 1, 2010
		- $ -	- $ -	- $ -
ASSETS				
Current assets				
Cash and cash equivalents		1,783,299	4,466,039	26,590
Receivables		153,052	83,715	58,306
Prepaid expenses		26,077	1,079	22,583
Marketable securities	6	2,500	15,500	4,000
		1,964,928	4,566,333	111,479
Restricted cash	7	-	517,338	-
Equipment	4	74,569	39,968	18,733
Mineral properties and deferred exploration costs	5	14,335,592	13,344,788	13,080,956
Deposits	5	46,639	8,000	8,000
		16,421,728	18,476,427	13,219,168
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		233,789	545,784	2,050,241
Loans payable	7	2,775,632	523,566	1,086,675
Due to related parties	8	-	216,548	489,280
		3,009,421	1,285,898	3,626,196
NON-CURRENT LIABILITIES				
Loans payable	7	-	2,189,466	-
		-	2,189,466	-
SHAREHOLDERS' EQUITY				
Share capital	9	26,537,407	22,976,407	18,967,040
Shares to be issued (receivable)	9	(46,500)	2,910,000	64,747
Contributed surplus	9	3,277,363	3,277,363	2,712,956
Accumulated other comprehensive loss		(23,500)	(10,500)	(22,000)
Deficit		(16,332,463)	(14,152,207)	(12,129,771)
		13,412,307	15,001,063	9,592,972
		16,421,728	18,476,427	13,219,168

Nature of operations and going concern 1

Approved by Directors:

"Rudy Brauer"

"Gurminder Sangha"

- See accompanying notes -

Global Hunter Corp.
Condensed Consolidated Interim Statements of Comprehensive Loss
For the three and nine months ended November 30, 2011
(Expressed in Canadian dollars - unaudited)

	Notes	Three months ended November 30, 2011	Three months ended November 30, 2010	Nine months ended November 30, 2011	Nine months ended November 30, 2010
		- $ -	- $ -	- $ -	- $ -
Expenses					
Amortization		321	-	964	-
Consulting	8	16,217	321,273	392,032	325,423
Insurance		3,973	7,000	9,817	17,121
Interest and finance charges	7	176,362	247,390	537,834	337,114
Investor relations and travel		16,491	138,323	132,859	292,239
Management fees	8	127,672	64,705	327,734	142,705
Office and miscellaneous	8	143,513	(5,867)	229,039	100,452
Professional fees		52,078	42,648	375,550	95,085
Rent	8	44,453	30,850	86,292	84,850
Transfer agent and filing fees		9,208	9,290	42,057	22,988
Loss before other items		590,288	855,612	2,134,178	1,417,977
Other items					
Loss (gain) on debt settlement	9	-	-	-	(203,236)
Loss (gain) on foreign exchange		54,102	14,422	46,078	(2,054)
Net loss		644,390	870,034	2,180,256	1,212,687
Other comprehensive (income) loss					
Unrealized loss (gain) on marketable securities	6	6,500	(8,000)	13,000	(15,500)
Comprehensive loss		650,890	862,034	2,193,256	1,197,187
Basic and diluted loss per share in cents		0.25 cents	0.47 cents	0.85 cents	0.84 cents
Weighted average common shares outstanding		265,261,137	184,913,885	258,661,137	142,702,895

- See accompanying notes -

Global Hunter Corp.
Condensed Consolidated Interim Statements of Cash Flows
For the three and nine months ended November 30, 2011
(Expressed in Canadian dollars - unaudited)

		Three months ended November 30,		Nine months ended November 30,	
		2011	2010	2011	2010
	Notes	- $ -	- $ -	- $ -	- $ -
Cash from (used in):					
Operating Activities:					
Net loss		(644,390)	(870,034)	(2,180,256)	(1,212,687)
Items not involving cash:					
Amortization		321	-	964	-
Accrued interest	7	75,000	247,390	252,334	337,114
Accretion on convertible loan	7	101,362	-	285,499	-
Foreign exchange		(10,733)		(37,335)	
Gain on settlement of debt	9	-	-	-	(203,236)
Change in non-cash working capital items:					
Prepaid expenses		93,711	4,775	(24,998)	26,323
Receivables		(15,103)	(13,231)	(69,337)	14,104
Payables and accrued liabilities		(261,079)	(514,090)	(311,995)	(968,459)
Net cash provided by (used in) operating activities		(660,911)	(1,145,190)	(2,085,124)	(2,006,841)
Investing Activities:					
Additions to equipment		(43,505)	(2,555)	(49,333)	(3,854)
Proceeds on sale of mineral properties		-	-	-	221,019
Expenditures on mineral properties		(311,426)	(88,058)	(990,804)	(283,505)
Cash provided by (used in) investing activities		(354,931)	(90,613)	(1,040,137)	(66,340)
Financing activities:					
Restricted cash	7	-	-	517,338	-
Repayment of loans	7	(556,725)	2,350,000	(681,725)	2,225,928
Share capital issued for cash, net of costs		-	53,732	51,000	1,695,868
Exercise of warrants for cash	9	-	-	600,000	-
Share subscriptions receivable		226,000	1,979,915	(46,500)	1,979,915
Advances from (repayment to) related parties		-	-	2,408	(489,280)
Cash provided by (used in) financing activities		(330,725)	4,383,647	442,521	5,412,431
Increase in cash and cash equivalents		(1,346,567)	3,147,844	(2,682,740)	3,339,250
Cash and cash equivalents, beginning		3,129,866	217,997	4,466,039	26,590
Cash and cash equivalents, ending		1,783,299	3,365,841	1,783,299	3,365,841
Supplementary information					
Cash paid for:					
Interest		$ -	$ -	$ 37,376	$ -
Income taxes		$ -	$ -	$ -	$ -

- See accompanying notes -

Global Hunter Corp.
Condensed Consolidated Interim Statements of Changes in Equity
For the nine months ended November 30, 2011 and 2010
(Expressed in Canadian dollars - unaudited)

	Share capital Note 9	Shares to be issued (receivable) Note 9	Contributed surplus Note 9	Accumulated other comprehensive income (loss)	Deficit	Total equity
	- $ -	- $ -	- $ -	- $ -	- $ -	- $ -
Balance, February 28, 2011	22,976,407	2,910,000	3,277,363	(10,500)	(14,152,207)	15,001,063
Private placements, net of issuance costs	2,961,000	(2,910,000)	-	-	-	51,000
Exercise of warrants	600,000	-	-	-	-	600,000
Share subscriptions received (receivable)	-	(46,500)	-	-	-	(46,500)
Net loss	-	-	-	-	(2,180,256)	(2,180,256)
Unrealized gain (loss) on investments available-for-sale	-	-	-	(13,000)	-	(13,000)
Balance, November 30, 2011	26,537,407	(46,500)	3,277,363	(23,500)	(16,332,463)	13,412,307
Balance, March 01, 2010	18,967,040	64,747	2,712,956	(22,000)	(12,129,771)	9,592,972
Private placements, net of issuance costs	1,991,572	-	-	-	-	1,991,572
Exercise of warrants	20,000	-	-	-	-	20,000
Share based payments	63,478	-	-	-	-	63,478
Share subscriptions received	-	1,915,168	-	-	-	1,915,168
Net loss	-	-	-	-	(1,212,687)	(1,212,687)
Unrealized gain (loss) on investments available-for-sale	-	-	-	15,500	-	15,500
Balance, November 30, 2010	21,042,090	1,979,915	2,712,956	(6,500)	(13,342,458)	12,386,003

- See accompanying notes -

1. Nature of Business and Going Concern

Global Hunter Corp. (the "Company") is an exploration stage enterprise incorporated under the laws of British Columbia. The Company and its subsidiary are engaged in the acquisition and exploration of mineral properties located in Canada and Chile.

The business of exploring for minerals involves a high degree of risk and there can be no assurance that any of the Company's current or future exploration programs will result in the discovery of economical ore bodies. The recoverability of amounts reported for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their exploration and development, and establish future profitable operations, or realize proceeds from their sale.

These unaudited consolidated interim financial statements have been prepared on the assumption the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. At November 30, 2011, the Company had working capital (deficit) of $(1,044,493) (February 28, 2011 - $3,280,435). The Company does not hold any revenue generating properties and has incurred losses to date. At November 30, 2011, the Company had an accumulated deficit of $16,332,463 (February 28, 2011 - $14,152,207). The Company has relied upon the issuance of share capital and debt financing for its operations. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of share capital and the raising of loan funds to finance future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. Management anticipates that the Company will be able to raise sufficient funds to continue its operations. Inability to secure future financing would have a material adverse effect on the Company's business, results of operations and financial condition. These consolidated financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, and do not reflect adjustments to the carrying value of assets and liabilities, reported operations and balance sheet classifications that would be necessary should the going concern assumption no longer be appropriate. Such adjustments could be material.

2. Basis of Preparation and First-time Adoption of International Financial Reporting Standards

2.(i) Basis of Preparation and First-time Adoption of International Financial Reporting Standards

In 2010, the Canadian Institute of Chartered Accounts ("CICA") Handbook was revised to incorporate International Financial Reporting Standards ("IFRS") requiring publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly the Company has commenced reporting on the basis of IFRS in these financial statements. In these financial statements, the term Canadian GAAP refers to Canadian Generally Accepted Accounting Principles ("Canadian GAAP") before the adoption of IFRS.

The consolidated interim financial statements of the Company have been prepared in accordance IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting"*.* The disclosures concerning the transition from Canadian GAAP to IFRS are provided in Note 13.

The policies applied in these financial statements are based on IFRS issued and outstanding as of January 30, 2012, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ended February 28, 2011 may result in restatement of these financial statements, including the transition adjustment recognized on change-over to IFRS.

The financial statements do not contain all the information required for annual financial statements and accordingly, should be read in conjunction with the Company's Canadian GAAP annual consolidated financial statements for the year ended February 28, 2011.

2. Basis of Preparation and First-time Adoption of International Financial Reporting Standards (continued)

2.(ii) Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with IAS 34 and IFRS 1 requires estimates and assumptions that affect the amounts reported in these financial statements. These estimates and assumptions concerning the future will, by definition, seldom equal actual results. The following are the estimates and judgments applied by management that most significantly affect the Company's financial statements. These estimates and judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Ore reserve and resource estimates
Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its ore reserves and a mineral resource based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact the carrying value of exploration and evaluation assets, mine properties, property, plant and equipment, goodwill, restoration provisions, recognition of deferred tax assets, and depreciation and amortization charges.

Exploration and evaluation expenditures
The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of comprehensive income in the period when the new information becomes available.

Deferred income taxes and valuation allowances
The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and highly liquid short-term interest bearing investments with terms to maturity at the date of purchase of three months or less.

2.(ii) Significant Accounting Policies and Basis of Presentation (continued)

b) Mineral Properties and Deferred Exploration Costs

Mineral properties and deferred exploration costs include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

c) Financial Instruments

The Company recognizes financial assets and liabilities on the balance sheet when the Company becomes party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts receivable, accounts payable and accrued liabilities

Accounts receivable, accounts payable and accrued liabilities are non-interest bearing and are stated at carrying values, which approximate fair values due to the short terms to maturity (these accounts are initially recorded at fair value and subsequently measured at amortized cost). Where necessary, accounts receivables are net of allowances for uncollectable amounts.

Investments in marketable securities

Marketable securities are comprised of publicly traded common shares. They are classified as “available-for-sale” which is measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss).

Debt

Debt is initially recorded at fair value less direct issuance costs. Debt is subsequently measured at amortized cost, calculated using the effective interest rate method.

Derivative instruments

Derivative instruments, including embedded derivatives, are recorded at “fair value through profit or loss” and accordingly recorded on the balance sheet date at fair value. Unrealized gains and losses on derivatives held for trading are recorded as part of other gains or losses in earnings. Fair values for derivative instruments are determined using valuation techniques, using assumptions based on market conditions existing at the balance sheet date.

d) Equipment

Equipment is carried at cost less accumulated amortization. Amortization is calculated using the declining balance method at the following annual rates:

Furniture and fixtures	20%
Office and other equipment	20%

2.(ii) Significant Accounting Policies and Basis of Presentation (continued)

e) Foreign Currency Translation

The functional currency of the Company and all of its operations is the Canadian dollar. The Company's foreign currency transactions are translated into reporting currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities are translated using the period end exchange rates and gains or losses included in the statement of comprehensive loss. Non-monetary assets and liabilities are translated using the historic rates. Exchange gains and losses on foreign currency translation are included in operations for the period.

f) Stock-based Payments

The cost of stock options and other equity-settled share-based payment arrangements is recorded based on the estimated fair-value at the grant date and charged to earnings over the vesting period.

The Company grants stock options to certain employees. Stock options vest over three years or less and expire after five years. Each tranche is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by a charge to earnings, with a corresponding increase to contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

g) Loss per Share

The Company presents basic and diluted earnings (loss) per share data for its common shares. Basic earnings (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 earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

h) Share Issue costs

Costs directly associated with the issuance of share capital are charged directly to share capital.

i) Income Taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity. Taxes on income in interim periods are recorded using the tax rate that would be applicable to expected annual profit. Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period.

Deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the deferred tax asset or liability is reversed. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. As an exception, deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or an asset or liability in a transaction (other than in a business combination) that affects neither accounting profit nor taxable profit.

Deferred income tax assets and liabilities are presented as non-current.

2.(ii) Significant Accounting Policies and Basis of Presentation (continued)

j) Impairment of Non-financial Assets

The carrying amount of the Company's assets (which include mineral interests) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in 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 the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

3. Accounting Standards Issued but not yet Effective

Amendments to IFRS 7 "Financial Instruments: Disclosures"

This amendment increases the disclosure required regarding the transfer of financial assets, especially if there is a disproportionate amount of transfer transactions that take place around the end of a reporting period. This amendment is effective for annual periods beginning on or after July 1, 2011.

Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, regarding Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters. This amendment is effective for annual periods beginning on or after July 1, 2011.

Amendments to IAS 12 Income Taxes, regarding Deferred Tax: Recovery of Underlying Assets. This amendment is effective for annual periods beginning on or after January 1, 2012.

New standard IFRS 9 "Financial Instruments"

IFRS 9 was issued by the IASB on November 12, 2009 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value.

IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment, are recognized in profit or loss; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments – Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

3. Accounting Standards Issued but not yet Effective (continued)

This new standard is effective for annual periods beginning on or after January 1, 2013, with early adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

Recent pronouncements

In May 2011, the IASB issued the following standards which have not yet been adopted by the Company: IFRS 10, Consolidated Financial Statements ("IFRS 10"), IFRS 11, Joint Arrangements ("IFRS 11"), IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"), IAS 27, Separate Financial Statements ("IAS 27"), IFRS 13, Fair Value Measurement ("IFRS 13") and amended IAS 28, Investments in Associates and Joint Ventures ("IAS 28"). Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

The following is a brief summary of the new standards:

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation - Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities - Non-monetary Contributions by venturers.

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRSs. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

In addition, there have been amendments to existing standards, including IAS 27 and IAS 28. 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 10-13.

(Presented in Canadian dollars – unaudited)

4. Equipment

	November 30, 2011			February 28, 2011		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
	-$-	-$-	-$-	-$-	-$-	-$-
Furniture and fixtures	1,995	(963)	1,032	1,186	(483)	703
Office and other equipment	105,769	(32,232)	73,537	57,246	(17,980)	39,266
	107,764	(33,195)	74,569	58,431	(18,463)	39,968

5. Mineral Properties and Deferred Exploration Costs

	February 28, 2010	Addition (disposal)	February 28, 2011	Addition (disposal)	November 30, 2011
	-$-	-$-	-$-	-$-	-$-
La Corona de Cobre, Chile:					
Acquisition costs	1,768,348	(206,486)	1,561,861	-	1,561,861
Logistics and support	2,187,131	34,098	2,221,228	692,938	2,914,166
Assaying	630,674	16,032	646,707	-	646,707
Drilling	1,904,276	-	1,904,276	-	1,904,276
Exploration	1,427,204	-	1,427,204	-	1,427,204
Geological	2,029,068	222,583	2,251,651	181,409	2,433,060
Licensing & permitting	344,388	167,531	511,919	116,457	628,376
	10,291,087	233,758	10,524,845	990,804	11,515,650
Rabbit South, Canada:					
Acquisition costs	445,089	30,000	475,089	-	475,089
Logistics and support	668,729	-	668,729	-	668,729
Assaying	99,708	-	99,708	-	99,708
Drilling	1,095,040	-	1,095,040	-	1,095,040
Exploration	309,162	-	309,162	-	309,162
Geological	239,370	-	239,370	-	239,370
BC Mineral Tax Credit	(67,231)	74	(67,156)	-	(67,156)
	2,789,867	30,074	2,819,942	-	2,819,942
Auterra Properties	1	-	1	-	1
	13,080,956	263,832	13,344,788	990,804	14,335,592

5. Mineral Properties and Deferred Exploration Costs (continued)

a) La Corona de Cobre Project

By an Option Agreement dated March 2, 2005, the Company acquired a 100% interest in mineral claims located near La Serena, Chile for consideration of:

Cash payments totaling $782,646 as follows:

- US$460,928 on or before December 31, 2005 as repayment of costs (paid);
- US$90,000 on or before June 30, 2005 (paid);
- US$100,000 on or before October 31, 2005 (paid); and
- US$110,000 on or before February 28, 2006 (paid).

Issue 1,000,000 shares of the Company capital stock as follows:

- 350,000 shares of the Company's capital stock to be issued within ten days of TSX acceptance of the Agreement (issued at a price of $0.35 per share);
- 325,000 shares on or before March 2, 2006 (issued at a price of $0.15 per share); and
- 325,000 shares on or before March 2, 2007 (issued at a price of $0.255 per share).

Incur exploration and development expenditures totaling $3,500,000 as follows:

- $500,000 on or before December 31, 2005 (incurred);
- $1,000,000 on or before June 30, 2006 (incurred); and
- $2,000,000 on or before June 30, 2007, amended to September 30, 2007 by amendment agreement dated February 25, 2007 (incurred).

Sale of mineral claims at La Corona de Cobre Project

On April 29, 2009, the Company entered into an option agreement with Minera Activa Uno SPA, the terms of which provide Mineral Activa Uno SPA the option to acquire seven concessions currently held by the Company at La Corona de Core Project in La Serena, Chile.

The consideration was US$300,000, which Minera Activa Uno paid over a two year period:

a) US$100,000 - during the first 20 days after this was entered into (received);
b) US$100,000 - during the first 18 months after this was entered into (received); and
c) US$100,000 - during the first 24 months after this was entered into (received).

b) Rabbit South Properties

By an Option Agreement dated January 26, 2004 (as amended) the Company was granted the right and option to acquire a 100% interest (subject to a 3% Net Smelter Royalty ("NSR")) in fifteen mineral claims located in British Columbia for consideration of:

Cash payments totaling $300,000 as follows:

- $25,000 on execution of the Agreement (paid);
- $40,000 on or before January 20, 2005 (paid);
- $50,000 on or before January 20, 2006 (paid);
- $50,000 on or before February 27, 2007 (paid);
- $50,000 on or before January 20, 2008 (paid); and
- $85,000 on or before January 20, 2009 (paid).

5. Mineral Properties and Deferred Exploration Costs (continued)

b) Rabbit South Properties (continued)

Issue 300,000 shares of the Company's capital stock as follows:

- 100,000 shares of Company's capital stock to be issued within ten days of TSX acceptance of the agreement (issued);
- 100,000 shares on or before January 20, 2005 (issued); and
- 100,000 shares on or before January 20, 2006 (issued).

Incur exploration and development expenditures totaling $1,500,000 as follows:

- $200,000 on or before January 20, 2005 (incurred);
- $250,000 on or before January 20, 2006 (incurred);
- $300,000 on or before June 30, 2007 (incurred);
- $375,000 on or before January 20, 2008; amended to April 19, 2008 (incurred); and
- $375,000 on or before January 20, 2009 (incurred).

Further consideration includes the payment of advance royalties of $30,000 per annum commencing November 30, 2008. The annual advance royalties were paid in December 2009 and 2010.

The Company may at anytime purchase one third of the 3% NSR for $1,000,000.

Pursuant to an amendment dated February 19, 2007, the Company issued an additional 100,000 common shares and paid $50,000 to delay the work commitment to June 30, 2007.

On August 17, 2009 the Company signed an amended agreement with the optionor whereby the Company agreed to issue 200,000 common shares of the Company (issued) and a cash payment of $85,000 (paid) to satisfy an earlier agreement dated February 19, 2007 in which the Company had requested an extension of time to make certain work expenditures.

The Company paid a deposit of $8,000 for a reclamation security bond required by the government of British Columbia.

c) AR Properties

By an Agreement dated September 14, 2000, the Company acquired a right to earn a 70% interest (subject to a 3% NSR" in twenty-five mineral claims located in the Whitehorse Mining Division, Yukon. Prior acquisition costs totaled $27,500.

During the year ended February 28, 2010, the Company wrote-down the carrying value of this project to $1.

(Presented in Canadian dollars – unaudited)

6. Marketable Securities

The Company's marketable securities consist of 50,000 shares in Goldbank Mining Corp.:

	November 30, 2011 -$-	February 28, 2011 -$-
Balance, beginning	15,500	4,000
Less unrealized gain (loss)	(13,000)	11,500
Balance, ending	2,500	15,500

The valuation of the shares has been determined by reference to the closing price of the shares on the TSX Venture Exchange on November 30, 2011. At that date, the closing price was $0.05 per share (February 28, 2011 - $0.31).

7. Loans Payable

	November 30, 2011 -$-	February 28, 2011 -$-
Loans payable - current:		
Company controlled by a director (a)	67,806	32,701
Hudson Administrative Services Ltd. (b)	-	483,620
Emerald Fortune Ltd. (c)	7,245	7,245
Convertible loan (d)	2,700,581	-
Total loans payable - current	2,775,632	523,566
Loans payable - non-current:		
Convertible loan (d)	-	2,189,466
Total loans payable - non-current	-	2,189,466

(a) The Company had a balance owing of $67,806 (February 28, 2011: $32,701) to a company no longer controlled by a director of the Company as at November 30, 2011. The loan is unsecured, non-interest bearing and does not have a fixed term of repayment.

(b) At February 28, 2011, the Company had a balance owing to Hudson Administrative Services Ltd. ("Hudson") in the amount of $483,620, including interest of $37,376. The loan was unsecured, bore a monthly interest rate of 1.5% compounded daily, and did not have a fixed term of repayment. In November 2010, a lawsuit was commenced by Hudson claiming $446,244 for loans made to the Company. A payment of $446,244 was paid to the court by a garnishee order. This amount was recorded in restricted cash as at February 28, 2011. The remaining balance of the loan was assigned by Hudson to a company controlled by a director of the Company. In October 2011, the Company made full repayment of loan outstanding.

(c) At November 30, 2011, the Company had a balance owing to Emerald Fortune Ltd. in the amount of $7,245 (February 28, 2011: $7,245). The loan is unsecured, non-interest bearing and does not have a fixed term of repayment.

(d) On October 1, 2010, the Company received a $2,500,000 loan ("Convertible Loan") to advance its Corona de Cobre project in Chile. The proceeds from the loan will be used by the Company to fund project expenses and for general working capital purposes.

(Presented in Canadian dollars – unaudited)

7. Loans Payable (continued)

The loan has an eighteen month term and the loan principal will be convertible at the option of the lender in whole or in part into units ("Principal Units") of the Company until eighteen months from the date of the loan advance at the price of $0.06 per Principal Unit. Each Principal Unit is comprised of one common share and one-half of a non-transferable warrant. Each whole warrant is exercisable to purchase one additional common share for $0.10 at any time until eighteen months from the date of the loan advance. The loan bears interest at the rate of 12% per annum, payable on maturity, and accrued and unpaid interest will be convertible at the option of the lender in whole or in part into units ("Interest Units") of the Company until eighteen months from the date of the loan advance at the market price of the shares. Each Interest Unit will be comprised of one common share and one-half of a non-transferable warrant. Each whole warrant is exercisable to purchase one additional common share for 150% of the market price of the Company's shares at any time until eighteen months from the date of the loan advance. The loan principal and accrued interest is secured by a pledge of the shares of the Company's subsidiary, Global Hunter Chile Ltda., and may be repaid without penalty or bonus on 30-day notice. All shares issued on any conversion of loan principal or interest will be subject to a four month hold period from the date of advance of loan proceeds. A finder's fee equal to 6% of the loan proceeds was paid in cash.

(e) The loan is a compound financial instrument as it includes both liability and equity components. The Company determined the fair value of the liability component on the date of issue was $1,935,593. The fair value of the liability was determined by calculating the fair value of the future cash flows of the loan assuming a discount rate of 30%. The equity component was determined to be $564,407 which is the residual of the proceeds less the liability component. The debt component of the convertible loan is accreted over the term to maturity, with the accretion charge included in interest expense.

	Nine months ended November 30, 2011 -$-	Year ended February 28, 2011 -$-
Balance, beginning of period	2,189,466	-
Issuance of convertible loan	-	1,935,593
Interest expense accrual	225,616	124,110
Accretion expense	285,499	129,763
Balance, ending	2,700,581	2,189,466

8. Related Party Transactions

Due to Related Parties

The following amounts are due to related parties:

	November 30, 2011 -$-	February 28, 2011 -$-
Due to companies with directors in common	-	216,548

Amounts due to related parties are unsecured, non-interest-bearing and are repayable on demand.

Refer to Note 7 for details of loans from related parties.

(Presented in Canadian dollars – unaudited)

8. Related Party Transactions (continued)

Transactions with Related Parties

The Company was charged the following amounts by directors or companies with directors in common for the three and nine months ended November 30, 2011 and 2010:

	Three months ended November 30, 2011	Three months ended November 30, 2010	Nine months ended November 30, 2011	Nine months ended November 30, 2010
	-$-	-$-	-$-	-$-
Consulting fees	-	30,107	7,273	69,267
Management fees	86,025	87,769	280,087	165,769
Office and miscellaneous	18,312	-	44,615	46,105
Rent	18,552	18,728	41,708	68,933
Travel	-	-	61,169	106,209
Interest and finance charges	-	26,254	67,806	73,274
	122,889	162,858	502,658	529,557

9. Share Capital

Authorized

Unlimited number of common shares without par value.

Issued

	November 30, 2011 Number	November 30, 2011 -$-	February 28, 2011 Number	February 28, 2011 -$-
Balance, beginning	226,261,137	22,976,407	138,187,734	18,967,040
Issued:				
For cash on private placements	33,000,000	3,290,000	72,842,732	3,642,137
Pursuant to debt conversion	-	-	11,647,840	349,435
Share purchase warrants exercised	6,000,000	600,000	200,000	20,000
As finder's fee	-	(329,000)	3,382,831	190,724
Private placement fees	-	-	-	(192,928)
Balance, ending	265,261,137	26,537,407	226,261,137	22,976,407

Share capital transactions were as follows:

Nine months ended November 30, 2011

a) In March 2011, the Company completed a private placement of 33,000,000 units at $0.10 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share in the capital of the Company for one year from the date of issue at $0.15 per share. The Company paid $329,000 as finders' fees for this private placement.

b) In June-July 2011, the Company received $600,000 for exercise of 6,000,000 warrants at $0.10 per share.

(Presented in Canadian dollars – unaudited)

9. Share Capital (continued)

Year ended February 28, 2011

a) In April 2010, the Company issued 6,842,732 units at $0.05 per unit pursuant to a private placement. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share in the capital of the Company for two years from the date of issue at $0.10 per share. The Company does not separately attribute a value to the warrants.

b) On April 29, 2010, the Company issued 863,293 shares at $0.075 per share as a finder's fee for private placements completed during the year ended February 28, 2010. This amount was recorded as shares to be issued at February 28, 2010.

c) On June 29, 2010, the Company issued 2,000,000 units at $0.05 per unit pursuant to a private placement for total proceeds $100,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share in the capital of the Company for two years from the date of issue at $0.10 per share. The Company does not separately attribute a value to the warrants.

d) On July 9, 2010, the Company issued 24,000,000 units at $0.05 per unit pursuant to a private placement for total proceeds of $1,200,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share in the capital of the Company for 18 months from the date of issue at $0.10 per share. The Company issued 1,358,000 shares with a fair value of $67,900 as finders' fees for this private placement. The Company does not separately attribute a value to the warrants.

e) On July 30, 2010, the Company issued 11,647,840 shares at $0.03 per share in satisfaction of $552,671 principle and accrued interest resulting in a gain of $203,236 (Note 7).

f) On November 16, 2010, the Company issued 200,000 shares pursuant to the exercise of share purchase warrants at $0.10 per warrant.

g) On December 15, 2010, the Company issued 40,000,000 units at $0.05 per unit pursuant to a private placement for total proceeds of $2,000,000. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to purchase one additional common share in the capital of the Company for 12 months from the date of issue at $0.10 per share. The Company issued 1,161,538 shares with fair value of $58,077 as finders' fees for this private placement. The Company does not separately attribute a value to the warrants.

h) The Company incurred finders' fees of $66,951 in cash relating to the private placements issued during the year ended February 28, 2011.

Share Purchase Warrants

At November 30, 2011, the Company had outstanding share purchase warrants exercisable to acquire up to 94,300,000 shares as follows:

Number	Exercise Price	Expiry Date
29,357,268	$0.10	December 7, 2011
20,000,000	$0.10	December 15, 2011
21,800,000	$0.10	January 9, 2012
16,500,000	$0.15	April 6, 2012
4,642,732	$0.10	April 8, 2012
2,000,000	$0.10	June 29, 2012
94,300,000		

(Presented in Canadian dollars – unaudited)

9. Share Capital (continued)

The continuity of share purchase warrants outstanding is as follows:

	November 30, 2011			February 28, 2011		
	Number of shares		Weighted average exercise price	Number of shares		Weighted average exercise price
Balance, beginning	82,508,321	$	0.10	70,388,921	$	0.13
Issued at $0.15	16,500,000		0.15	-		0.00
Issued at $0.15 (adjusted)	1,291,679		0.15	-		0.00
Issued at $0.10	-		-	52,842,732		0.10
Exercised	(6,000,000)		0.10	(200,000)		0.10
Expired	-		-	(40,523,332)		0.15
Balance, ending	94,300,000	$	0.11	82,508,321	$	0.10

The weighted average life of the share purchase warrants outstanding at November 30, 2011 was 0.3 year.

Stock Options

The Company has adopted an incentive stock option plan (the "Plan"). The Plan provides that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the plan may not exceed ten percent of the issued and outstanding shares of the Company at the relevant time. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the discounted market price of the shares (defined as the last closing market price of the Company's shares immediately preceding the grant date, less the maximum discount permitted by TSX Venture Exchange Policy), or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange. Stock options granted to consultants providing investor relations activities under the Plan are subject to vesting restrictions such that one-quarter of the option shall vest on each of the date of grant and three, six and twelve months after the date of grant.

A summary of the status of the Company's stock options at November 30, 2011 and February 28, 2011 is as follows:

	November 30, 2011			February 28, 2011		
	Number of shares		Weighted average exercise price	Number of shares		Weighted average exercise price
Balance, beginning	2,025,000	$	0.30	3,025,000	$	0.30
Expired	-		-	(1,000,000)		0.30
Balance, ending	2,025,000	$	0.30	2,025,000	$	0.30

The weighted average life of the options outstanding at November 30, 2011 was 0.8 years.

At November 30, 2011, the Company had outstanding and exercisable stock options to acquire 2,025,000 shares as follows:

Number of Options Outstanding	Number of Options Exercisable	Price	Expiry Date
2,025,000	2,025,000	$ 0.30	October 4, 2012
2,025,000	2,025,000		

(Presented in Canadian dollars – unaudited)

9. Share Capital (continued)

Contributed Surplus

	November 30, 2011 -$-	February 28, 2011 -$-
Balance at beginning of year	3,277,363	2,712,956
Convertertible loan - equity component (Note 7e)	-	564,407
Balance at end of the period	3,277,363	3,277,363

Shares to be issued (receivable)

	November 30, 2011 -$-	February 28, 2011 -$-
Balance at the beginning of year	2,910,000	64,747
Private placements, net of issuance costs	(2,910,000)	-
Share subscriptions received (receivable)	(46,500)	2,845,253
Balance at the end of the period	(46,500)	2,910,000

10. Segmented Information

The Company is involved in one industry segment comprising the acquisition and exploration of mineral properties and two geographic segments: Canada and Chile. Expenses are incurred and the assets are located in both Canada and Chile. The Company's equipment and mineral properties and deferred exploration costs are distributed by geographic area as follows:

At November 30, 2011:

	Equipment -$-	Mineral properties and deferred exploration costs -$-	Total -$-
Canada	26,144	2,819,943	2,846,087
Chile	48,425	11,515,649	11,564,074
	74,569	14,335,592	14,410,161

At February 28, 2011:

	Equipment -$-	Mineral properties and deferred exploration costs -$-	Total -$-
Canada	6,543	2,819,943	2,826,486
Chile	33,425	10,524,845	10,558,270
	39,968	13,344,788	13,384,756

(Presented in Canadian dollars – unaudited)

11. Commitments

Operating leases commitments

At November 30, 2011, the Company had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	November 30, 2011
	- $ -
Within one year	157,000
Between two to five years	360,000
	517,000

Operating lease payments represent rentals payable by the Company for its premises. Leases are negotiated for a term of five years.

12. Subsequent Events

On December 1, 2011, the Company received the consent of the TSX Venture Exchange to extend the exercise term of 20,000,000 outstanding share purchase warrants originally set to expire on December 15, 2011 by six months, to June 15, 2012.

13. Transition to International Financial Reporting Standards

Effective January 1, 2011, Canadian publicly listed entities are required to prepare their financial statements in accordance with IFRS instead of Canadian GAAP. This mandate applies to interim reporting periods in 2011 and requires the 2010 comparative financial information to be in accordance with IFRS. Accordingly, although the Company is a first time reporter under IFRS in 2011, the underlying conversion is based on an effective transition date of March 1, 2010.

The Company has applied the following transition exceptions and exemptions to full retrospective application of IFRS:

Business combinations

The Company elected to utilize the option in IFRS 1 to not apply IFRS 3R “Business Combinations” (“IFRS 3R”) retrospectively to business combinations prior to March 1, 2010 and to apply IFRS 3R prospectively to business combinations on or after the March 1, 2010 transition date. The impact of this policy decision is that all prior business combinations will continue to be accounted for as originally recorded under Canadian GAAP. There were no business combinations during fiscal 2010.

Borrowing costs

The Company elected the option in IFRS 1 to not apply IAS 23 “Borrowing Costs” retrospectively to borrowing costs prior to January 1, 2010. The impact of this policy decision is that all previously expensed interest and related borrowing costs to March 1, 2010 will continue to be accounted for as originally recorded under Canadian GAAP.

Share based payments

The Company elected the transition exemption available to not retrospectively apply the IFRS 2 “Share-based Payments” calculation method to any share options vested before March 1, 2010.

(Presented in Canadian dollars – unaudited)

13. Transition to International Financial Reporting Standards (continued)

Exploration and evaluation

The Company will maintain its current policy and will continue to capitalize all costs related to project costs. In accordance with IFRS 6, this permits the inclusion of general administrative costs as long as these are related to the project; this is consistent with current treatment under Canadian GAAP. In accordance with IFRS, the Company has elected to use the cost method and not the revaluation method due to the difficulty in determining accurate fair value information and the effort required to continually monitor fair values.

Reconciliation of comprehensive loss

	Three months ended November 30, 2010 -$-	Nine months ended November 30, 2010 -$-	Year ended February 28, 2010 -$-
Comprehensive loss as reported under Canadian GAAP	862,034	1,197,187	2,054,151
Effect of change to accretion interest (Note 13(a))	-	-	(43,215)
Comprehensive loss in accordance with IFRS	862,034	1,197,187	2,010,936

Reconciliation of shareholders' equity

	March 1, 2010 -$-	November 30, 2010 -$-	February 28, 2011 -$-
Shareholders' equity as reported under Canadian GAAP	9,592,972	12,421,003	15,187,061
Effect of change to convertible loan (Note 13(a))	-	-	(185,998)
Shareholders' equity in accordance with IFRS	9,592,972	12,421,003	15,001,063

(a) Convertible loan

Under Canadian GAAP, the Company allocated the loan proceeds between the liability and equity components using the relative fair value methods. IFRS requires that the carrying value initially recorded for the liability component is determined by measuring the fair value of a similar instrument that does not have an associated equity component (Note 7(d)). The carrying amount of the equity component is then determined by deducting the fair value of the liability from the fair value of the convertible loan as a whole. This resulted in the initial amount recorded for the liability increasing by $229,213 and equity component, which was recorded in contributed surplus, decreasing by $229,213.

Under Canadian GAAP, the accretion of the difference between the initial allocated to the liability component and the maturity value of the loan was presented separately as accretion interest in the statement of comprehensive loss. IFRS requires that this amount is included in interest and finance charges.