TTM RESOURCES INC.
(An Exploration Stage Company)

Financial Statements
December 31, 2010 and 2009

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and all information in the annual report are the responsibility of the Board of Directors and management. These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Management maintains the necessary systems of internal controls, policies and procedures to provide assurance that assets are safeguarded and that the financial records are reliable and form a proper basis for the preparation of financial statements.

The Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal control through an Audit Committee. This committee, which reports to the Board of Directors, meets with the independent auditors and reviews the financial statements.

The financial statements for the three-and six-month periods ended December 31, 2010 and 2009 are unaudited and prepared by Management.

“Crichy Clarke” (signed)
..................……………………......

Crichy Clarke
President, CEO and Director

“Richard Jordens” (signed)
..................……………………......

Richard Jordens
Director, Audit Committee Member

Vancouver, British Columbia
February 28, 2011

TTM RESOURCES INC.
(An Exploration Stage Company)
Balance Sheets

		December 31, 2010		June 30, 2010
Assets				
Current				
Cash and cash equivalents	$	1,536,573	$	806,160
Short-term investments (note 5)		8,206		8,206
Accounts receivable		79,638		41,796
Mining tax credit receivable		883,000		883,000
Prepaid expenses		7,292		8,262
		2,514,709		1,747,424
Reclamation Deposits (note 6)		69,000		64,000
Resource Property Interests (notes 7)		21,270,905		20,373,603
Equipment (note 9)		165,296		205,848
	$	24,019,910	$	22,390,875
Liabilities				
Current				
Accounts payable and accrued liabilities	$	276,575	$	243,225
Loan payable (note 14)		600,000		600,000
		876,575		843,225
Future Income Tax (note 12)		519,602		519,602
		1,396,177		1,362,827
Shareholders' Equity				
Capital Stock (note 10)		25,241,679		23,101,069
Contributed Surplus (note 11)		5,787,445		5,747,353
Deficit		(8,405,391)		(7,820,374)
		22,623,733		21,028,048
	$	24,019,910	$	22,390,875

Nature of Operations and Going Concern (note 1)
Commitment (note 13)
Subsequent Events (note 16)

Approved by the Board:

"Crichy Clarke"
………………………………………………… Director
Crichy Clarke

"Richard Jordens"
………………………………………………… Director
Richard Jordens

See notes to financial statements.

TTM RESOURCES INC.
(An Exploration Stage Company)
Statements of Operations and Deficit
For the Three-and six-month Periods Ended December 31, 2010 and 2009

	Three-Month Period Ended December 31,		Six-Month Period Ended December 31,	
	2010	2009	**2010**	2009
Expenses				
Salaries and wages	**71,929**	60,073	**131,714**	113,416
Management fees	**60,000**	45,000	**105,000**	90,000
Professional fees	**69,949**	18,991	**92,687**	19,102
Office and communications	**32,673**	48,244	**43,869**	54,470
Rent	**22,072**	23,305	**41,144**	47,677
Depreciation expense	**20,276**	25,092	**40,552**	50,184
Investor & shareholder relations	**23,748**	39,107	**40,220**	70,274
Travel and entertainment	**28,179**	51,127	**29,176**	82,597
Consulting fees	**3,000**	2,500	**22,260**	2,500
Filing fees	**15,508**	13,249	**15,708**	13,249
Directors fees	**14,000**	21,000	**14,000**	21,000
Transfer agent fees	**(1,423)**	5,009	**6,917**	6,559
Bank charges	**1,075**	1,157	**1,897**	1,925
Stock option compensation	$ **-**	$ 497,592	$ **-**	$ 497,592
Loss Before Other Item	**360,986**	851,446	**585,144**	1,070,545
Other Item				
Interest revenue	**(31)**	(8,209)	**(127)**	(9,230)
Net Loss for Period	**360,955**	843,237	**585,017**	1,061,315
Deficit, Beginning of Period	**8,044,436**	6,556,355	**7,820,374**	6,338,277
Deficit, End of Period	$ **8,405,391**	$ 7,399,592	$ **8,405,391**	$ 7,399,592
Loss Per Share	$ **0.006**	$ 0.018	$ **0.01**	$ 0.02
Weighted Average Number of Common Shares Outstanding	**56,950,750**	47,274,728	**54,474,669**	46,817,196

TTM RESOURCES INC.
(An Exploration Stage Company)
Statements of Cash Flows
For the Three-and six-month Periods Ended December 31, 2010 and 2009

	Three-Month Period Ended December 31, 2010	Three-Month Period Ended December 31, 2009	Six-Month Period Ended December 31, 2010	Six-Month Period Ended December 31, 2009
Operating Activities				
Net loss	$ **(360,955)**	$ (843,237)	$ **(585,017)**	$ (1,061,314)
Items not involving cash				
Depreciation expense	**20,276**	25,092	**40,552**	50,183
Stock option compensation	**-**	497,592	**-**	497,592
	(340,679)	(320,553)	**(544,465)**	(513,539)
Changes in non-cash working capital				
Accounts receivable	**(31,740)**	(23,269)	**(37,842)**	(31,345)
Prepaid expenses	**1,042**	-	**970**	2,068
Accounts payable and accrued liabilities	**(740)**	(53,521)	**33,350**	(73,721)
	(31,438)	(76,790)	**(3,522)**	(102,998)
Cash Used in Operating Activities	**(372,117)**	(397,343)	**(547,987)**	(616,537)
Investing Activities				
Reclamation bond	**-**	-	**(5,000)**	-
Expenditures on resource properties	**(403,225)**	(846,904)	**(829,802)**	(1,335,915)
Equipment purchase	**-**	(2,090)	**-**	(2,090)
Cash Used in Investing Activities	**(403,225)**	(848,994)	**(834,802)**	(1,338,005)
Financing Activities				
Share repurchase	**-**	(48,120)	**(155,091)**	(48,120)
Shares issued for cash (net)	**2,268,293**	1,190,000	**2,268,293**	1,190,000
Cash Provided by Financing Activities	**2,268,293**	1,141,880	**2,113,202**	1,141,880
Change in Cash	**1,492,951**	(104,457)	**730,413**	(812,662)
Cash, Beginning of Period	**43,622**	914,823	**806,160**	1,623,028
Cash, End of Period	**1,536,573**	810,366	**1,536,573**	810,366
Consisting of the Following				
Cash and cash equivalents	$ **189,362**	$ 189,284	$ **189,362**	$ 189,284
Cash, exploration funds	**1,354,918**	621,082	**1,354,918**	621,082
Supplemental Cash Flow Information				
Shares issued for services	$ -	$ -	$ -	$ -
Shares issued for property	$ -	$ -	$ 67,500	$ -

See notes to financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

TTM Resources Inc. (the "Company") was incorporated under the *Company Act* of British Columbia on January 23, 2004. The Company is an exploration stage public company whose principal business activities are the exploration for and development of natural resource properties. The Company operates in one geographic segment, namely Canada. The Company is involved in the acquisition, exploration and development of mineral and energy properties.

The recoverability of amounts shown for resource property interests is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete their development and future profitable operations or sale of the interests.

These financial statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. At December 31, 2010, the Company reported working capital of $1,638,134 (2009 - $1,246,360); and has an accumulated deficit of $8,405,391 (2009 - $7,399,592).

The Company's ability to continue as a going concern is dependent on the Company being able to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its resource property interests, the attainment of profitable mining operations and/or the receipt of proceeds from the disposition of its resource property interests. Many factors influence the Company's ability to raise funds, including the climate for exploration investment.

To ensure the Company's ability to continue as a going concern, the Company focused the majority of its exploration expenditures on the Chu Property and initiated a cost control program during 2009. In spite of these cost control efforts, the Company will require additional financing or outside participation to undertake further exploration and subsequent development of its resource property interests.

Management is pursuing all possible sources of financing. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements and/or continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the balance sheet classifications used. These financial statements do not include any adjustments relating to the recovery of assets and classification of assets and liabilities that may arise should the Company be unable to continue as a going concern.

2. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current period's presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and are stated in Canadian dollars, which is the Company's functional and reporting currency. The following is a summary of significant accounting policies.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Cash and cash equivalents

Cash and cash equivalents includes cash and term deposits with original maturities of less than three months that can be redeemed for known amounts of cash on demand.

(b) Resource property interests

The Company defers all costs related to investments in resource property interests on a property-by-property basis. Such costs include resource property interest acquisition costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and resource property interests are either developed or the Company's resource property interest rights are allowed to lapse. Mining tax credits are recorded when there is a reasonable assurance the tax credits will be received by the Company.

All deferred resource property interest expenditures are reviewed annually, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a resource property interest exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the resource property interest for an amount exceeding the deferred costs, provision is made for the impairment in value.

From time to time the Company may acquire or dispose of a resource property interest pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property acquisition costs or recoveries when the payments are made or received.

(c) Amortization

Amortization is calculated at the following annual rates:

Vehicles	- 30% declining-balance
Computer equipment	- 45% declining-balance
Furniture and equipment	- 20% declining-balance
Leasehold improvements	- Straight-line over term of lease

Amortization on additions during the year is calculated at one-half of the annual rate.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Future income taxes

The Company follows the asset and liability method of accounting for future income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and losses carried forward. Future tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets is limited to the amount of the benefit that is more likely than not to be realized.

(e) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted loss per share. Under this method, the dilutive effect on loss per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(f) Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include the determination of environmental obligations, asset retirement obligations (“ARO”), rates for amortization of equipment, accrued liabilities, the impairment of resource property interests, the fair value of broker warrants, tax rates expected to apply when the future income tax liability is settled and the variables used in the calculation of stock-based compensation. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Stock-based compensation

The Company accounts for stock-based compensation using a fair value based method with respect to all stock-based payments to directors, employees and non-employees. For directors and employees, the fair value of the options is measured at the date of grant. For non-employees, the fair value of the options is measured on the earlier of the date at which the counterparty performance is completed or the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. The fair value of the options is accrued and charged either to operations or resource property interests, with the offset credit to contributed surplus. For directors and employees the fair value is recognized over the vesting period and for non-employees the fair value is are recognized over the related service period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to capital stock.

(h) Interest income

Interest income derived from cash and cash equivalents and short-term investments is recognized on an accrual basis as earned at the stated rate of interest.

(i) Asset retirement obligation

The Company recognizes an estimate of the liability associated with an ARO in the financial statements at the time the liability is incurred. The estimated fair value of the ARO is recorded as a long-term liability, with a corresponding increase in the carrying amount of the related asset. The liability amount is increased each reporting period due to the passage of time and the amount of accretion is charged to earnings in the period. The ARO can also increase or decrease due to changes in the estimates of timing of cash flows or changes in the original estimated undiscounted cost. Actual costs incurred upon settlement of the ARO are charged against the ARO to the extent of the liability recorded.

(j) Flow-through shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for income tax purposes by the investors who purchased the shares. The tax impact to the Company of the renouncement is recorded on the date the renouncement is filed with taxation authorities, through a decrease in capital stock and the recognition of a future tax liability.

When flow-through expenditures are renounced, a portion of the future income tax assets that were not previously recognized, due to the recording of a valuation allowance, are recognized as a recovery of future income taxes in the statements of operations.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial instruments

All financial assets and liabilities are recognized when the Company becomes a party to the contract creating the item. The Company classifies its financial instruments into one of these five categories: held-to-maturity, loans and receivables, held-for-trading, available-for-sale or other financial liabilities. Financial assets and liabilities classified as held-for-trading are measured at fair value with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost. Financial instruments classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) and reported in shareholders' equity. Any financial instrument may be designated as held-for-trading upon initial recognition. When a decline in the fair value of an available-for-sale financial asset has been recognized in comprehensive income and there is objective evidence that the impairment is other than temporary, the cumulative loss that had been previously recognized in accumulated other comprehensive income is removed from accumulated other comprehensive income and recognized in net income even though the financial asset has not been de-recognized.

Transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments.

(l) Future accounting change

International Financial Reporting Standards ("IFRS")

In 2008, the Canadian Accounting Standards Board confirmed that the transition to IFRS from Canadian GAAP will be effective for fiscal years beginning on or after January 1, 2011 for publicly accountable enterprises. The Company will therefore be required to present IFRS financial statements for its September 30, 2011 interim financial statements. The effective date will require the restatement for comparative purposes of amounts reported by the Company for the interim periods and for the year ended June 30, 2011 and earlier where applicable. The Company is currently evaluating the impacts of the conversion on the Company's financial statements and is considering accounting policy choices available under IFRS.

4. FINANCIAL INSTRUMENTS

The Company classifies its cash and cash equivalents as held-for-trading; short-term investments, reclamation deposits and accounts receivable as loans and receivables; and accounts payable and accrued liabilities and loans payable as other financial liabilities.

The carrying values of short-term investments, reclamation deposits, accounts receivable, accounts payable and accrued liabilities, and loan payable approximate their fair values due to the short-term maturity of these financial instruments.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists with respect to the Company's cash and cash equivalents, short-term investments and reclamation deposits as all are placed with two major Canadian financial institutions. The Company is not exposed to significant credit risk on its cash and cash equivalents, short-term investments and reclamation deposits as all have been placed with major financial institutions.

Concentration of credit risk exists with respect to the Company's accounts receivable as the amount is due from two companies sharing overhead expenses.

The Company's concentration of credit risk and maximum exposure thereto is as follows:

		2010		2009
Cash and cash equivalents	$	1,536,573	$	702,178
Short-term investments		8,206		108,188
Accounts receivable		79,638		66,370
Reclamation deposits		69,000		64,000
	$	1,693,417	$	940,736

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. At December 31, 2010, the cash and cash equivalents and short-term investments balance of $1,544,779 (2009 - $810,366) are insufficient to meet the business requirements for the coming year. Therefore, the Company will be required to raise additional capital to fund its operations in 2011. At December 31, 2010, the Company had accounts payable excluding accrued liabilities of $276,575 (2009 - $259,230), which are due in the first quarter of fiscal 2011, and loan payable of $600,000 (2009 - $nil), which is due on demand.

4. FINANCIAL INSTRUMENTS (Continued)

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate, foreign currency and other price risk.

(i) Interest rate risk

The Company is not exposed to significant interest rate risk as the interest rates are fixed to maturity. A hypothetical 1% change in the interest rate would not have a material impact on the Company's losses.

(ii) Foreign currency risk

The Company is not exposed to significant foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

5. SHORT-TERM INVESTMENTS

At December 31, 2010, the Company had an interest balance of $8,206 in its investment account.

6. RECLAMATION DEPOSITS

The Company has placed GICs in trust as reclamation deposits pursuant to a condition of receiving consent from a government agency to explore its resource property interests. Seven GICs range in principal from $5,000 to $23,000 with nominal interest rates ranging from 0.20% to 0.65%. The GICs mature between June 9, 2011 and August 12, 2011 and will be renewed indefinitely until the Company has ceased exploration on the related resource property interest and inspections reveal no environmental disturbance.

7. RESOURCE PROPERTY INTERESTS

	Deeker Property	Nechako Property	Chu Property	Terrace Claims	Total
Balance, June 30, 2010	$ 383,081	$ 86,806	$19,656,851	$ 246,865	$20,373,603
Exploration costs					
Acquisition	-	-	2,000	-	2,000
Drilling	-	-	51,820	-	51,820
Equipment rental	2,747	-	5,835	-	8,582
Site personnel	-	4,670	87,008	-	91,678
Assay and recording	902	174	8,549	-	9,625
Camp and supplies	-	680	67,164	-	67,844
Repairs and maintenance	-	-	41,091	-	41,091
Geology and engineering	2,500	1,500	139,445	-	143,445
Travel	1,899	-	9,729	-	11,628
Mapping	-	140	10,360	-	10,500
Consulting	-	-	5,521	-	5,521
Environmental consulting	-	-	49,012	-	49,012
Expediting	-	-	5,422	-	5,422
Freight and transport	-	-	1,414	-	1,414
Other	-	945	-	-	945
Metallurgical	-	-	25,194		25,194
Development Engineering	-	-	75,691		75,691
Paget property option	-	-	301,290	-	301,290
Total additions during year	8,048	8,109	886,545	-	902,702
Mining tax credits	-	-	-	-	-
Recovery of resource property interests	-	-	(5,400)	-	(5,400)
	8,048	8,109	881,145	-	897,302
Balance, December 31, 2010	$ 391,129	$ 94,915	$20,537,996	$ 246,865	$21,720,905

7. RESOURCE PROPERTY INTERESTS (Continued)

	Deeker Property	Nechako Property	Chu Property	Terrace Claims	Total
Balance, June 30, 2009	$ 383,081	$ 31,766	$17,110,471	$ 246,865	$17,772,183
Exploration costs					
Drilling	-	-	569,063	-	569,063
Helicopter and equipment rental	-	-	26,293	-	26,293
Site personnel	-	39,078	313,709	-	352,787
Assay and recording	-	-	24,141	-	24,141
Camp and supplies	-	14,533	263,585	-	278,118
Repairs and maintenance	-	34	96,724	-	96,758
Geology and engineering	-	3,250	320,228	-	323,478
Travel	-	217	31,849	-	32,066
Mapping	-	700	38,555	-	39,255
Metallurgical	-	-	39,803	-	39,803
Consulting	-	-	206,842	-	206,842
Environmental consulting	-	-	488,142	-	488,142
Expediting	-	1,000	68,223	-	69,223
Freight and transport	-	-	4,237	-	4,237
Development costs	-	-	228,147	-	228,147
Exploration equipment amortization	-	1,248	56,357	-	57,605
Other	-	980	22,482	-	23,462
Total additions during year	-	61,040	2,798,380	-	2,859,420
Mining tax credits	-	(6,000)	(252,000)	-	(258,000)
	-	55,040	2,546,380	-	2,601,420
Balance, June 30, 2010	$ 383,081	$ 86,806	$19,656,851	$ 246,865	$20,373,603

7. RESOURCE PROPERTY INTERESTS (Continued)

(a) Moly-Gold Project and Deeker Property

In 2004, the Company entered into an option agreement to acquire a 100% interest in 41 mineral claims located in the Vancouver Mining Division of British Columbia (the "Moly-Gold Project").

On April 5, 2005, the Company paid $10,000 whereby the Company has exclusive right of first refusal to the Deeker Property located in Northwestern British Columbia. The property contains 41 claims totalling 17,754 hectares.

On April 12, 2006, the Company entered into an amended option agreement to acquire an undivided 100% legal and beneficial interest in the Moly-Gold Project and Deeker Property, subject to a 2.5% net smelter return royalty ("NSR") when the Company has:

(i) Paid $122,500 upon signing of the agreement (paid); and
(ii) Issued 1,800,000 common shares to the Optionor on the date the Company receives regulatory approval (issued).

Furthermore, the Company shall issue to the Optionor 1,500,000 common shares as a bonus upon the issuance of a production feasibility report on the Deeker Property that is satisfactory and accepted by the Company.

The Company shall have the right to buy back 60% of the NSR by the issuance of 1,500,000 common shares of the Company to the Optionor.

When the agreements were amended, two claims were dropped for the Moly-Gold Project, giving a new total of 39 claims. An additional claim was allowed to lapse in 2008, leaving 38 claims. There are a total of 46 mineral claims for the Deeker Property.

During the year ended June 30, 2009, the Moly-Gold Project was written-down to $nil.

(b) Nechako

On December 19, 2008, the Company entered into an option agreement whereby the Company can acquire an interest in five contiguous mineral claims located in the Omineca Mining District of British Columbia. In order to earn the option, the Company must spend $500,000 in aggregate work expenditures by December 31, 2010. If further exploration and development is warranted on the property following completion of the expenditures, the Company will earn a 51% interest. If no further exploration and development is warranted, the Company will earn a 100% interest.

7. RESOURCE PROPERTY INTERESTS (Continued)

(c) Chu Property

On September 7, 2006, the Company entered into a purchase agreement whereby the Company could acquire a 100% interest in seven contiguous mineral claims located in the Omineca Mining District of British Columbia. The Vendor retains a 3% NSR of which one-half can be repurchased by the Company at any time after commercial production commences for $1,500,000 and the Company will complete the following to the optionors of the property:

(i) Pay US$50,000 on completion date (paid); and
(ii) Issue 1,200,000 common shares of the Company (issued).

The Company also has a right of first refusal to four additional claims, the RFR Claims and the Porphyry#1 Claim, whereby the optionors will provide the Company a 30-day notice to acquire these additional claims once they are available for transfer.

During the year ended June 30, 2008, the Company acquired an additional 20 claims contiguous with the existing Chu Property claims for a cost of $45,000 (paid) and the issuance of 200,000 common shares (issued) of the Company. Of the 20 claims, 18 carry a 1.5% NSR, one-half of which can be repurchased by the Company any time after commercial production commences for $1,000,000.

During the year ended June 30, 2008, the Company staked an additional nine claims contiguous with the Chu Property bringing the total claims to 36.

(d) Terrace Claims

The Company has eight claims acquired by staking 20 kilometres northeast of Terrace, British Columbia referred to as the Terrace claims.

(e) On August 31, 2010, the Company entered into an agreement to acquire a 100% interest in four mineral claims (the “Property”) for consideration of 200,000 common shares of the Company and $32,880 in cash. The Company will be required to spend up to $500,000 on exploration. If, in the reasonable opinion of the Company, sufficient mineralization has been identified on the Property and commercial production is likely to occur within a period of five years, the vendor can exercise a back-in right, whereby the Company will return a 49% undivided participating interest in the Property to the vendor in exchange for reimbursement by the vendor of 49% of the Company’s total costs incurred in connection with the Property. In the event that the vendor exercises the back-in right, the Company and the vendor will be deemed to have formed a joint venture and will enter into a joint venture agreement.

7. RESOURCE PROPERTY INTERESTS (Continued)

(f) On August 31, 2010, the Company entered into an agreement to acquire a 100% interest in four mineral claims (the "Property") for consideration of 25,000 common shares of the Company and $2,000 in cash. If, in the reasonable opinion of the Company, sufficient mineralization has been identified on the Property and commercial production is likely to occur within a period of five years, the vendor can exercise a back-in right, whereby the Company will return a 49% undivided participating interest in the Property to the vendor in exchange for reimbursement by the vendor of 49% of the Company's total costs incurred in connection with the Property. In the event that the vendor exercises the back-in right, the Company and the vendor will be deemed to have formed a joint venture and will enter into a joint venture agreement.

(g) Realization of assets

The investment in and expenditures on resource property interests comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

(h) Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.
The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its property interests and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former property interests that may result in material liability to the Company.

7. RESOURCE PROPERTY INTERESTS (Continued)

(i) Title to mineral property interests

Although the Company has taken steps to verify the title to resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by an undetected defect.

8. ASSET RETIREMENT OBLIGATION

The Company is subject to various regulatory and statutory requirements relating to the protection of the environment. At December 31, 2010, the Company estimates that costs relating to future site restoration and abandonment based on work done to that date will be immaterial. The Company has currently made no provision for site restoration costs or potential environmental liabilities as all properties are still in the exploration stage. Factors such as further exploration, inflation and changes in technology may materially change the cost estimate.

The operations of the Company are complex, and regulations and legislation affecting the Company are continually changing. Although the ultimate impact of these matters on net loss cannot be determined at this time, it could be material for any one quarter or year.

9. EQUIPMENT

	2010			2009		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Vehicles	$ 251,214	$ 136,963	$ 114,251	$ 251,214	$ 87,998	$ 163,216
Computer equipment	16,140	12,722	3,418	16,140	10,534	5,606
Furniture and equipment	56,567	25,468	31,100	56,567	17,768	38,799
Leasehold improvements	95,651	79,124	16,527	95,651	47,240	48,411
	$ 419,572	$ 254,277	$ 165,296	$ 419,572	$ 163,540	$ 256,032

10. CAPITAL STOCK

(a) Authorized
Unlimited number of common shares without par value

(b) Issued

	Number of Shares		Amount
Balance, June 30, 2008	50,307,489	$	22,534,120
Share issuances			
For cash			
Exercise of options	130,000		62,400
Reclassification of contributed surplus on exercise of stock options	-		61,410
Normal Course Issuer Bid (note 10(b)(i))	(4,107,500)		(1,845,210)
Balance, June 30, 2009	46,329,989		20,812,720
Share issuances			
Private placements	6,500,000		3,195,000
Share issuance costs	-		(236,174)
Normal Course Issuer Bid (note 10(b)(iv))	(727,000)		(340,477)
Income tax effect on flow-through renouncement (note 10(f))	-		(330,000)
Balance, June 30, 2010	52,102,989	$	23,101,069
Normal Course Issuer Bid (note 10(b)(iv))	(432,500)		(195,183)
Shares issued for Property acquisition	225,000		67,500
Flow-through private placement	7,000,000		1,960,000
Share issuance costs	-		(164,447)
Private placement	859,175		240,570
Flow-through private placement	682,849		232,170
Balance, December 31, 2010	60,437,513		25,241,679

(i) During the year ended June 30, 2009, the Company repurchased 4,107,500 of its common shares in a Normal Course Issuer Bid at a cost of $932,791. The repurchased common shares were cancelled and returned to treasury. This resulted in a reduction of capital stock of $1,845,210 and an increase in contributed surplus of $912,419. The reduction of capital stock is calculated at the average cost per share at the date of repurchase.

(ii) On December 3, 2009, the Company completed a non-brokered private placement and issued 3,000,000 flow-through units at a price of $0.40 per unit for gross proceeds of $1,200,000.

10. CAPITAL STOCK (Continued)

Each flow-through unit consists of one flow-through share and one share purchase warrant. Each whole warrant, entitling the holder to purchase one non-flow-through common share of the Company, is exercisable for a period of two years at a price of $0.50.

The Company paid finder's fees and share issue costs in the amount of $13,500 in connection with the private placement.

(iii) On April 29, 2010, 2010, the Company completed a non-brokered private placement and issued 3,500,000 flow-through units at a price of $0.57 per unit for gross proceeds of $1,995,000.

Each flow-through unit consists of one flow-through share and one share purchase warrant. Each whole warrant, entitling the holder to purchase one non-flow-through common share of the Company, is exercisable for a period of two years at a price of $0.75 for the first year and at a price of $1.00 for the second year.

The Company paid finder's fees and share issue costs in the amount of $178,818 in connection with the private placement.

The Company also issued agent options to acquire 350,000 units of the Company. Each option, entitling the holder to a non-flow-through unit, is exercisable for a period of one year at an exercise price of $0.57. Each non-flow-through unit consists of one non-flow-through common share of the Company and one non-transferable share purchase warrant. Each non-transferable share purchase warrant, entitling the holder to purchase one non-flow-through common share of the Company, is exercisable for a period of two years from closing of the private placement at a price of $0.75 for the first year and at a price of $1.00 for the second year. The agent options were valued at $43,855 using the Black-Scholes option pricing model using an expected life of one year, interest rate of 1.91%, volatility of 77.23% and dividend rate of 0.00%.

(iv) During the year ended June 30, 2010, the Company repurchased 727,000 of its common shares in a Normal Course Issuer Bid at a cost of $335,230. The repurchased common shares were cancelled and returned to treasury. This resulted in a reduction of capital stock of $340,477 and an increase in contributed surplus of $5,247. The reduction of capital stock is calculated at the average cost per share at the date of repurchase.

(v) During the six-month period ended December 31, 2010, the Company repurchased 432,500 of its common shares in a Normal Course Issuer Bid at a cost of $195,183. The repurchased common shares were cancelled and returned to treasury. This resulted in a reduction of capital stock of $155,091 and an increase in contributed surplus of $40,092. The reduction of capital stock is calculated at the average cost per share at the date of repurchase.

10. CAPITAL STOCK (Continued)

(vi) On October 28, 2010, the Company announced that it had closed a non-brokered private placement with MineralFields Group pursuant to which TTM issued 7,000,000 flow-through units at a price of $0.28 per unit for gross proceeds of $1,960,000. Each unit consists of one flow-through common share and one transferable common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one additional non flow-through common share of the Company at an exercise price of $0.35 for the first 12 months following the closing of the Private Placement and at an exercise price of $0.40 between 12 and 24 months following the Closing.

Limited Market Dealer Inc. ("LMDI") received a cash finder's fee of $93,000, representing 5% of the gross proceeds raised from non-related parties in the Private Placement, as well as a non-transferable option to acquire 664,285 units of the Company. The LMDI Option is exercisable into LMDI Units for a period of 12 months following the Closing at an exercise price of $0.28 per LMDI Unit. Each LMDI Unit will consist of one common share of the Company and one non-transferable share purchase warrant of the Company, and each such warrant will entitle the holder to purchase one common share of the Company at an exercise price of $0.35 for the first 12 months following the Closing and at an exercise price of $0.40 between 12 and 24 months following the Closing. In addition, LMDI received a cash due diligence fee of $58,800, plus HST, representing 3% of the gross proceeds from the Private Placement.

(vii) During the six-month period, the Company arranged a non-brokered private placement of 682,849 flow-through units at a price of $0.34 per unit (the "FT Units"), and 859,175 non-flow-through units at a price of $0.28 per unit (the "Non FT Units"), for aggregate gross proceeds of up to $472,740.

Each FT Unit consists of one flow-through common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional non-flow-through common share of the Company at an exercise price of $0.40 within 24 months of closing. Each Non-FT Unit consists of one non-FT common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional non-flow-through common share of the Company at an exercise price of $0.40 within 24 months of closing.

10. CAPITAL STOCK (Continued)

(c) Stock options

During the year ended June 30, 2010, the Company approved a revised a stock option plan under which it may grant stock options totaling in aggregate 9,265,997 shares of the Company less the number of options exercised, cancelled or expired, during the term of the Plan. The stock option plan provides for the granting of stock options to regular employees and persons providing investor relation or consulting services up to a limit of 5% and 2%, respectively, of the Company's total number of issued and outstanding shares per year. The stock options shall vest as follows: one-third upon grant; one-third upon the first anniversary of grant; and one-third upon the second anniversary of grant.

Details of the status of the Company's stock options as at September 30, 2010 and 2009 are as follows:

	2010		**2009**	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Options, beginning of period	8,480,000	$ 0.41	8,330,000	$ 0.41
Cancelled	(1,030,000)	$ 0.41	-	-
Issued	1,000,000	$ 0.40	-	-
Options outstanding, end of period	8,450,000	$ 0.41	8,330,000	$ 0.41

The Company applies the fair value method using the Black-Scholes option pricing model in accounting for stock options. During the year ended June 30, 2010, 550,000 (2009 - 3,945,000) stock options were granted with a fair value of $122,074 (2009 - $581,100). This resulted in a charge to operations totaling $29,389 (2009 - $193,700) and $23,760 to resource property interests for consulting (2009 - $nil), with $68,925 (2009 - $387,400) remaining to vest over the next two years. Of the $29,389 charged to operations, $nil (2009 - $193,700) attributes to directors and officers and $29,389 (2009 - $nil) attributes to employees.

During the year ended June 30, 2010, the Company cancelled and re-issued 7,100,000 stock options to existing option holders, which was deemed as a re-pricing and extension for accounting purposes. Original exercise prices between $0.48 and $0.60 changed to a new price of $0.40, while expiry dates ranging from April 26, 2012 to December 4, 2013 changed to a new expiry date of October 7, 2014. Stock-based compensation expense of $532,909 was recognized for the amendment, with $82,121 remaining to vest over the next two years.

10. CAPITAL STOCK (Continued)

(c) Stock options (Continued)

The fair value of each option granted during the year is calculated using the following weighted average assumptions:

	2010	**2009**
Expected life (years)	5	5
Interest rate	2.30%	2.17%
Volatility	119.13%	132.28%
Dividend yield	0.00%	0.00%

The weighted average grant date fair value of the 550,000 stock options granted during the year ended June 30, 2010 is $0.26 (2009 - $0.15).

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

As at December 31, 2010, the following stock options were outstanding and exercisable:

Outstanding Number of Options	Exercisable Number of Options	Expiry Date	Exercise Price
650,000	650,000	April 1, 2012	$ 0.48
6,550,000	5,033,333	October 7, 2014	$ 0.40
250,000	83,333	April 21, 2014	$ 0.50
500,000	500,000	September 1, 2011	$ 0.40
500,000	166,667	October 7, 2014	$ 0.40
8,450,000	6,433,333		

The weighted average remaining contractual life of stock options outstanding at December 31, 2010 is 3.50 years.

10. CAPITAL STOCK (Continued)

(d) Share purchase warrants

Details of the status of the Company's warrants as at December 31, 2010 are as follows:

	2010		**2009**	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of period	3,000,000	$ 0.50	1,802,625	$ 1.67
Issued	3,500,000	$ 0.75	3,000,000	$ 0.50
Issued	7,000,000	$ 0.35	-	-
Issued	859,175	$ 0.40	-	-
Issued	382,849	$ 0.40	-	-
Expired	-	$ 0.00	(1,802,625)	$ 1.67
Balance, end of period	14,742,024	$ 0.48	3,000,000	$ 0.00

As at December 31, 2010 the following share purchase warrants were outstanding:

		Number of Warrants	
Expiry Date	Exercise Price	**2010**	**2009**
December 3, 2011	$ 0.50	3,000,000	-
April 29, 2012	$ 0.75/$ 1.00	3,500,000	-
October 27, 2012	$ 0.35/$ 0.40	7,000,000	-
December 30, 2012	$ 0.40	859,175	-
December 30, 2012	$ 0.40	682,849	-
Balance *		15,042,024	-

*There are 1,014,285 warrants contingently issuable pursuant to agent options (see below).

10. CAPITAL STOCK (Continued)

(e) Agent options / warrants

Each April agent option consists of an option to acquire one unit consisting of one common share at $0.57 until April 29, 2011, plus one warrant to acquire one common share at $0.75 until April 29, 2011 and at $1.00 until April 29, 2012. Each October agent option consists of an option to acquire one common share at $0.35 until October 27, 2011. As at December 31, 2010 the following agent options were outstanding:

		Number of Agent Options	
Expiry Date	Exercise Price	**2010**	**2009**
April 29, 2011	$ 0.57	350,000	-
October 27, 2011	$ 0.35	664,285	-
		1,014,285	

(f) Income tax effect on flow-through share renunciation

In 2010, the Company renounced $1,200,000 (2009 - $nil) of exploration expenditures under its flow-through share program, resulting in a future tax liability of $330,000 (2009 - $nil), which is deducted from capital stock. See note 12 for effect on future income tax recovery.

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures. The amount of flow-through proceeds remaining to be expended as at December 31, 2010 was $1,362,368 (2009 - $nil).

11. CONTRIBUTED SURPLUS

		2010		**2009**
Contributed surplus, beginning of the period	$	5,747,353	$	4,009,812
Stock-based compensation		40,092		251,372
Contributed surplus, end of period	$	5,787,445	$	5,112,193

12. INCOME TAXES

The components of future income tax assets and liabilities using an expected future tax rate of 25.00% (2009 – 26.00%) are as follows:

		2010		2009
Future income tax assets				
Non-capital loss carry-forwards	$	1,381,590	$	1,051,869
Investment tax credit		627,022		598,078
Equipment – tax value in excess of book value		153,828		133,885
Share issuance costs		136,925		163,012
		2,299,365		1,946,844
Future income tax liabilities				
Resource property interests – book value in excess of tax value		(2,818,967)		(2,456,540)
	$	(519,602)	$	(509,696)

The non-capital losses that may be carried forward to apply against future years' income for Canadian income tax purposes will expire as follows:

Available to		Amount
2014	$	44,000
2015		140,000
2026		303,000
2027		700,000
2028		1,566,000
2029		1,296,000
2030		1,477,000
	$	5,526,000

The reconciliation of income tax provision computed at the statutory tax rate of 29.25% (2009 - 30.25%) to the reported income tax provision is as follows:

		2010		2009
Income tax benefit computed at Canadian statutory rates	$	(527,141)	$	(418,557)
Stock-based compensation		164,472		76,040
Other taxable items		10,433		14,469
Other timing differences		49,551		(323,088)
Change in future income taxes resulting from enacted tax rate reduction		(17,409)		(69,683)
	$	(320,094)	$	(720,819)

13. COMMITMENT

The Company's proportionate share of minimum annual rental payments under a lease agreement for rental of office premises expiring December 31, 2015 is $672,207.

14. RELATED PARTY TRANSACTIONS

During the six-month period ended December 31, 2010, the Company paid:

(a) $16,200 (2009 - $Nil) in consulting fees to a company owned by a director of the Company;

(b) $30,000 (2009 - $30,000) in investor relations to a company owned by an officer of the Company;

(c) $105,000 (2009 - $90,000) in management fees to a director and officer of the Company; and

(d) $144,000 (2009 - $144,000) in geological fees included in resource property interests to directors, officers of the Company.

(e) $14,000 (2009 - $3,000) in directors fees to the directors of the Company.

During the period ended June 30, 2010, the Company entered into an unsecured promissory note of $600,000, without interest or stated terms of repayment, with a company that has common directors with the Company. The full amount owing plus interest was repaid in the subsequent quarter.

All of the above transactions and balances are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

15. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity.

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

There have been no changes to the Company's approach to capital management during the year.

16. SUBSEQUENT EVENTS

The Company is continuing to work on its Preliminary Economic Assessment report and on environmental components of the project, as well as maintaining an open dialogue with First Nations groups.