GOLD STANDARD VENTURES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2010 and DECEMBER 31, 2009

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Gold Standard Ventures Corp.

We have audited the accompanying consolidated financial statements of Gold Standard Ventures Corp. which comprise the consolidated balance sheets as at December 31, 2010 and 2009 and the consolidated statements of loss and, comprehensive loss and cash flows for the year ended December 31, 2010 and the period from March 30, 2009 to December 31, 2009, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Gold Standard Ventures Corp. as at December 31, 2010 and 2009 and the results of its operations and its cash flows for the year ended December 31, 2010 and the period from March 30, 2009 to December 31, 2009 in accordance with Canadian generally accepted accounting principles.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Gold Standard Ventures Corp.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Accountants

April 29, 2011

	Page
Auditor's Report	**1**
Content	**3**
Consolidated Balance Sheets	**4**
Consolidated Statements of Loss and Comprehensive Loss	**5**
Consolidated Statements of Cash Flows	**6**
Consolidated Statements of Shareholders' Equity	**7**
Notes to Consolidated Financial Statements	**8-24**

GOLD STANDARD VENTURES CORP.
(An Exploration Stage Company)
Consolidated Balance Sheets

	December 31, 2010	December 31, 2009
	$	$
Assets		
Current		
Cash	4,109,636	919,739
Receivables	49,370	6,747
Prepaid expenses	51,453	3,046
	4,210,459	929,532
Property and equipment (Note 4)	76,173	6,750
Mineral property interests (Note 5)	8,352,251	4,654,950
Reclamation bond (Note 6)	36,720	-
	12,675,603	5,591,232
Liabilities		
Current		
Accounts payable and accrued liabilities	1,274,037	122,074
Due to shareholders (Note 11)	3,755	22,528
Notes payable (Note 7)	-	658,500
	1,277,792	803,102
Future income taxes (Note 9)	143,453	170,453
	1,421,245	973,555
Shareholders' equity		
Capital stock (Note 8)	12,855,676	4,909,362
Contributed surplus	2,111,153	-
Accumulated deficit	(3,712,471)	(291,685)
	11,254,358	4,617,677
	12,675,603	5,591,232

Nature and Continuance of Operations (Note 1), **Commitments** (Note 14) and **Subsequent Events** (Note 15)

On Behalf of the Board:

"Jonathan Awde"	"Richard Silas"
Jonathan Awde, Director	Richard Silas, Director

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

GOLD STANDARD VENTURES CORP.
(An Exploration Stage Company)
Consolidated Statements of Loss and Comprehensive Loss

	For the year ended December 31, 2010	March 30, 2009 to December 31, 2009
	$	$
Expenses		
Amortization	9,380	750
Advertising and promotion	65,089	-
Bank charge and interest	6,245	-
Consulting fees	392,200	121,986
Foreign exchange loss	35,791	9,324
Insurance	11,214	-
Investor relations	189,604	-
Loan interest	23,422	23,428
Management fees	201,905	-
Office	118,371	7,898
Professional fees	276,487	74,723
Property investigation	14,811	788
Regulatory and shareholders service	36,103	1,120
Rent	52,239	5,315
Stock based compensation (Note 8)	1,776,672	-
Travel and entertainment	214,875	75,741
Wages and salaries	23,952	-
Loss for the period	(3,448,360)	(321,073)
Interest income	574	29,388
Loss before income taxes	(3,447,786)	(291,685)
Future income tax recovery (Note 9)	27,000	-
Loss and comprehensive loss for the period	(3,420,786)	(291,685)
Basic and diluted loss per share	(0.11)	(0.01)
Weighted average number of common shares outstanding	32,467,466	26,194,571

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

GOLD STANDARD VENTURES CORP.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows

	For the year ended December 31, 2010	March 30, 2009 to December 31, 2009
	$	$
Cash flows used in operating activities		
Net loss for the period	(3,420,786)	(291,685)
Items not affecting cash:		
Amortization	9,380	750
Stock based compensation	1,776,672	-
Future income tax recovery	(27,000)	-
Changes in non-cash working capital items		
(Increase) in receivables	(8,580)	(6,747)
(Increase) decrease in prepaid expenses	(27,878)	(3,046)
Increase in accounts payable	32,181	25,054
	(1,666,011)	(275,674)
Cash flows used in investing activities		
Cash on acquisition of JMD (Note 3)	-	12,358
Acquisition of property and equipment	(78,803)	-
Loan advances to JMD prior to acquisition	-	(3,452,231)
Reclamation bond	(36,720)	-
Mineral property expenditures	(3,084,197)	(383,076)
	(3,199,720)	(3,822,949)
Cash flows for financing activities		
Proceed from share issuances	6,005,170	4,461,630
Share issue costs	(632,952)	(105,268)
Notes payable proceeds	-	1,523,500
Notes payable repayment	(658,500)	(865,000)
Due to shareholders	(18,773)	3,500
Loan to GSV prior to recapitalization	(154,650)	-
Cash acquired on recapitalization	3,678,349	-
Recapitalization costs	(163,016)	-
	8,055,628	5,018,362
Net change in cash	3,189,897	919,739
Cash, beginning of period	919,739	-
Cash, end of period	4,109,636	919,739
Cash paid for interest	46,850	90,109
Non-cash transactions		
Acquisition for JMD for shares	-	325,000
Net assets assumed on recapitalization of the Company	3,141,153	-
Financing fees - warrants	334,481	-
Finders fees - shares	-	100,000
Shares issued for mineral properties	-	228,000
Mineral properties in accounts payable at period end	670,431	57,327
Property and equipment in accounts payable at period end	-	7,500
Share issue costs in accounts payable at period end	69,560	-

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

GOLD STANDARD VENTURES CORP.

(An Exploration Stage Company)

Consolidated Statements of Shareholders' Equity

	Number of Shares Issued	Capital Stock	Special Warrants	Contributed Surplus	Accumulated Deficit	Total Shareholders' Equity
		$	$		$	$
Founder's shares	10,000	100	-	-	-	100
Shares issued for cash	23,324,571	4,461,530	-	-	-	4,461,530
Shares issued for finders' fee	200,000	100,000	-	-	-	100,000
Share issue costs	-	(205,268)	-			(205,268)
Shares issued for mineral properties (Note 5)	600,000	228,000	-	-	-	228,000
Shares issued for acquisition of JMD (Note 3b)	650,000	325,000	-	-	-	325,000
Net loss for the period	-	-	-	-	(291,685)	(291,685)
Balance at December 31, 2009	**24,784,571**	**4,909,362**	**-**	**-**	**(291,685)**	**4,617,677**
Issuance of special warrants	-	-	916,500	-	-	916,500
Issuance costs	-	-	(152,748)	-	-	(152,748)
Capital stock of JKR Gold Resources Ltd.	(24,784,571)	-	-	-	-	-
Capital stock of the Company	3,136,069	-	-	-	-	-
Share issued pursuant to acquisition (Note 3a)	30,348,747	3,141,153	-	-	-	3,141,153
Recapitalization costs	-	(163,016)	-	-	-	(163,016)
Exchange of special warrants for shares	1,410,000	763,752	(763,752)	-	-	-
Shares issued for cash	7,809,493	5,076,170	-	-	-	5,076,170
Warrants exercised	31,250	12,500	-	-	-	12,500
Shares issue costs	-	(884,245)	-	-	-	(884,245)
Agents warrants issued for private placements	-	-	-	334,481	-	334,481
Stock based compensation	-	-	-	1,776,672	-	1,776,672
Net loss for the year	-	-	-	-	(3,420,786)	(3,420,786)
Balance at December 31, 2010	**42,735,559**	**12,855,676**	**-**	**2,111,153**	**(3,712,471)**	**11,254,358**

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

NOTE 1 - Nature and Continuance of Operations

Gold Standard Ventures Corp. (the "Company") was incorporated on February 6, 2004 under the Business Corporations Act of British Columbia and is listed for trading on the TSX Venture Exchange ("TSX-V").

On July 13, 2010, pursuant to an Arrangement Agreement dated May 26, 2010 (the "Arrangement"), the Company issued 24,784,571 common shares and 1,410,000 units, of which each unit entitles the holder one common share and one share purchase warrant, of the Company to the shareholders of JKR Gold Resources Inc. ("JKR"), in exchange for all of the issued and outstanding shares of JKR. The Company also issued 98,700 agent's warrants to JKR's warrant's holders (Note 8).

The acquisition resulted in the former shareholders of JKR acquiring control of the Company and has been accounted for as a reverse acquisition by JKR, the legal subsidiary, being treated as the accounting parent and Gold Standard Ventures Corp., the legal parent, being treated as the accounting subsidiary. Accordingly, the consolidated results of operations of the Company include those of JKR and its subsidiaries, for all periods shown and those of the Company since the date of the reverse acquisition.

JKR was a private, exploration stage junior mining company, incorporated on March 30, 2009 under the Business Corporations Act of British Columbia and engaged in the identification, acquisition, evaluation and exploration of gold properties in Nevada, US. JKR has three mineral properties, the Railroad property, the Crescent Valley property and Camp Douglas property, which are subject to certain future lease payments to maintain good standing of their ownership. These obligations were assumed by the Company upon the acquisition (Note 3a).

The Company's mineral properties are at the exploration stage and are without a known body of commercial ore. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The amounts shown as mineral property costs represent acquisition, holding and deferred exploration costs and do not necessarily represent present or future recoverable values. The recoverability of the amounts shown for mineral property costs is dependent upon the Company obtaining the necessary financing to complete the exploration and development of the properties, the discovery of economically recoverable reserves and future profitable operations.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At December 31, 2010, the Company had not yet achieved profitable operations, has accumulated losses of $3,712,471 since inception, and had working capital of $2,932,667. The Company expects to incur further losses from its operations and anticipates it will need to raise further equity and this additional equity may or may not be available on reasonably commercial terms.

NOTE 2 - Significant Accounting Policies

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

Basis of presentation
These consolidated financial statements have been prepared by the Company in accordance with Canadian GAAP. In the opinion of the Company's management, these consolidated financial statements reflect all the adjustments necessary to fairly present the Company's financial position at December 31, 2010, and the results of operations and cash flow for the years ended December 31, 2010 and 2009.

Basis of consolidation
These consolidated financial statements include the accounts of the Company, its wholly owned subsidiary, JKR and its wholly owned subsidiaries, JKR Gold Resources (USA) Inc., JMD Exploration Corp. (incorporated under the Business Corporations Act of British Columbia) and JMD Exploration (USA) Corp. (incorporated in the State of Nevada) ("JMD USA"), which subsequently changed its name to Gold Standard Ventures (US) Inc. ("GSV US"), from their dates of formation or acquisition. All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

Foreign currency translation
The functional currency of the Company is the Canadian dollar. The Company's subsidiaries are integrated operations and are translated using the temporal method. Monetary assets and liabilities denominated in another currency are translated at exchange rates in effect at the balance sheet dates. Non-monetary items are translated at the rates of exchange in effect at the time the items arose. Revenue and expenses are translated at rates approximating those in effect at the time of the transaction. Gains and losses arising from fluctuations in exchange rates are included in operations for the periods in which they occur.

Use of estimates
The preparation of consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Significant areas of estimate include the impairment of assets and rates for amortization, stock-based compensation, accrued liabilities and the application of valuation allowances against future tax assets.

Mineral property interests
The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties until such time as the properties are placed into production, abandoned, sold or considered to be impaired in value. Costs of producing properties will be amortized on a unit of production basis and costs of abandoned properties are written off. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in operations. Write-downs due to impairment in value are charged to operations.

The Company is in the process of exploring and developing its mineral properties and has not yet determined the amount of reserves, if any, that are available. Management reviews the carrying value of mineral properties on a periodic basis and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company, the assessment of future profitability of production revenues from the property or from the sale of property. Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values.

Although the Company has taken steps to verify title to mineral properties in which it has an interest or potential interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

NOTE 2 - Significant Accounting Policies – (continued)

Property and equipment
Equipment is stated at cost less accumulated amortization. Amortization is recorded over the estimated useful life of related assets as follows:

Asset	Basis	% or Period
Furniture and Fixtures	Straight-line	5 years
Leasehold Improvements	Straight-line	5 years

Asset retirement obligations
An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying value of the related long-lived tangible asset is increased by the same amount. As at December 31, 2010, there were no significant asset retirement obligations.

Future income taxes
The Company accounts for income taxes using the asset and liability method. Under this method, future income taxes are recorded for the temporary differences between the financial reporting basis and tax basis of the Company's assets and liabilities. These future taxes are measured by the provisions of currently enacted tax laws. To the extent the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Capital disclosures
The Company follows CICA Handbook Section 1535, "*Capital Disclosures*" which requires the disclosure of both qualitative and quantitative information that provides users of financial statements with information to evaluate the Company's objectives, policies and procedures for managing capital. See Note 12 for disclosure.

Stock-based compensation
Stock options are granted in accordance with the policies of regulatory authorities. The fair value of all stock options granted is expensed over their vesting period with a corresponding increase to contributed surplus. The fair value of all stock options is calculated using the Black-Scholes option valuation model.

Loss per share
Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. For the period presented, diluted loss per share has not been calculated because the effect of amounts would be anti-dilutive.

Goodwill and intangible assets
The Company follows CICA Handbook Section 3064 "*Goodwill and Other Intangible Assets*" which establishes guidance for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred.

NOTE 2 - Significant Accounting Policies – (continued)

Financial instruments
The Company classifies all financial instruments as either held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial instruments classification. Held-for-trading instruments are measured at fair value with unrealized gains and losses recognized in results of operations. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments held-to-maturity, loans and receivables and other financial liabilities are measured at amortized cost.

The Company has classified its cash as held-for-trading. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities, due to shareholders and notes payable are classified as other financial liabilities; all of which are measured at amortized cost.

Effective October 1, 2009, CICA Section 3862 "Financial Instruments – Disclosures" was amended to require disclosures about the relative inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurements. The three levels of fair value inputs are:

i) Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
ii) Level 2 – Inputs other than quoted prices that are observable for assets or liabilities either directly or indirectly; and
iii) Level 3 – Inputs that are not based on observable market data.

See Note 13 for disclosure.

Comprehensive income
Comprehensive income is composed of the Company's earnings and other comprehensive income. Other comprehensive income includes unrealized gains and losses on available-for-sale investments, foreign currency translation gains and losses on the net investment in self-sustaining operations and changes in the fair market value of derivative instruments designated as cash flow hedges, all net of income taxes. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income which is presented (if applicable) as a separate category in shareholders' equity.

Recent Accounting Pronouncements

Business Combinations, Non-controlling Interest and Consolidated Financial Statements

In January 2009, the CICA issued Handbook Sections 1582 "*Business Combinations*", 1601 "*Consolidated Financial Statements*" and 1602 "*Non-controlling Interests*" which replace CICA Handbook Sections 1581 "*Business Combinations*" and 1600 "*Consolidated Financial Statements*". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

The Company has adopted the above standards and reflects its effect on the Company's consolidated financial statements as of December 31, 2010 with respect to the Company's reverse acquisition of JKR (Note 1 & Note 3a)

International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standard Board has confirmed January 1, 2011 as the date that International Financial Reporting Standards ("IFRS") will replace Canadian GAAP for publicly accountable enterprises. The conversion to IFRS will be applicable to the Company's reporting no later than the first quarter of 2011, with restatement of comparative information presented.

NOTE 3 - Acquisition

a) Pursuant to an agreement dated May 16, 2010, on July 13, 2010, the Company acquired 100% of the issued and outstanding shares of JKR in exchange for 24,784,571 common shares. The Company also issued 1,410,000 units in exchange for 1,410,000 JKR special warrants, with each unit entitling the holder to one common share and one share purchase warrant, of the common stock of the Company for a total of 26,194,571 units being issued. Legally, the Company is the parent of JKR; however, as a result of the share exchange described above, the former shareholders of JKR acquired control of the Company.

The acquisition has been accounted for as a capital transaction in substance using accounting principles applicable to reverse acquisitions, with JKR being treated as the accounting parent (acquirer) and the Company being treated as the accounting subsidiary (acquiree). The value of the shares on acquisition is based on the fair value of the net assets assumed on recapitalization.

The fair value of the Company's net assets assumed is as follows:

Cash	$ 3,678,349
Receivables	34,043
Prepaid expenses	20,529
Accounts payable and accrued liabilities	(437,118)
Loan payable	(154,650)
Total	$ 3,141,153

The net costs for the recapitalization in the amount of $163,016 were charged to equity.

Prior to the acquisition, the Company had issued 5,564,176 subscription receipts for proceeds of $3,616,715, which were held in escrow and released upon the completion of the acquisition. Upon completion of the acquisition, the Company issued 5,564,176 units on the exercise of the subscription receipts, comprising of one common share of the Company and one share purchase warrant entitling the holder to purchase an additional common share at a price of $1.00 for a period of two years. These units along with the 24,784,571 common shares exchanged equal the total shares exchanged of 30,348,747.

The consolidated balance sheet as at December 31, 2009 and the consolidated statements of loss and comprehensive loss and cash flows for the period from March 30, 2009, the date of incorporation to December 31, 2009 are those of JKR and its subsidiaries. The consolidated statements of loss and comprehensive loss and cash flows include JKR's results of operations and cash flows for the year ended December 31, 2010 and the Company's results of operations from July 13, 2010 (the date of the reverse acquisition) to December 31, 2010.

The weighted average number of common shares outstanding for 2010 is calculated as if the additional 26,194,571 common shares issued in connection with the acquisition were issued on March 30, 2009.

NOTE 3 - Acquisition – (continued)

b) In November 2009, JKR completed the acquisition of JMD Exploration Corp. ("JMD"). Under the terms of the agreements with the shareholders, JKR issued 650,000 common shares at a value of $325,000 for all of the issued and outstanding shares of JMD.

JMD and its subsidiary GSV US previously acquired a 100% interest in the Railroad property from Royal Standard Minerals Inc. ("RSM") (Note 5). The interest in the Railroad property was financed by a loan to JMD of US$1.765 million from an unrelated third party, which was assumed and subsequently repaid by JKR in September 2009, and an additional loan of US$1.2 million advanced by the Company to JMD prior to the acquisition.

JMD is not considered a business for accounting purposes and accordingly the transaction is treated as an acquisition of mineral property interests and related net assets.

Total share consideration of $325,000 was allocated as follows:

Cash	$ 12,358
Mineral property interests	3,986,547
Accounts payable	(32,193)
Due to shareholder	(19,028)
Loans payable to JKR	(3,452,231)
Future income tax liability	(170,453)
Total	$ 325,000

NOTE 4 - Property and Equipment

	December 31, 2010		
	Cost	Accumulated Amortization	Net Book Value
	$	$	$
Furniture and Fixtures	21,028	3,603	**17,425**
Leasehold Improvements	65,275	6,527	**58,748**
	86,303	10,130	**76,173**

	December 31, 2009		
	Cost	Accumulated Amortization	Net Book Value
	$	$	$
Furniture and Fixtures	7,500	750	**6,750**

NOTE 5 - Mineral Property Interests

Expenditures for the fiscal period related to mineral properties located in Nevada, USA are as follows:

	Crescent Valley	Railroad	Camp Douglas	Total
	$	$	$	$
Balance as at inception on March 30, 2009	-	-	-	-
Property acquisition and staking costs	354,200	3,986,547	-	4,340,747
Exploration expenses				
Claim maintenance fees	60,714	-	-	60,714
Consulting	84,745	-	-	84,745
Data Analysis	873	966	-	1,839
Geological	5,903	16,028	-	21,931
Lease payments	106,508	-	-	106,508
Legal fees for property acquisition	16,535	21,931	-	38,466
Balance as at December 31, 2009	**629,478**	**4,025,472**	**-**	**4,654,950**
Property acquisition and staking costs	103,630	-	-	103,630
Exploration expenses				
Assessment fees	1,007	-	7,771	8,778
Claim maintenance fees	53,890	73,946	49,752	177,588
Consulting	24,823	249,998	-	274,821
Data Analysis	8,027	8,044	-	16,071
Drilling/Exploration	249,920	1,912,864	-	2,162,784
Equipment	-	18,310	-	18,310
Geological	1,018	31,357	3,814	36,189
Lease payments	118,161	110,312	47,457	275,930
Legal fees for property acquisition	-	-	17,910	17,910
Sampling and processing	15,444	25,053	-	40,497
Site development	0	171,283	-	171,283
Supplies	7,132	346,898	-	353,107
Travel	2,609	36,871	-	39,480
	585,661	2,984,936	126,704	3,697,301
Balance as at December 31, 2010	**1,215,139**	**7,010,408**	**126,704**	**8,352,251**

Crescent Valley North Project

In September 2009, JKR entered into an option agreement to acquire a 100% interest in four lease agreements, collectively known as the Crescent Valley North property ("CVN") from Aurelio Resources Corporation ("Aurelio"). In order to earn the interest, the Company must complete the following by August 2012:

- Pay Aurelio US$100,000 and reimbursement of US$16,567 of closing costs (paid)
- Issue 600,000 common shares to Aurelio (issued at a value of $228,000)
- Pay Aurelio US$100,000 on or before August 31, 2010 (paid)
- Incur exploration expenditures of US$1,500,000 on or before August 31, 2012, with the Company having the option of making a cash payment to Aurelio of any shortfall
- Assume the obligations on each of the four underlying lease agreements

NOTE 5 - Mineral Property Interests – (continued)

The underlying lease agreements consist of the Mathewson Lease ("Mathewson"), the WFW Lease ("WFW"), the KM/IC Lease ("KM/IC"), and the KM/RC Lease ("KM/RC"). The annual lease payments in $US are as follows:

Lessor	Mathewson	WFW	KM/IC	KM/RC	Total	
Year						
2009	$ 35,000	$ 12,500	$ 25,000	$ 25,000	$ 97,500	*(Paid)*
2010	40,000	12,500	30,000	30,000	112,500	*(Paid)*
2011	45,000	12,500	35,000	35,000	127,500	
2012	50,000	17,500	40,000	40,000	147,500	
2013	55,000	17,500	45,000	45,000	162,500	
2014	60,000	17,500	50,000	50,000	177,500	
Onward	60,000	17,500	50,000	50,000	177,500	

Aurelio also has a 1% net smelter royalty ("NSR") on each of the four properties. The Mathewson lease, KM/IC lease and KM/RC lease are each subject to a 4% NSR, of which 2% can be bought down on a sliding scale dependent on the price gold.

The WFW lease is subject to a 3% NSR, of which 2% can be bought down on a sliding scale dependent on the price of gold.

The Mathewson lease, KM/IC lease and KM/RC lease are held by an officer of the Company.

Railroad Project

In August 2009, JMD and its subsidiary, GSV US, entered into an agreement to acquire a 100% interest in certain claims comprising the Railroad Property in Nevada from Royal Standard Minerals, Inc ("RSM") and its subsidiaries. The Railroad property is subject to three underlying lease agreements as follows:

a. Aladdin Sweepstakes Consolidated Mining Company ("Aladdin") Lease/Purchase Agreement dated August 1, 2002; whereby RSM was granted the option to purchase the property on or before August 1, 2009 for a lump sum payment of US$2,000,000 less any lease payments as credits towards the payment, subject to a retained 1% NSR. As of August 2009, RSM had made total lease payments of $235,000.
b. Tomera Mining Lease dated January 22, 2003, which is subject to annual lease payments and expiring in January 2011. This lease is also subject to a 5% NSR. The lease was not extended in January 2011 but was replaced with five separate leases which were entered into in September 2010 as described below.
c. Sylvania Mining Lease Agreement dated December 1, 2005 which is subject to annual lease payments and expiring in December 2021. This lease is also subject to a 5 % NSR.

To acquire the interest in the Railroad property, JMD must:

- Pay the remaining balance of US$1,765,000 to Aladdin (paid, see Note 3b)
- Pay US$1,200,000 to RSM (paid by JKR prior to acquisition of JMD, see Note 3b)
- Pay the final lease payment of US$31,800 on the Tomera Mining Lease (paid)
- Pay the 2009 lease payment of US$8,000 on the Sylvania Mining Lease (paid)
- Pay the 2010 lease payment of US$8,000 on the Sylvania Mining Lease (paid)
- Pay future annual lease payments under the Sylvania Mining Lease of US$20,000 per annum until 2020.

In November 2009, JKR acquired JMD (Note 3b) and thereby acquired the rights to the Railroad property.

NOTE 5 - Mineral Property Interests – (continued)

RSM will retain a 1% NSR on the entire property and certain claims are subject to a 1.5% Mineral Production Royalty payable to Kennecott Holdings Corporation.

In September 2010, the Company entered into five mining lease agreements to acquire additional parcels of private surface and mineral rights properties contiguous with the Railroad property and are subject to annual lease payments as follows:

Year		
2010	$67,040	*(Paid)*
2011	67,040	
2012	67,040	
2013	76,989	
2014	76,989	
2015	86,938	
2016	86,938	
Onward	96,887	

The lease payments are required to be paid on each agreement's anniversary date to keep the exploration rights in effect. The Company is also required to pay certain royalties to the lessors with the option to purchase certain percentages of net smelter royalties for prices ranging from $1,000,000 to $3,000,000.

Camp Douglas Project

In August 2010, the Company entered into a mining lease and option to purchase agreement with Diversified Inholdings, LLC, a US company, to acquire, subject to a 4% net smelter royalty, a 100% interest in the Camp Douglas project consisting of certain unpatented mineral claims in Mineral County, Nevada. Under the terms of the agreement, the Company is to pay cumulative lease payments of US$550,000 and incur exploration expenditures of US$900,000 by August 2018. As at December 31, 2010, the Company had paid US$45,000 in lease payments and incurred US$52,707 in exploration expenditures. Further lease payments and annual expenditures after 2018 will be subject to negotiation.

The Company has the option to purchase a 100% interest in the property for an amount of US$100,000. The Company may exercise the option only after it commits to commence development of a mine or mining on the property and completes a feasibility study for development of a mine or mining on the property.

NOTE 6 - Reclamation Bond

In relation to the Crescent Valley North and Railroad properties, the Company has posted reclamation bonds of $36,720.

NOTE 7 - Notes Payable

During the year, the Company fully repaid its outstanding loan balance of notes payable from December 31, 2009, shown in the schedule as follows:

	Balance as at December 31, 2009	Repayments	Balance as at December 31, 2010
	$	$	$
Note payable issued August 14, 2009 (i)	3,000	3,000	-
Note payable issued October 2, 2009(i)	100,000	100,000	-
Note payable issued August 17, 2009	75,000	75,000	-
Note payable issued July 24, 2009 (ii)	309,500	309,500	-
Note payable issued August 27, 2009	80,000	80,000	-
Note payable issued August 21, 2009	91,000	91,000	-
	658,500	658,500	-

i) The note payable was issued to an arm's length party of JKR prior to its acquisition (Note 3), however the lender is an officer of the Company.

ii) The note payable was issued to a company owned by a director of the Company.

All of the notes payable were unsecured, repayable on demand and bore interest at a rate of prime plus 4% per annum. During the year ended December 31, 2010, the Company paid interest of $46,850 on the above notes of which $23,422 (December 31, 2009 - $23,428) was included in loan interest expense.

NOTE 8 - Capital Stock

During the period ended December 31, 2009, JKR completed several private placements and issued 23,334,571 common shares for total proceeds of $4,461,630 including 10,000 founder's common shares for proceeds of $100. Pursuant to the issue of these common shares, the Company issued 200,000 common shares at a value of $100,000 as finder's fees and incurred additional share issuance costs of $105,268.

In September 2009, JKR issued 600,000 common shares at a value of $228,000 to Aurelio for the Crescent Valley North Project (Note 5).

In November 2009, JKR issued 650,000 common shares at a value of $325,000 to acquire all the issued common shares of JMD (Note 3b).

During the first quarter of 2010, pursuant to the completion of a private placement in March 2010, JKR issued a total of 1,410,000 special warrants at $0.65 per special warrant for net proceeds of $797,345 and issued 98,700 agent's warrants. Each special warrant entitles the holder to acquire one unit for no additional consideration with each unit consisting of one common share of JKR and one common share purchase warrant with each warrant entitling the holder to purchase one additional common share of JKR at an exercise price of $1.00 per share for a period of 24 months from the date of issuance.

Each agent's warrant entitles the holder to purchase one common share of JKR at any time before the expiry date on March 16, 2012 at the price of $0.65 per common share. The agent's warrants were valued at $33,593, calculated using the Black-Scholes option-pricing model assuming a life expectancy of two years, a risk-free rate of 0.65% and volatility of 100%.

NOTE 8 - Capital Stock – (continued)

On July 13, 2010, pursuant to the completion of the acquisition (Note 3a), the Company issued 24,754,571 common shares in exchange for all of JKR's issued and outstanding common shares on a 1:1 basis. As discussed in Note 3, since the former shareholders of JKR effectively assumed control of the Company, the acquisition has been treated for accounting purposes as a recapitalization of JKR through the acquisition of the Company. All 1,410,000 special warrants and 98,700 agent's warrants of JKR were exchanged for special warrants and agent's warrants of the Company with the same terms and conditions. The special warrants were then exercised into units of the Company with each unit consisting of one common share and one share purchase warrant exercisable into one common share at a price of $1.00 per share for a period of 24 months from issuance.

Prior to the recapitalization, the Company issued 5,564,176 subscription receipts for proceeds of $3,616,714. The subscription receipts were then converted into units of the Company on completion of the acquisition with each unit consisting of one common share and one share purchase warrant exercisable into one common share at a price of $1.00 per share for a period of two years. The Company incurred fees related to this financing of $249,774.

The Company also issued 265,730 agent's warrants exercisable at $1.00 per share for a period of two years. The agent's warrants were valued at $103,549 calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk free rate of 0.65% and volatility of 125%.

In July 2010, concurrent with closing of the acquisition, the Company cancelled all prior 31,250 stock options and granted 2,050,000 new stock options for a period of five years, valued at $1,214,358 calculated using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk free rate of 0.65% and volatility of 125%.

In September 2010, the Company closed a second non-brokered financing, whereby 7,809,493 units were issued for proceeds of $4,742,589 net of cash commissions and expenses of $333,582. Each unit entitles the holder one common share and one share purchase warrant exercisable at $1.00 per share for a period of two years. The Company also issued 405,724 agent's warrants exercisable at $0.65 per share for a period of two years. The agent's warrants were valued at $197,340 calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk free rate of 0.87% and volatility of 125%.

In October 2010, the Company granted 950,000 stock options; among which 550,000 stock options were for a period of five years, valued at $379,405 calculated using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk free rate of 0.87% and volatility of 125% and 400,000 stock options were for a period of two years, valued at $182,909 calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk free rate of 0.89% and volatility of 125%.

As at December 31, 2010, the Company has 10,649,857 shares subject to escrow pursuant to the requirements of the TSX-V, and will be released in increments over 3 years. In addition, as at December 31, 2010, 2,521,000 shares are subject to voluntary pooling and other regulatory restrictions and will be released through July 2011.

NOTE 8 - Capital Stock – (continued)

Share Purchase Warrants

A summary of share purchase warrant activities are as follows:

	Number of warrants	Weighted average exercise price
		$
Outstanding and exercisable at December 31, 2009 and 2008	-	-
Outstanding warrants of the Company on recapitalization	1,466,875	0.40
Issued	15,553,823	0.99
Exercised	(31,250)	0.40
Outstanding and exercisable at December 31, 2010	16,989,448	0.94

A summary of the share purchase warrants outstanding at December 31, 2010 is as follows:

Exercise Price	Number Outstanding		Expiry Date
$			
0.40	1,435,625	**	August 20, 2011
0.65	98,700		March 16, 2012
1.00	7,239,906		July 12, 2012
0.65	161,000	*	September 10, 2012
1.00	2,684,616	*	September 10, 2012
0.65	32,760	*	September 21, 2012
1.00	2,046,800	*	September 21, 2012
0.65	64,426	*	September 22, 2012
1.00	920,385	*	September 22, 2012
0.65	147,538	*	September 29, 2012
1.00	2,157,692	*	September 29, 2012
	16,989,448		

* These warrants are subject to an acceleration clause whereby if the weighted average trading price of the Company's shares is equal to or exceeds $1.50 per share for a period of 15 consecutive trading days then the Company will have the right to accelerate the expiry dates of the warrants upon 30 days notice.

** The exercise price of these warrants increased to $0.40 on August 20, 2010.

NOTE 8 - Capital Stock – (continued)

Stock Options

On June 30, 2010, the shareholders of the Company approved the Company's adoption of the Stock Option Plan. The maximum number of common shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of the grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX-V). Options may be granted for a maximum term of ten years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company and, in the case of death, expire within one year thereafter. Upon death, the options may be exercised by legal representation or designated beneficiaries of the holder of the option.

A summary of stock options activities are as follows:

	Number of options	Weighted average exercise price
		$
Outstanding at December 31, 2009 and 2008	-	-
Granted	3,000,000	0.70
Outstanding at December 31, 2010	3,000,000	0.70

A summary of the stock options outstanding and exercisable at December 31, 2010 is as follows:

Exercise Price	Number Outstanding	Number Exercisable	Expiry Date
$			
0.82	400,000	100,000	October 20, 2012
0.65	2,050,000	2,050,000	July 13, 2015
0.82	550,000	550,000	October 6, 2015
	3,000,000	2,700,000	

NOTE 9 - Income Taxes

The expense for the year can be reconciled to the loss for the year as follows:

	December 31, 2010	**December 31, 2009**
	$	**$**
Loss for the period	(3,447,786)	(291,685)
Expected income tax (recovery) at statutory rates	(986,459)	(84,611)
Deductible items	(55,236)	(42,514)
Non-deductible items	511,923	1,379
Unrecognized benefit of non-capital and other losses	502,772	125,746
Income tax expense (recovery)	27,000	-

The significant components of the Company's future income tax assets and liabilities are as follows:

	December 31, 2010	**December 31, 2009**
	$	**$**
Future tax assets:		
Non-capital loss carry forwards	1,173,000	108,000
Exploration expenses	1,127,000	-
Share issue costs	183,000	44,000
	2,483,000	152,000
Less: valuation allowance	(2,483,000)	(152,000)
	-	-
Future tax liabilities:		
Mineral property interests	(143,453)	(170,453)
Net future income tax liability	(143,453)	(170,453)

As at December 31, 2010, the Company had available for deduction against future taxable income, Canadian non-capital losses of approximately $4,300,000. These losses, if not utilized, will expire through to 2030. The potential income tax benefit of these losses and other tax assets has been offset by a full valuation allowance due to the uncertainty of their realizations

The future income tax liability arose upon the acquisition of JMD by the Company, as a result of variances in the book value and tax value of the mineral property owned by JMD (Note 3b).

NOTE 10 - Segmented Information

The Company has one operating segment, being the acquisition and exploration of mineral properties. Geographic information is as follows:

	December 31, 2010	December 31, 2009
	$	$
Capital Assets		
Canada	61,913	6,750
US	8,366,511	4,654,950
	8,428,424	4,661,700

NOTE 11 - Related Party Transactions

During the year ended December 31, 2010, the Company entered into the following transactions with related parties, not disclosed elsewhere in these financial statements:

i. Incurred management fees of $149,405 (2009 - $102,938) and interest of $9,860 (2009 –$8,532) to a company controlled by a director of the Company. As at December 31, 2010, $25,740 (2009 - $8,532) was included in accounts payable.
ii. Incurred management fees of $30,000 (2009 - $Nil) and rent expense of $30,656 (2009 - $Nil) to a company controlled by a director of the Company. As at December 31, 2010, $33,390 (2009 - $Nil) was included in accounts payable.
iii. Incurred management fees of $18,000 (2009 - $Nil) to a company controlled by an officer of the Company. As at December 31, 2010, $18,900 (2009 - $Nil) was included in accounts payable.
iv. Incurred fees, included in mineral property costs, of $154,545 (2009 - $66,769) to a director and officer of the Company. As at December 31, 2010, $4,403 (2009 - $Nil) was included in accounts payable for fee and expense reimbursements.
v. Incurred interest of $5,080 (2009 –$Nil) to a company owned by an officer of the Company.
vi. Incurred management fees of $5,000 (2009 - $Nil) to a spouse of an officer and director.
vii. Amounts due to shareholders are unsecured, non-interest bearing and have no fixed terms of repayment. As at December 31, 2010, there is a balance outstanding of $3,755 (2009 - $22,528).

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

NOTE 12 - Capital Disclosure and Management

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As an exploration stage company, the Company is currently unable to self-finance its operations.

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

The Company's share capital is not subject to any external restrictions and the Company did not change its approach to capital management during the year.

NOTE 13 - Financial Instruments and Risk Management

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, due to shareholders and notes payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company conducts mineral property exploration activities in the United States. As such, it is subject to risk due to fluctuations in the exchange rates for the Canadian and US dollars. As at December 31, 2010, the Company had a net monetary liability position of US$459,259. Each 10% change in the US dollar relative to the Canadian dollar will result in a foreign exchange gain/loss of $45,500

b) Credit risk

Credit risk is risk of financial loss to the Company if a counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds cash and does not have any interest bearing debt.

d) Liquidity risk

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

e) Price risk

The ability of the Company to explore and develop its mineral properties and the future profitability of the Company are directly related to the price of gold. The Company monitors gold prices to determine the appropriate course of action to be taken.

NOTE 14 - Commitments

a) On January 1, 2010, the Company entered into a sublease agreement for an office space in Vancouver, B.C. for a term of 4 years and 3 months expiring March 31, 2015 and incurring monthly rent payments of $6,867 per month.

b) On November 1, 2010, the Company entered into a commercial lease agreement for an office space in Elko, Nevada for a term of 21 months expiring July 31, 2012, incurring monthly rent payment of US$4,000. As at December 31, 2010, a security deposit of US$2,400 was paid and is included in prepaid expenses.

NOTE 15 - Subsequent Events

a) In January 2011, the Company granted 850,000 stock options at a price of $0.71 per share.

b) In January 2011, the Company cancelled a total of 700,000 stock options with a price of $0.82.

c) In February 2011, the Company entered into a consulting agreement with a US company, whereby the Company engaged the consultant to develop, coordinate, manage and execute a comprehensive corporate finance and investor relations campaign for the Company. Under the terms of the agreement, the Company will pay a monthly fee of US$6,500 for a term of six months and grant the consultant stock options to purchase 200,000 common shares of the Company at $0.75 per share. The stock options will vest in stages over 12 months.

d) In February 2011, the Company issued 346,153 common shares of the Company to settle certain debts totalling $225,000 held by three creditors.

e) In March 2011, the Company completed its non-brokered private placement of $11,950,000 through the sale of 12,578,947 commons shares at $0.95 per share. A financial advisory fee of $836,500 and warrants to purchase up to 880,526 common shares of the Company at a price of $0.95 per share for a period of 24 months was issued to a financial advisory firm in connection with the closing. All common shares issued pursuant to this private placement are subject to a four month and one day hold period expiring on July 4, 2011.

f) In March 2011, the Company signed four separate consulting agreements with consultants, officers, and directors of the Company to provide management consulting and exploration services to the Company for an indefinite term effective January 1, 2011 and one consulting agreement with an officer and director of the Company to provide management consulting services to the Company for an indefinite term effective February 1, 2011. The agreements require total combined payments of $55,000 per month. Included in each agreement is a provision for a two year payout in the event of termination without cause and three year payout in the event of a change in control.

g) In March 2011, the Company granted to a director and officer an NSR of 0.5% to 1% on all properties staked by him and acquired by the Company subject to certain provisions including a buy-down provision of $500,000 per 0.5%.

h) In March 2011, the Company granted 400,000 stock options to certain consultants and directors of the Company at a price of $1.27 per share.

i) In April, 2011, 20,000 stock options were exercised at a price of $0.65 per share for total proceeds of $13,000.

j) In April 2011, the Company granted 350,000 stock options to certain consultants and directors of the Company at a price of $1.40 per share.

k) Subsequent to year end, the following share purchase warrants were exercised:
- 118,750 share purchase warrants were exercised at a price of $0.40 per share for total proceeds of $47,500.
- 190,999 share purchase warrants were exercised at a price of $0.65 per share for total proceeds of $124,149.
- 2,311,653 share purchase warrants were exercised at a price of $1.00 per share for total proceeds of $2,311,653.