
COGITORE RESOURCES INC.
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED
MARCH 31, 2011 AND 2010
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Management's Responsibility for Condensed Interim Financial Statements

The accompanying unaudited condensed interim financial statements of Cogitore Resources Inc. (the "Company" or "Cogitore") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it sufficient knowledge to support management representations that it has exercised reasonable diligence that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim financial statements and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "*Gérald Riverin*"
Gérald Riverin
Chief Executive Officer

(signed) "*Carmelo Marrelli*"
Carmelo Marrelli
Chief Financial Officer

Toronto, Canada
June 15, 2011

Cogitore Resources Inc.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	As at March 31, 2011	As at December 31, 2010 (note 20)	As at January 1, 2010 (note 20)
ASSETS			
Current assets			
Cash (note 7)	\$ 479,434	\$ 1,934,089	\$ 1,603,078
Amounts receivable and other assets (note 8)	1,849,442	1,270,797	1,411,025
Restricted cash (note 7(i))	-	-	750,000
Total current assets	2,328,876	3,204,886	3,764,103
Restricted cash (note 7(ii))	30,000	30,000	30,000
Property and equipment (note 9)	258,113	261,042	236,429
Total assets	\$ 2,616,989	\$ 3,495,928	\$ 4,030,532
EQUITY AND LIABILITIES			
Current liabilities			
Amounts payable and other liabilities (note 10)	\$ 490,717	\$ 397,721	\$ 734,869
Flow-through share liability	-	350,000	256,751
	490,717	747,721	991,620
Equity			
Share capital (note 11)	20,947,045	20,947,045	19,419,863
Reserves	3,087,611	3,087,611	2,946,780
Accumulated deficit	(21,908,384)	(21,286,449)	(19,327,731)
Total equity	2,126,272	2,748,207	3,038,912
Total equity and liabilities	\$ 2,616,989	\$ 3,495,928	\$ 4,030,532

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)

Contingencies and commitments (note 19)

Subsequent events (note 21)

Approved on behalf of the Board:

"Gérald Riverin", Director

"Alain Krushnisky", Director

Cogitore Resources Inc.**Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian dollars)****(Unaudited)****Three Months Ended
March 31,
2011 2010
(note 20)**

Operating expenses

Exploration and evaluation expenditures (note 15)	\$ 1,312,881	\$ 1,232,988
General and administrative (note 16)	119,113	155,942
	(1,431,994)	(1,388,930)
Interest income	1,155	15
Loss before income taxes	(1,430,839)	(1,388,915)
Income tax recovery from income tax credits from Quebec (note 2(d))	458,904	429,293
Income tax recovery (note 11(b)(iv))	350,000	256,751
Net loss and comprehensive loss for the period	\$ (621,935)	\$ (702,871)
Basic and diluted net loss per share (note 13)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	60,280,888	53,347,553

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Cogitore Resources Inc.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

Three Months Ended
March 31,
2011 **2010**
(note 20)

Operating activities

Net loss and comprehensive loss for the period	\$	(621,935)	\$	(702,871)
Adjustments for:				
Amortization		2,929		2,612
Income tax recovery		(350,000)		(256,751)
Changes in non-cash working capital items:				
Amounts receivable and other assets		(578,645)		370,221
Amounts payable and other liabilities		92,996		(4,143)
Net cash used in operating activities		(1,454,655)		(590,932)
Cash, beginning of period		1,934,089		1,603,078
Cash, end of period	\$	479,434	\$	1,012,146

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Cogitore Resources Inc.**Condensed Interim Statements of Changes in Equity****(Expressed in Canadian dollars)****(Unaudited)**

Equity attributable to shareholders

		<u>Reserves</u>			
	Share capital	Equity settled share-based payments reserve	Warrants reserve	Accumulated deficit	Total
Balance, January 1, 2011	\$ 20,947,045	\$ 2,946,780	\$ 140,831	\$(21,286,449)	\$ 2,748,207
Net loss and comprehensive loss for the period	-	-	-	(621,935)	(621,935)
Balance, March 31, 2011	\$ 20,947,045	\$ 2,946,780	\$ 140,831	\$(21,908,384)	\$ 2,126,272
<hr/>					
Balance, January 1, 2010	\$ 19,419,863	\$ 2,946,780	\$ -	\$(19,327,731)	\$ 3,038,912
Net loss and comprehensive loss for the period	-	-	-	(702,871)	(702,871)
Balance, March 31, 2010	\$ 19,419,863	\$ 2,946,780	\$ -	\$(20,030,602)	\$ 2,336,041

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

1. Nature of operations and going concern

Cogitore Resources Inc. (the "Company" or "Cogitore") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Ontario Business Corporations Act on December 13, 2002. The Company is engaged in the acquisition, exploration and development of properties for the mining of precious and base metals. The Company was a private entity until it completed an initial public offering during the first quarter of fiscal 2004. The primary office of the Company is located at 360 Bay Street, Suite 500, Toronto, Ontario, Canada, M5H 2V6.

The unaudited condensed interim financial statements were approved by the Board of Directors on June 15, 2011.

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the entity's ability to continue as a going concern. The Company has incurred a loss in the current and prior periods, with a current net loss of \$621,935 during three months ended March 31, 2011 (three months ended March 31, 2010 - loss of \$702,871) and has an accumulated deficit of \$21,908,384 (December 31, 2010 - \$21,286,449, January 1, 2010 - \$19,327,731).

The Company's ability to continue to meet its obligations and carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing. On April 1, 2011, the Company completed a private placement of 4,000,000 flow-through common shares at \$0.26 per flow-through common share for aggregate gross proceeds of \$1,040,000 (*note 21*). Based on current projections and operating plans, the Company expects to fully utilize its cash resources including the April 2011 financing by the last quarter of 2011 and will require raising additional funds through equity financing. There is, however, no assurance that any such initiatives will be sufficient and, as a result, there is significant doubt regarding the going concern assumption and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

2. Significant accounting policies

(a) *Basis of preparation and adoption of International Financial Reporting Standards ("IFRS")*

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") as set out in the Handbook of the Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate IFRS, and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. Accordingly, the Company has commenced reporting on this basis in these condensed interim financial statements. In the financial statements, the term "Canadian GAAP" refers to GAAP before the adoption of IFRS.

These condensed interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34 and IFRS 1. Subject to certain transition elections disclosed in note 20, the Company has consistently applied the same accounting policies in its opening IFRS statement of financial position at January 1, 2010 and throughout all periods presented, as if these policies had always been in effect. Note 20 discloses the impact of the transition to IFRS on the Company's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Company's financial statements for the year ended December 31, 2010.

Cogitore Resources Inc.
Notes to Condensed Interim Financial Statements
March 31, 2011
(Expressed in Canadian dollars)
(Unaudited)

2. Significant accounting policies (continued)

(a) Basis of preparation and adoption of International Financial Reporting Standards ("IFRS") (continued)

The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of June 15, 2011, the date the Board of Directors approved the statements. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2011 could result in restatement of these interim financial statements, including the transition adjustments recognized on change-over to IFRS.

The condensed interim financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended December 31, 2010.

(b) Functional and reporting currency

The functional and reporting currency, as determined by management, of the Company is the Canadian dollars.

(c) Financial instruments

The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	Loans and receivables
Restricted cash	Loans and receivables
Financial liabilities:	Classification:
Amounts payable and other liabilities	Other financial liabilities

Loans and receivables:

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of loss and comprehensive loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the condensed interim statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(d) Amounts receivable - Quebec refundable tax credit and refundable mining duty

The Company is entitled to a credit on duties refundable for loss under the Mining Duties Act. This credit on duties refundable for loss on exploration costs incurred in the Province of Quebec at the rate of 12% has been recognized in loss and comprehensive loss.

Furthermore, the Company is entitled to a refundable tax credit for resources for mining companies on qualified expenditures incurred. The refundable tax credit for resources may reach 35% of qualified expenditures incurred.

The Company estimates the benefits to be recognized from refundable tax credits relating to qualified expenditures incurred. These receivables are recognized to the extent that it is probable that the Company has met all eligibility requirements for the expenditures in the period they are incurred. The Company presents these credits as income tax recovery in the statements of loss and comprehensive loss.

Cogitore Resources Inc.
Notes to Condensed Interim Financial Statements
March 31, 2011
(Expressed in Canadian dollars)
(Unaudited)

2. Significant accounting policies (continued)

(e) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets are impaired. Where such an indication exists, the recoverable amount of the asset is estimated. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(f) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred in mineral properties not commercially viable and financially feasible. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Exploration and evaluation expenditures are capitalized if the Company can demonstrate that these expenditures meet the criteria of an identifiable intangible asset. To date, no such exploration and evaluation expenditures have been identified and capitalized.

(g) Property and equipment

Property and equipment ("PE") are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of PE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Percentage	Method
Computer equipment	30%	Declining balance
Office equipment	20%	Declining balance
Site building	4%	Declining balance

An asset's residual value, useful life and depreciation method are reviewed, and adjusted if appropriate, on an annual basis.

(h) Flow-through shares

The Company has adopted a policy whereby proceeds from flow-through issuance are allocated between the offering of shares and the sale of tax benefits based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A liability is recognized for this difference and is extinguished by crediting income tax recovery when the entity renounces the tax differences.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(i) Cash

Cash in the statements of financial position comprise cash at banks and on hand.

(j) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows to present value.

(k) Share based payment transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

(l) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity.

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

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Tax on income in interim periods accrued using the tax rate that would be applicable to expected total annual earnings.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(m) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs are discounted to their net present value and are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation and environmental costs as at March 31, 2011, December 31, 2010 and January 1, 2010 as the disturbance to date is minimal.

(n) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The treasury stock method is used to arrive at the diluted loss per share, which is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all warrants and options outstanding that may add to the total number of common shares. The Company's diluted loss per share does not include the effect of stock options and warrants as they are anti-dilutive.

(o) Significant accounting judgments and estimates

The preparation of these unaudited condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These unaudited condensed interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited condensed interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- all inputs used in the Black-Scholes model for determining the fair value of share based payment transactions in statement of loss and comprehensive loss;

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(o) Significant accounting judgments and estimates (continued)

Critical accounting judgments

- The Company's assumption of no material restoration, rehabilitation and environmental provisions, based on the facts and circumstances that existed during the period;
- The Company's position that there are no income tax considerations required within these unaudited condensed interim financial statements, with exception to those discussed in note 20;
- Going concern presentation of the financial statements which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due; and
- The Company's position that all recognized Quebec refundable tax credits represent valid claims on qualified expenditures incurred on mining properties.

(p) New accounting standards and interpretations

International Financial Reporting Standard 9, Financial Instruments (IFRS 9)

IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

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

This standard is required to be applied for accounting periods beginning on or after January 1, 2013, with earlier adoption permitted. The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies (continued)

(p) *New accounting standards and interpretations (continued)*

International Financial Reporting Standard 11, Joint Arrangements (IFRS 11)

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

The Company has not yet assessed the impact of the standards or determined whether it will adopt the standard early.

International Financial Reporting Standard 12, Disclosure of Interests in Other Entities (IFRS 12)

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

The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

International Financial Reporting Standard 13, Fair Value Measurement (IFRS 13)

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

The Company has not yet assessed the impact of the standard or determined whether it will adopt the standard early.

International Accounting Standard 28, Investments in Associates and Joint Ventures (IAS 28)

In addition, there have been amendments to existing standards, including IAS 28, Investments in Associates and Joint Ventures (IAS 28). IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 11 – 13 which are discussed above.

The Company will assess the impact of the amendment in conjunction with assessments made for IFRS 11 -13.

3. Exploration and evaluation expenditures on mineral properties

(a) Estrades Mining Lease

The Company owns a 30% interest in the Estrades Mine and related assets. As at March 31, 2011, the Company's interest in the Estrades Mining Lease is in good standing.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

3. Exploration and evaluation expenditures on mineral properties (continued)

(b) Inmet Properties

The Company entered into an agreement with Inmet Mining Corporation ("Inmet") dated April 23, 2004 to acquire a 50% interest in respect of up to nine exploration properties located in the provinces of Quebec, Ontario and Newfoundland. As at March 31, 2011, the Company's interest in the Inmet Properties is in good standing.

(c) Lemoine Property

The Lemoine property is located 25 km south of Chibougamau, Quebec. As at March 31, 2011, the Company's interest in the Lemoine Property is approximately 78% and in good standing.

(d) Scott Lake Property

On July 26, 2005, the Company purchased the Scott Lake base metal massive sulphide property from Thundermin Resources Inc. ("Thundermin"), in consideration of staged payments totaling \$285,000 and the issuance of 300,000 treasury shares to Thundermin over a two-year period, should the Company continue exploration. Upon reaching commercial production on any mineral deposit discovered on the property, the Company will make a final payment to Thundermin ranging from \$1,000,000 to \$4,000,000, depending on the size of deposit discovered, and issue to Thundermin 1,000,000 treasury shares of Cogitore. As at March 31, 2011, the Company owns a 100% interest in the Scott Lake project, subject only to provisional payments upon attaining production.

(e) Normetal West Project

In February 2007, the Company acquired a 100% interest in a major property position in Ontario known as the Normetal West Property.

On July 6, 2010, the Company entered into an option agreement (the "Option Agreement") with Vismand Exploration Inc. ("Vismand"), whereby Vismand has the option to acquire a 50% interest in the Normetal West Project, located in Perron township in the Province of Quebec and in the townships of Adair and Abbotsford in the Province of Ontario.

Under the terms of the Option Agreement, Vismand has an option to acquire a 50% interest in the Normetal West Project by incurring an aggregate amount of \$1,275,000 in exploration and development expenditures on the Normetal West Project and by making an aggregate of \$150,000 in earn-in payments. In order to maintain and exercise its option, Vismand must (i) incur expenditures as follows: (a) \$58,000 on or before November 30, 2010 (incurred); (b) \$942,000 on or before the first anniversary of the effective date of the Option Agreement; and (c) \$275,000 on or before the second anniversary of the effective date of the Option Agreement; and (ii) make earn-in payments totalling \$150,000 to the Company as follows: (a) \$25,000 (received) on the effective date of the Option Agreement; (b) \$25,000 on or before the first anniversary of the effective date of the Option Agreement; (c) \$25,000 on or before the second anniversary of the effective date of the Option Agreement; and (d) \$75,000 on or before 180 days following the second anniversary of the effective date of the Option Agreement.

If Vismand exercises its 50% option in the Normetal West Project, the Company and Vismand will form a joint venture for the further exploration and development of the Normetal West Project, with each party bearing its proportionate share of costs. If the interest of either party in the Normetal West Project falls to 15% or less, it will revert to a 1% net smelter return royalty, but only if such party has contributed at least \$2,000,000 in expenditures or joint venture funding at the time of the reduction of such participating interest in the Normetal West Project. As at March 31, 2011, the Company's interest in the Normetal West Project is in good standing.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

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(Expressed in Canadian dollars)

(Unaudited)

3. Exploration and evaluation expenditures on mineral properties (continued)

(f) Caribou Project

On September 17, 2007, the Company signed an option agreement with IAMGOLD Corporation ("IAMGOLD") to acquire control of its Caribou Project located immediately to the west of the Company's Estrades properties. The agreement allows Cogitore to earn 70% of IAMGOLD's interest by spending \$2,000,000 in exploration over five years and issuing 100,000 common shares of the Company, including 50,000 shares on signing (issued and valued at \$28,500). IAMGOLD's interest in the Caribou property is currently at 86% and steadily increasing as a third party's residual interest is getting diluted. After earning the interest, a 70-30 joint venture will be formed between the Company and IAMGOLD. The agreement also calls for firm expenditure commitments of \$200,000 for each of the first two years of the agreement, and for production royalty payments to IAMGOLD if it elects not to participate in a future joint venture. As at March 31, 2011, the Company's interest in the Caribou Project is in good standing.

4. Capital risk management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. As discussed on Note 1, the Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

The Company considers its capital to be equity, which comprises share capital, reserves and deficit, which at March 31, 2011, totaled \$2,126,272 (December 31, 2010 - \$2,748,207 and January 1, 2010 - \$3,038,912).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Selected information is provided to the Board of Directors of the Company.

The Company is not subject to any capital requirements imposed by a lending institution.

Cogitore Resources Inc.

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(Unaudited)

5. Financial risk management

Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and commodity and equity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee and Board of Directors.

(i) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Cash is held with select major Canadian chartered banks, from which management believes the risk of loss to be minimal.

Amounts receivable consists of sales tax receivable and Quebec refundable tax credits and refundable mining duty from government authorities in Canada. Amounts receivable are in good standing as of March 31, 2011. Management believes that the credit risk with respect to financial instruments included in amounts receivable is minimal.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at March 31, 2011, the Company had cash of \$479,434 (December 31, 2010 - \$1,934,089 and January 1, 2010 - \$1,603,078) to settle current liabilities of \$490,717 (December 31, 2010 - \$747,721 and January 1, 2010 - \$991,620). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity. As discussed on Note 1, the Company's ability to continually meet its obligations and carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

(iii) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

Cogitore Resources Inc.

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(Unaudited)

5. Financial risk management (continued)

(iii) Market risk(continued)

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in high yield savings accounts and guaranteed investment certificates issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered bank.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a three month period:

(i) Cash and restricted cash are subject to floating interest rates. The Company has no debt and receives low interest rates on its cash balances. As such, the Company does not have significant interest rate risk.

(ii) The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

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(Unaudited)

6. Categories of financial instruments

	As at March 31, 2011	As at December 31, 2010	As at January 1, 2010
Financial assets:			
Loans and receivables			
Cash	\$ 479,434	\$ 1,934,089	\$ 1,603,078
Restricted cash (note 7)	30,000	30,000	780,000
Financial liabilities:			
Other financial liabilities			
Amounts payable and other liabilities	\$ 490,717	\$ 397,721	\$ 734,869

As of March 31, 2011, December 31, 2010 and January 1, 2010, the fair value of all the Company's financial instruments approximates the carrying value, due to their short-term nature.

7. Cash and restricted cash

	As at March 31, 2011	As at December 31, 2010	As at January 1, 2010
Cash	\$ 479,434	\$ 1,934,089	\$ 1,603,078
Restricted cash - current (i)	-	-	750,000
	479,434	1,934,089	2,353,078
Restricted cash - long term (ii)	30,000	30,000	30,000
Total	\$ 509,434	\$ 1,964,089	\$ 2,383,078

(i) As of January 1, 2010, the Company had a refundable \$750,000 deposit held in trust for a potential asset acquisition. This amount was returned in fiscal year 2010.

(ii) The Company has several company credit cards with a major financial institution with an aggregate credit limit of \$30,000. The financial institution holds \$30,000 in a Guaranteed Investment Certificate as collateral on the credit amount as long as the credit cards are active. The restricted cash amounts would be changed if there were any changes in the credit limits on the cards.

8. Amounts receivable and other assets

	As at March 31, 2011	As at December 31, 2010	As at January 1, 2010
Sales tax receivable - (Canada)	\$ 181,416	\$ 81,232	\$ 89,601
Quebec refundable tax credit and refundable mining duty	1,626,967	1,168,063	1,304,066
Prepaid expenses	41,059	21,502	17,358
	\$ 1,849,442	\$ 1,270,797	\$ 1,411,025

Cogitore Resources Inc.**Notes to Condensed Interim Financial Statements****March 31, 2011****(Expressed in Canadian dollars)****(Unaudited)**

9. Property and equipment

Cost	Computer equipment	Office equipment	Site building	Total
Balance, January 1, 2010	\$ 5,111	\$ 5,120	\$ 256,191	\$ 266,422
Balance, March 31, 2010	5,111	5,120	256,191	266,422
Additions	2,390	-	33,703	36,093
Balance, December 31, 2010	7,501	5,120	289,894	302,515
Balance, March 31, 2011	\$ 7,501	\$ 5,120	\$ 289,894	\$ 302,515

Accumulated Amortization	Computer equipment	Office equipment	Site building	Total
Balance, January 1, 2010	\$ 3,278	\$ 1,908	\$ 24,807	\$ 29,993
Amortization during the period	137	161	2,314	2,612
Balance, March 31, 2010	3,415	2,069	27,121	32,605
Amortization during the period	771	481	7,616	8,868
Balance, December 31, 2010	4,186	2,550	34,737	41,473
Amortization during the period	249	129	2,551	2,929
Balance, March 31, 2011	\$ 4,435	\$ 2,679	\$ 37,288	\$ 44,402

Carrying value	Computer equipment	Office equipment	Site building	Total
Balance, January 1, 2010	\$ 1,833	\$ 3,212	\$ 231,384	\$ 236,429
Balance, March 31, 2010	1,696	3,051	229,070	233,817
Balance, December 31, 2010	3,315	2,570	255,157	261,042
Balance, March 31, 2011	\$ 3,066	\$ 2,441	\$ 252,606	\$ 258,113

10. Amounts payable and other liabilities

	As at March 31, 2011	As at December 31, 2010	As at January 1, 2010
Falling due within the year			
Trade payables	\$ 490,717	\$ 397,721	\$ 734,869

11. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

As at March 31, 2011, the issued share capital amounted to \$20,947,045. Changes in issued share capital are as follow:

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

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11. Share capital (continued)

	Number of common shares	Amount
Balance, January 1, 2010	53,347,553	\$ 19,419,863
Balance, March 31, 2010	53,347,553	19,419,863
Private placements - flow-through common shares (i) (ii) (iii)	5,000,000	1,250,000
Private placements - non-flow-through common shares (i)	1,933,335	580,000
Warrant valuation (i)	-	(140,831)
Share issue costs	-	(161,987)
Balance, December 31, 2010 and March 31, 2011	60,280,888	\$ 20,947,045

(i) On April 30, 2010, the Company completed a non-brokered private placement of 2,000,000 flow-through common shares for aggregate gross proceeds of \$700,000, and a non-brokered private placement of 1,933,335 units for aggregate gross proceeds of \$580,000. Each unit consisted of one common share and one-half common share purchase warrant. Each whole common share purchase warrant will entitle the holder to purchase one additional common share at a price of \$0.45 per common share for a period of eighteen months after the closing date. The Company paid a cash commission equal to 5% of certain gross proceeds for an aggregate total of \$44,160.

The fair value of the 966,668 warrants have been estimated using the Black-Scholes option pricing model to be \$140,831. The following weighted average assumptions were used: expected dividend yield - 0%; expected volatility - 161.76%; estimated risk-free interest rate - 1.81%; and an expected average life of 1.5 years.

Net proceeds recognized for the flow-through common shares issuance amounted to \$500,000, net of flow-through share liabilities of \$200,000 recognized.

(ii) On November 17, 2010, the Company completed a non-brokered private placement of 3,000,000 flowthrough common shares at a price of \$0.30 per share to raise gross proceeds of \$900,000. The Company paid a cash commission equal to 5% of certain gross proceeds for an aggregate total of \$15,825. The flowthrough common shares issued at closing were subject to resale restrictions pursuant to applicable securities laws requirements and notably to a hold period of four months plus one day from the closing date.

Net proceeds recognized for the flow-through common shares issuance amounted to \$750,000, net of flow-through share liabilities of \$150,000 recognized.

(iii) On April 30, 2010 and November 17, 2010, the Company closed two non-brokered private placements (note 11(b)(i) and note 11(b)(ii)) of 2,000,000 and 3,000,000 at a price of \$0.35 and \$0.30 per flow-through share for cash considerations of \$700,000 and \$900,000 respectively. The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium liability recognized for both issuances amounted to \$350,000. See note 11 (b)(iv).

(iv) During the quarter ended March 31, 2011, the Company renounced qualifying expenditures related to the flow through shares issued in 2010 (note 11(b)(i) and note 11(b)(ii)) to flow-through share subscribers (in compliance with the Canadian Income Tax Act). Correspondingly, the Company recognized an income tax recovery in the period amounting to \$350,000 (three months ended March 31, 2010 - \$256,751).

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12. Stock options

The Company adopted an incentive stock option plan (the "Plan"), dated December 13, 2002, which provides that the directors of the Company may, from time to time, grant to directors, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase common shares, provided that the number of common shares reserved for issuance under the Plan not exceed ten percent of the issued and outstanding common shares. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent of the issued and outstanding common shares in any twelve-month period. The Plan provides that the terms of the option and the option price shall be fixed by the directors of the Company. Stock options granted under the Plan may not be for a period longer than five years and the exercise price must be paid in full upon exercise of the option.

The following table reflects the continuity of stock options:

	Number of stock options	Weighted average exercise price (\$)
Balance, January 1, 2010	3,892,000	0.37
Expired	(300,000)	0.66
Balance, March 31, 2010	3,592,000	0.35
Expired	(620,000)	0.62
Balance, December 31, 2010 and March 31, 2011	2,972,000	0.29

The following table reflects the actual stock options issued and outstanding as of March 31, 2011:

Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
0.10 to 0.19	3.16	2,105,000	2,105,000
0.50 to 0.59	1.61	670,000	670,000
0.80 to 0.95	0.63	197,000	197,000
	3.79	2,972,000	2,972,000

(i) During the three months ended March 31, 2011, the impact on expenses due to the vesting of previously issued options was \$nil (three months ended March 31, 2010 - \$nil).

13. Net loss per common share

The calculation of basic and diluted loss per share for the three months ended March 31, 2011 and 2010 was based on the loss attributable to common shareholders of \$621,935 (three months ended March 31, 2010 - \$702,871) and the weighted average number of common shares outstanding of 60,280,888 (three months ended March 31, 2010 - 53,347,553). Diluted loss per share did not include the effect of 2,972,000 stock options and 966,668 warrants as they are anti-dilutive.

14. Warrants

The following table reflects the continuity of warrants for the period ended March 31, 2011:

	Number of warrants	Weighted average exercise price (\$)
Balance, January 1, 2010 and March 31, 2010	-	
Issued (note 11 (i))	966,668	0.45
Balance, December 31, 2010 and March 31, 2011	966,668	0.45

Cogitore Resources Inc.**Notes to Condensed Interim Financial Statements****March 31, 2011****(Expressed in Canadian dollars)****(Unaudited)**

14. Warrants (continued)

The following table reflects the actual warrants issued and outstanding as of March 31, 2011:

Number of Warrants Outstanding	Grant Date Fair Value(\$)	Exercise Price (\$)	Expiry Date
966,668	140,831	0.45	October 30, 2011

15. Exploration and evaluation expenditures

	Three Months Ended March 31,	
	2011	2010
Exploration activities (a)(b)(c)(d)(e)(f)	\$ 1,312,881	\$ 1,232,988

(a) During the three months ended March 31, 2011, the Company's exploration and evaluation expenditures on the Estrades Property was \$3,370 (three months ended March 31, 2010 - \$nil). Total cumulative exploration activities incurred on the Estrades Property to March 31, 2011 amounted to \$4,237,831 (December 31, 2010 - \$4,234,461 and January 1, 2010 - \$4,234,461).

(b) During the three months ended March 31, 2011, the Company's exploration and evaluation expenditures on the Lemoine Property was \$166,715 (three months ended March 31, 2010 - \$2,714). Total cumulative exploration activities incurred on the Lemoine Property to March 31, 2011 amounted to \$3,756,503 (December 31, 2010 - \$3,589,788 and January 1, 2010 - \$3,574,767).

(c) During the three months ended March 31, 2011, the Company's exploration and evaluation expenditures on the Inmet Properties was \$81,512 (three months ended March 31, 2010 - \$270,753). Total cumulative exploration activities incurred on the Inmet Properties to March 31, 2011 amounted to \$6,451,501 (December 31, 2010 - \$6,369,989 and January 1, 2010 - \$5,979,680).

(d) During the three months ended March 31, 2011, the Company's exploration and evaluation expenditures on the Scott Lake Property was \$781,311 (three months ended March 31, 2010 - \$370,558). Total cumulative exploration activities incurred on the Scott Lake Property to March 31, 2011 amounted to \$8,863,346 (December 31, 2010 - \$8,082,035 and January 1, 2010 - \$6,462,693).

(e) During the three months ended March 31, 2011, the Company's exploration and evaluation expenditures on the Normetal West Project was \$1,726 (three months ended March 31, 2010 - \$6,435). Total cumulative exploration activities incurred on the Normetal West Project to March 31, 2011 amounted to \$848,357 (December 31, 2010 - \$846,631 and January 1, 2010 - \$841,439).

(f) During the three months ended March 31, 2011, the Company's exploration and evaluation expenditures on the Caribou Project was \$278,247 (three months ended March 31, 2010 - \$582,528). Total cumulative exploration activities incurred on the Caribou Project to March 31, 2011 amounted to \$1,978,084 (December 31, 2010 - \$1,699,837 and January 1, 2010 - \$1,102,412).

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

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(Unaudited)

16. General and administrative

	Three Months Ended March 31,	
	2011	2010
Professional fees	\$ 31,535	\$ 40,805
Salaries and benefits	21,868	30,981
Shareholders and investors relations	20,103	38,774
Rent	12,511	13,009
Reporting issuer costs	12,181	10,508
Office and general	11,354	10,853
New project development	6,169	8,100
Amortization	2,929	2,612
Interest and bank charges	463	300
	\$ 119,113	\$ 155,942

17. Related party balances and transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

(a) Cogitore entered into the following transactions with related parties:

	Notes	Three Months Ended March 31,	
		2011	2010
Marrelli CFO Outsource Syndicate Inc. ("Marrelli")	(i)(iv)	\$ 4,500	\$ -
Marrelli Support Services Inc. ("MSSI")	(ii)(iv)	6,985	7,805
MSSI	(iii)(iv)	(2,250)	(2,250)
DSA Corporate Services Inc. ("DSA")	(v)	1,508	1,500
2142058 Ontario Inc.	(vi)	12,500	12,500

(i) The Chief Financial Officer ("CFO") of Cogitore is the President of Marrelli. Fees relate to the CFO function performed.

(ii) The CFO of Cogitore is the President of MSSI. Fees relate to accounting services provided by MSSI

(iii) The CFO of Cogitore is the President of MSSI. Fees relate to office rent paid by MSSI to the Company.

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Notes to Condensed Interim Financial Statements

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17. Related party balances and transactions (continued)

(iv) As at March 31, 2011, MSSI was owed \$7,733 (December 31, 2010 - \$17,274 and January 1, 2010 - \$18,200), and these amounts were included in amounts payable and other liabilities. These amount are unsecured, non-interest bearing and are due on demand. As at March 31, 2011, there was no fee owed to Marrelli (December 31, 2010 - \$nil and January 1, 2010 - \$nil).

(v) The CFO of Cogitore is the Secretary of DSA, a firm providing corporate secretarial services to the Company. As at March 31, 2011, DSA was owed \$565 (December 31, 2010 - \$ 565 and January 1, 2010 - \$544). These amount are unsecured, non-interest bearing and are due on demand.

(vi) Management services fees paid to 2142058 Ontario Inc., a company controlled by Mark Goodman, an officer of the Company. As at March 31, 2011, the 2142058 Ontario Inc. was owed \$14,125 (December 31, 2010 - \$nil and January 1, 2010 - \$nil), and these amounts were included in amounts payable and other liabilities. These amount are unsecured, non-interest bearing and are due on demand.

(b) Remuneration of Directors and key management personnel, other than consulting fees, of the Company was as follows:

	Three Months Ended	
	March 31,	
	2011	2010
Salaries and benefits ⁽¹⁾	\$ 80,700	\$ 98,487

⁽¹⁾ Salaries and benefits include director fees. The board of directors and officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are entitled to stock options for their services.

Cogitore Resources Inc.

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(Unaudited)

18. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

19. Contingencies and commitments

- (a) The Company entered into agreements to lease head office space until May 2011. Minimum annual rent payable until the end of the lease is as follows:

2011	\$ <u>10,681</u>
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- (b) The Company has entered into an agreement to lease regional office space until June 2013. Minimum annual rent payable in each of the next three years is as follows:

2011	\$ 48,000
2012	64,000
2013	<u>32,000</u>
	\$ <u>144,000</u>

20. Conversion to IFRS

(i) *Overview*

As stated in Significant Accounting Policies note 2, these are the Company's first unaudited condensed interim financial statements prepared in accordance with IFRS as issued by the IASB.

The policies set out in the Significant Accounting Policies section have been applied in preparing the condensed interim financial statements for the three months ended March 31, 2011 and in the preparation of an opening IFRS statement of financial position at January 1, 2010 (the Transition Date).

(ii) *First-time adoption of IFRS*

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS as effective at the end of its first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Company has elected to apply the following optional exemptions in its preparation of an opening IFRS statement of financial position as at January 1, 2010, the Transition Date.

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

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(Unaudited)

20. Conversion to IFRS (continued)

(ii) First-time adoption of IFRS (continued)

- To apply IFRS 2 Share-based Payments only to equity instruments that were issued after November 7, 2002 and had not vested by the Transition Date.

IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the Transition Date are consistent with those that were made under Canadian GAAP.

The Company's Transition Date IFRS unaudited statement of financial position is included as comparative information in the unaudited statements of financial position in these condensed interim financial statements.

(iii) Changes to accounting policies

The Company has changed certain accounting policies to be consistent with IFRS as is expected to be effective or available on December 31, 2011 (see Note 2), the Company's first annual IFRS reporting date. The changes to its accounting policies have resulted in certain changes to the recognition and measurement of assets, liabilities, equity, revenue and expenses within its financial statements.

The following summarizes the significant changes to the Company's accounting policies on adoption of IFRS.

(a) Exploration and evaluation expenditures

On transition to IFRS, the Company adopted a policy to expense exploration and evaluation expenditures as incurred. Previously, the Company's Canadian GAAP policy was to capitalize exploration and evaluation expenditures as incurred. As a result of this adoption, all previously capitalized mineral property costs were written off against accumulated deficit, and to the extent relating to cost incurred in the current period, against the statement of loss and comprehensive loss.

Due to the adoption of a policy to expense exploration costs as incurred, all previously recognized deferred tax liabilities on temporary differences from the carrying amounts of assets and their tax bases were derecognized against accumulated deficit amounting to \$2,158,677, \$2,158,677 and \$2,273,052 as at January 1, 2010, March 31, 2010 and December 31, 2010, respectively.

Upon transition to IFRS, the Company has presented the refundable tax credits as income tax recovery instead of reducing the exploration expenditures incurred (which were previously capitalized under Canadian GAAP) in the statements of loss and comprehensive loss.

Impact on Condensed Interim Statements of Financial Position

	As at December 31, 2010	As at March 31, 2010	As at January 1, 2010
Adjustment to mineral resource properties	\$(11,739,550)	\$(11,065,153)	\$(10,263,137)
Adjustment to deferred income tax liability	2,273,052	2,158,677	2,158,677
Adjustment to accumulated deficit	\$(14,012,602)	\$(13,223,830)	\$(12,421,814)

Cogitore Resources Inc.**Notes to Condensed Interim Financial Statements****March 31, 2011****(Expressed in Canadian dollars)****(Unaudited)**

20. Conversion to IFRS (continued)*(iii) Changes to accounting policies (continued)***Impact on Condensed Interim Statements of Loss and Comprehensive Loss**

	Year ended December 31, 2010	Three months ended March 31, 2010
Adjustment to exploration and evaluation expenditures	\$ 2,680,654	\$ 1,232,988
Income tax recovery from income tax credits from Quebec	1,108,651	429,293
Reversal of future tax recovery	(114,375)	-
Reversal of write-off of mineral resource properties	(95,590)	(1,679)
Adjustment to loss and comprehensive loss	\$ (1,362,038)	\$ (802,016)

Impact on Condensed Interim Statements of Cash Flows

	Year ended December 31, 2010	Three months ended March 31, 2010
Adjustment to loss and comprehensive loss	\$ (1,362,038)	\$ (802,016)
Amounts receivable and other assets	-	(429,293)
Reversal of future tax recovery	(114,375)	-
Reversal of write-off of mineral resource properties	(95,590)	(1,679)
Mineral resource properties and exploration and evaluation expenditures	\$ 1,572,003	\$ 1,232,988

(b) Flow-through shares

On transition to IFRS, the Company has adopted a policy whereby proceeds from flow-through issuance are allocated between the offering of shares and the sale of tax benefits based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A flow through share liability is recognized for this difference and is extinguished by recognizing an income tax recovery when the entity renounces the tax deductions. Previously, the Company's Canadian GAAP policy was to adopt the recommendations of Emerging Issues Committee ("EIC") 146 with respect to the accounting for flow-through shares. This resulted in the Company reducing the net proceeds of the flow-through share issuance by the future tax liability of the Company resulting from the renunciation of the exploration and development expenditures in favour of the flow-through share subscribers.

Upon adoption of IFRS, the Company reversed previously recognized future tax liabilities and the related reduction in share capital amounted to \$4,252,386, \$4,680,609 and \$4,680,609 as at January 1, 2010, March 31, 2010, and December 31, 2010, respectively.

All previously unrecognized amounts of flow-through share liabilities that had been fully renounced were reclassified from share capital to accumulated deficit amounting to \$1,088,250, \$1,345,001 and \$1,345,001 as at January 1, 2010, March 31, 2010 and December 31, 2010, respectively.

Flow-through share liability of \$256,751, \$nil and \$350,000 were recognized as at January 1, 2010, March 31, 2010 and December 31, 2010, respectively, related to flow through share issued but not yet renounced as at those dates.

Cogitore Resources Inc.**Notes to Condensed Interim Financial Statements****March 31, 2011****(Expressed in Canadian dollars)****(Unaudited)**

20. Conversion to IFRS (continued)*(iii) Changes to accounting policies (continued)*

The above transition adjustments resulted in a net increase in share capital amounting to \$2,907,385, \$3,335,608 and \$2,985,608 as at January 1, 2010, March 31, 2010, and December 31, 2010, respectively.

The renunciation of the flow-through share liability as of January 1, 2010 was recognized as income tax recovery in the statement of loss and comprehensive loss amounting to \$256,751 for the three months ended March 31, 2010 and the year ended December 31, 2010.

Impact on Condensed Interim Statements of Financial Position

	As at December 31, 2010	As at March 31, 2010	As at January 1, 2010
Adjustment to deferred income tax liability	\$ (4,680,609)	\$ (4,680,609)	\$ (4,252,386)
Recognition of flow-through share liability	350,000	-	256,751
Adjustment to share capital	2,985,608	3,335,608	2,907,385
Adjustment to accumulated deficit	\$ 1,345,001	\$ 1,345,001	\$ 1,088,250

Impact on Condensed Interim Statements of Loss and Comprehensive Loss

	Year ended December 31, 2010	Three months ended March 31, 2010
Adjustment to income tax recovery	\$ 256,751	\$ 256,751
Adjustment to loss and comprehensive loss	\$ (256,751)	\$ (256,751)

Impact on Condensed Interim Statements of Cash Flows

	Year ended December 31, 2010	Three months ended March 31, 2010
Adjustment to loss and comprehensive loss	\$ (256,751)	\$ (256,751)
Adjustment to income tax recovery	\$ (256,751)	\$ (256,751)

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

20. Conversion to IFRS (continued)

(iv) Presentation

Certain amounts in the unaudited condensed interim statements of financial position, statements of loss and comprehensive loss and statements of cash flows have been reclassified to conform to the presentation adopted under IFRS.

(v) Reconciliation between IFRS and Canadian GAAP

The January 1, 2010 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

	January 1, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
ASSETS			
Current assets			
Cash	\$ 1,603,078	\$ -	\$ 1,603,078
Amounts receivable and other assets	1,411,025	-	1,411,025
Restricted cash	750,000	-	750,000
	<u>3,764,103</u>	<u>-</u>	<u>3,764,103</u>
Restricted cash	30,000	-	30,000
Mineral resource properties (note 20(iii)(a))	10,263,137	(10,263,137)	-
Property and equipment	236,429	-	236,429
	<u>\$ 14,293,669</u>	<u>\$(10,263,137)</u>	<u>\$ 4,030,532</u>
EQUITY AND LIABILITIES			
Current liabilities			
Amounts payable and other liabilities	\$ 734,869	\$ -	\$ 734,869
Flow-through share liability (note 20(iii)(b))	-	256,751	256,751
Deferred income tax liability (note 20(iii) (a)(b))	2,093,709	(2,093,709)	-
	<u>2,828,578</u>	<u>(1,836,958)</u>	<u>991,620</u>
Equity			
Share capital (note 20(iii)(b))	16,512,478	2,907,385	19,419,863
Reserves	2,946,780	-	2,946,780
Accumulated deficit (notes 20(iii)(a)(b))	(7,994,167)	(11,333,564)	(19,327,731)
Total equity	<u>11,465,091</u>	<u>(8,426,179)</u>	<u>3,038,912</u>
Total equity and liabilities	<u>\$ 14,293,669</u>	<u>\$(10,263,137)</u>	<u>\$ 4,030,532</u>

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

20. Conversion to IFRS (continued)

(v) *Reconciliation between IFRS and Canadian GAAP (continued)*

The March 31, 2010 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

	March 31, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
ASSETS			
Current assets			
Cash	\$ 1,012,146	\$ -	\$ 1,012,146
Amounts receivable and other assets	1,790,804	-	1,790,804
	2,802,950	-	2,802,950
Restricted cash	30,000	-	30,000
Mineral resource properties (note 20(iii)(a))	11,065,153	(11,065,153)	-
Property and equipment	233,817	-	233,817
	\$ 14,131,920	\$ (11,065,153)	\$ 3,066,767
EQUITY AND LIABILITIES			
Current liabilities			
Amounts payable and other liabilities	\$ 730,726	\$ -	\$ 730,726
Deferred income tax liability (note 20(iii) (a)(b))	2,521,932	(2,521,932)	-
	3,252,658	(2,521,932)	730,726
Equity			
Share capital (note 20(iii)(b))	16,084,255	3,335,608	19,419,863
Reserves	2,946,780	-	2,946,780
Accumulated deficit (notes 20(iii)(a)(b))	(8,151,773)	(11,878,829)	(20,030,602)
Total equity	10,879,262	(8,543,221)	2,336,041
Total equity and liabilities	\$ 14,131,920	\$ (11,065,153)	\$ 3,066,767

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

20. Conversion to IFRS (continued)

(v) *Reconciliation between IFRS and Canadian GAAP (continued)*

The December 31, 2010 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

	December 31, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
ASSETS			
Current assets			
Cash	\$ 1,934,089	\$ -	\$ 1,934,089
Amounts receivable and other assets	1,270,797	-	1,270,797
	<u>3,204,886</u>	-	<u>3,204,886</u>
Restricted cash	30,000	-	30,000
Mineral resource properties (note 20(iii)(a))	11,739,550	(11,739,550)	-
Property and equipment	261,042	-	261,042
	<u>\$ 15,235,478</u>	<u>\$ (11,739,550)</u>	<u>\$ 3,495,928</u>
EQUITY AND LIABILITIES			
Current liabilities			
Amounts payable and other liabilities	\$ 397,721	\$ -	\$ 397,721
Flow-through share liability (note 20(iii)(b))	-	350,000	350,000
Deferred income tax liability (note 20(iii) (a)(b))	2,407,557	(2,407,557)	-
	<u>2,805,278</u>	<u>(2,057,557)</u>	<u>747,721</u>
Equity			
Share capital (note 20(iii)(b))	17,961,437	2,985,608	20,947,045
Reserves	3,087,611	-	3,087,611
Accumulated deficit (notes 20(iii)(a)(b))	(8,618,848)	(12,667,601)	(21,286,449)
Total equity	<u>12,430,200</u>	<u>(9,681,993)</u>	<u>2,748,207</u>
Total equity and liabilities	<u>\$ 15,235,478</u>	<u>\$ (11,739,550)</u>	<u>\$ 3,495,928</u>

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

20. Conversion to IFRS (continued)

(v) Reconciliation between IFRS and Canadian GAAP (continued)

The Canadian GAAP interim statement of loss and comprehensive loss for the three month period ended March 31, 2010 has been reconciled to IFRS as follows:

	Three months ended March 31, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
Operating expenses			
Exploration and evaluation expenditures (note 20(iii)(a)) \$	-	\$ 1,232,988	\$ 1,232,988
Write-off of mineral resource properties (note 20(iii)(a))	1,679	(1,679)	-
General and administrative (note 16)	155,942	-	155,942
	(157,621)	(1,231,309)	(1,388,930)
Interest income	15	-	15
Loss before income taxes	(157,606)	(1,231,309)	(1,388,915)
Income tax recovery from income tax credits from			
Quebec (note 20(iii)(a))	-	429,293	429,293
Income tax recovery (note 20(iii)(b))	-	256,751	256,751
Net loss and comprehensive loss for the period	\$ (157,606)	\$ (545,265)	\$ (702,871)

The Canadian GAAP statement of loss and comprehensive loss for the year ended December 31, 2010 has been reconciled to IFRS as follows:

	Year ended December 31, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
Operating expenses			
Exploration and evaluation expenditures (note 20(iii)(a)) \$	-	\$ 2,680,654	\$ 2,680,654
Write-off of mineral resource properties (note 20(iii)(a))	95,590	(95,590)	-
General and administrative	646,100	-	646,100
	(741,690)	(2,585,064)	(3,326,754)
Interest income	2,634	-	2,634
Loss before income tax	(739,056)	(2,585,064)	(3,324,120)
Income tax recovery from income tax credits from			
Quebec (note 20(iii)(a))	-	1,108,651	1,108,651
Future tax recovery (note 20(iii)(a))	114,375	(114,375)	-
Income tax recovery (note 20(iii)(b))	-	256,751	256,751
Net loss and comprehensive loss for the period	\$ (624,681)	\$ (1,334,037)	\$ (1,958,718)

Cogitore Resources Inc.**Notes to Condensed Interim Financial Statements****March 31, 2011****(Expressed in Canadian dollars)****(Unaudited)**

20. Conversion to IFRS (continued)*(v) Reconciliation between IFRS and Canadian GAAP (continued)*

The Canadian GAAP interim statement of cash flows for the three months ended March 31, 2010 has been reconciled to IFRS as follows:

	Three months ended March 31, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
Operating Activities			
Net loss and comprehensive loss for the period	\$ (157,606)	\$ (545,265)	\$ (702,871)
Amortization	2,612	-	2,612
Income tax recovery (note 20(iii)(b))	-	(256,751)	(256,751)
Write-off of mineral resource properties (note 20(iii)(a))	1,679	(1,679)	-
Non-cash working capital items:			
Amounts receivable and other assets	799,514	(429,293)	370,221
Amounts payable and other liabilities	(4,143)	-	(4,143)
Net cash used in operating activities	642,056	(1,232,988)	(590,932)
Investing activities			
Mineral resource properties and exploration expenditures (note 20(iii)(a))	(1,232,988)	1,232,988	-
Net cash provided by (used in) investing activities	(1,232,988)	1,232,988	-
Net change in cash	(590,932)	-	(590,932)
Cash, beginning of period	1,603,078	-	1,603,078
Cash, end of period	\$ 1,012,146	\$ -	\$ 1,012,146

Cogitore Resources Inc.

Notes to Condensed Interim Financial Statements

March 31, 2011

(Expressed in Canadian dollars)

(Unaudited)

20. Conversion to IFRS (continued)

(v) *Reconciliation between IFRS and Canadian GAAP (continued)*

The Canadian GAAP statement of cash flows for the year ended December 31, 2010 has been reconciled to IFRS as follows:

	Year ended December 31, 2010		
	Canadian GAAP	Effect of transition to IFRS	IFRS
Operating Activities			
Net loss and comprehensive loss for the year	\$ (624,681)	\$ (1,334,037)	\$ (1,958,718)
Adjustment for:			
Amortization	11,480	-	11,480
Write-off of mineral resource properties	95,590	(95,590)	-
Future tax recovery (note 20(iii)(a))	(114,375)	114,375	-
Income tax recovery (note 20(iii)(b))	-	(256,751)	(256,751)
Non-cash working capital items:			
Amounts receivable and other assets	890,228	-	890,228
Amounts payable and other liabilities	(337,148)	-	(337,148)
Net cash (used in) operating activities	(78,906)	(1,572,003)	(1,650,909)
Investing activities			
Acquisition of property and equipment	(36,093)	-	(36,093)
Mineral resource properties and exploration expenditures (note 20(iii)(a))	(1,572,003)	1,572,003	-
Net cash (used in) provided by investing activities	(1,608,096)	1,572,003	(36,093)
Financing activities			
Proceeds from issuance of shares and warrants, net of costs	2,018,013	-	2,018,013
Net cash provided by financing activities	2,018,013	-	2,018,013
Net change in cash	331,011	-	331,011
Cash, beginning of year	1,603,078	-	1,603,078
Cash, end of year	\$ 1,934,089	\$ -	\$ 1,934,089

21. Subsequent events

- (i) On April 1, 2011, the Company closed the non-brokered private placement of 4,000,000 flow-through common shares (the "Offering") at a price of \$0.26 per flow-through common share for aggregate proceeds of \$1,040,000. The Company paid a cash commission equal to 5% of certain gross proceeds of the Offering to participating registered dealers for an aggregate total of \$27,600.
- (ii) On May 2, 2011, the Company granted a total of 200,000 stock options to two officers of the Company. All options are exercisable at a price of \$0.24 per common share. The options vest immediately and expire in five years.